



Housing Issues

Status Report - Fall 2015

30 local associations

**BILD-GTA
Bluewater
Brantford
Chatham-Kent
Greater Dufferin
Durham Region
Grey-Bruce
Guelph & District
Haldimand-Norfolk
Haliburton County
Hamilton-Halton
Kingston
Lanark-Leeds
London
Niagara
North Bay & District
Greater Ottawa
Oxford County
Peterborough
& The Kawarthas
Quinte
Renfrew
Sarnia-Lambton
Seaway Valley
Simcoe County
St.Thomas-Elgin
Stratford & Area
Sudbury & District
Thunder Bay
Waterloo Region
Windsor Essex**



20 Upjohn Road, Suite 101
North York, Ontario M3B 2V9
416-443-1545 / 800-387-0109
Fax: 416-443-9982
info@ohba.ca
www.ohba.ca
@OntarioHBA

***“The Residential Construction Industry
is the Engine that
Drives Ontario’s Economy”***

Cover Photos:

1. Streetcar Developments
2. Design First Interior
3. Delta-Rae Homes

Back Cover Photos:

1. Empire Communities
2. Timberline Custom Homes
3. Freed Developments and Capital Developments
4. New Horizon Homes
5. Woodcastle Homes Ltd. - Old Muskoka

This document provides a status report on the major external provincial housing issues that are currently being addressed or monitored by the Ontario Home Builders' Association. This updates the previous status report prepared in Fall 2014.

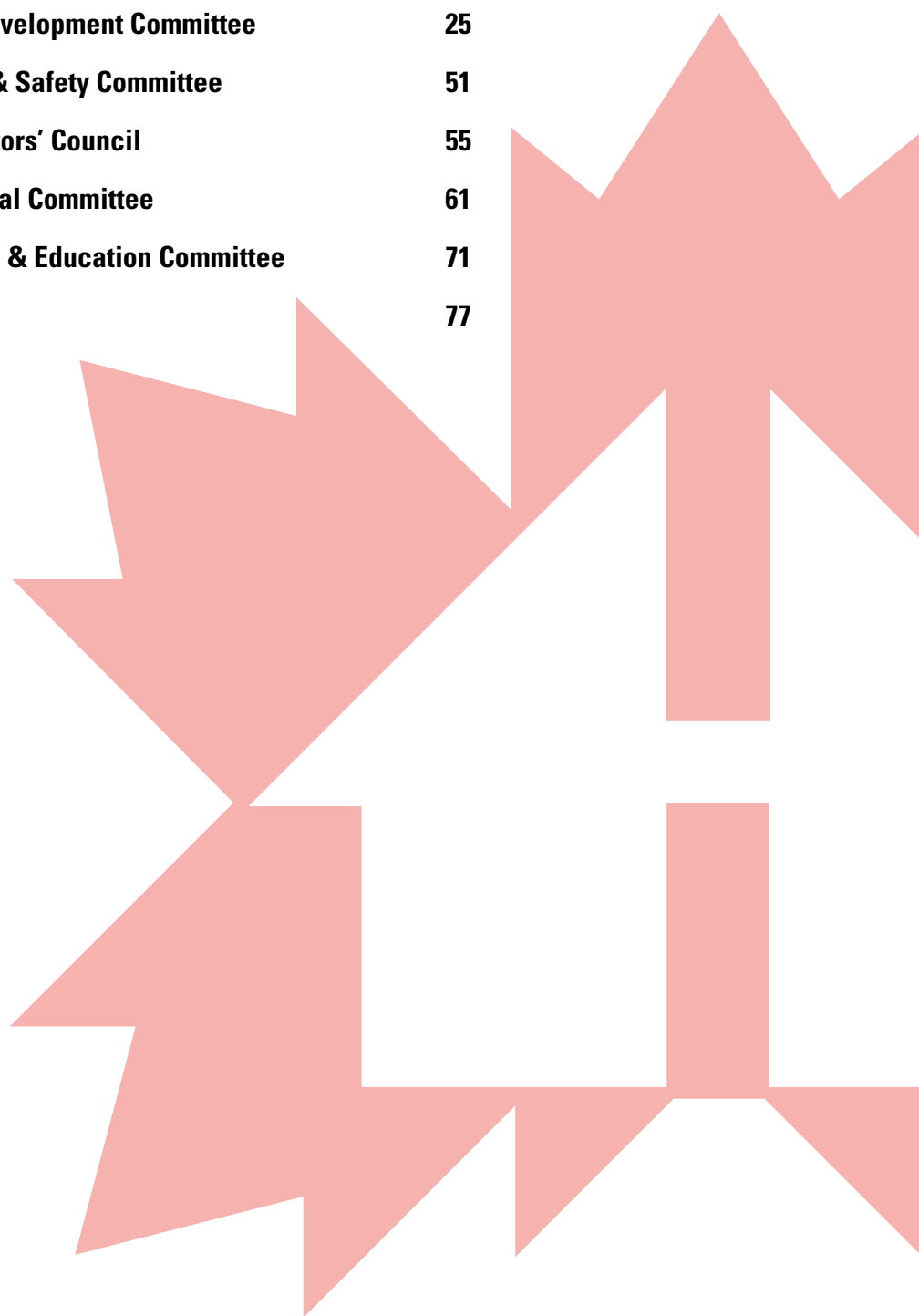
Each issue is described under the OHBA standing committee chiefly responsible for it. This status report is intended to provide members with a sense of the agendas of each of the various committees. The ordering of issues within the status report does not reflect their relative importance.

The Housing Issues Status Report was compiled by the OHBA staff. For further information contact Michael Collins-Williams, Director of Policy at 1-800-387-0109 or **mikecw@ohba.ca**.

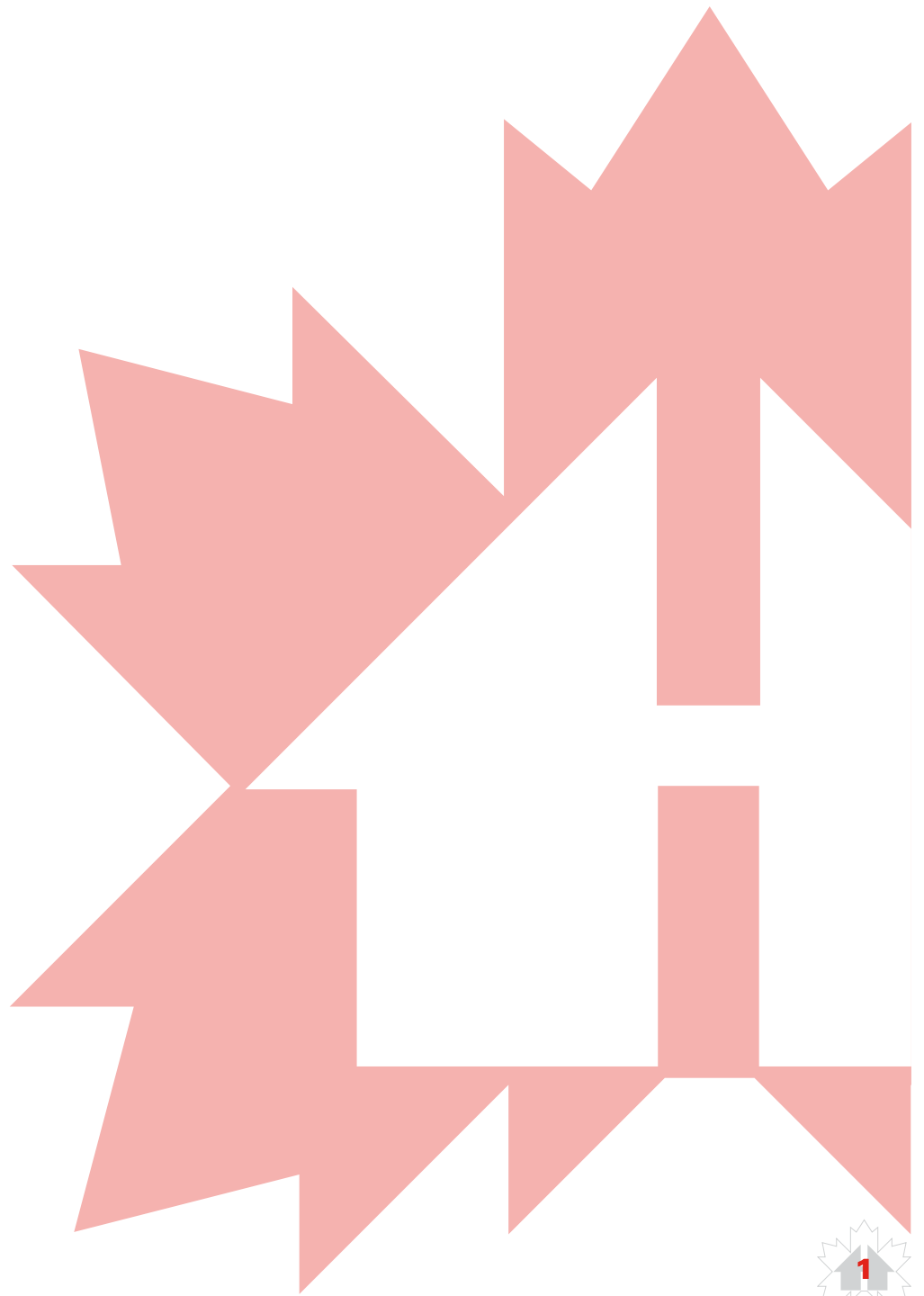
The Ontario Home Builders' Association is the voice of the new housing, land development, and professional renovation industry in Ontario. Its 4,000 member companies are organized into a network of 30 local associations involved in all facets of the new home construction and residential renovation industries. OHBA is committed to improving new housing affordability and choice for Ontario's new home purchasers and renovation consumers by positively impacting provincial legislation, regulation and policy that affect the industry

Table of Contents

Executive Committee	1
Economic Review Committee	5
EnerQuality Corporation	13
OHBA / TARIION Liaison Committee	17
Land Development Committee	25
Health & Safety Committee	51
Renovators' Council	55
Technical Committee	61
Training & Education Committee	71
Index	77



Executive Committee



The following issues are priority issues being handled by the OHBA Executive Committee that do not specifically fall under the mandates of the OHBA Standing Committees and Councils.

REVIEW OF THE COLLEGE OF TRADES

- As committed to in the 2014 election campaign platform, the government announced a review of the Ontario College of Trades (OCOT) in October 2014.
- The Review is led by Tony Dean, who was the Secretary of the Cabinet and Head of the Ontario Public Service. In 2010, Dean led a review of Ontario's *Occupational Health and Safety Act*.
- During the review of OCOT, there is no compulsory certification reviews. This means a review of the general carpenter trade, which includes renovators, is on hold. OHBA has been an active stakeholder group on this file and we will continue to take a leadership role in providing policy recommendations that promote careers in the skilled trades and increase apprenticeship opportunities.
- OHBA remains committed in our position to modernize the apprenticeship system – including: a 1-to-1 journey person-to-apprentice ratio, updating scopes of practice and avoiding duplication of enforcement.
- OHBA is working with other construction associations to advocate for solutions that will modernize the training and apprenticeship system to make Ontario a leader in skilled training outcomes in North America.
- OHBA, through our local associations, insisted the review of OCOT visit locations outside the GTA. The review visited Sarnia, London, Mississauga, Kingston, Ottawa, Thunder Bay and Sudbury. Over 50 OHBA members, representing 15 local associations, met with Dean across Ontario.
- The tour engaged our local network of home builder associations (HBAs) and demonstrated to Dean and the government the importance of our sector in training and apprenticeship.
- A report is due to be released shortly with recommendations anticipated for legislative, regulatory and policy changes to OCOT.

CONDOMINIUM ACT REVIEW

- Bill 106, *Protecting Condominium Owners Act, 2015* was tabled on May 27, 2015 by Hon. David Orazietti. The legislation is the result of three years of consultation with the public and industry stakeholders.
- OHBA continues to be an active participant throughout the process lending our considerable



expertise, experience and knowledge in the condominium sector.

- The consultation process has now completed and OHBA looks forward to working with government through the legislative and regulatory development process to ensure that changes to the Act ensure condo living remains an affordable housing option for Ontarians.
- OHBA submissions on the Condo Review are all available at www.ohba.ca.
- For more information visit: www.ontario.ca/condos.

APPRENTICESHIP RATIOS

- OCOT has completed the process of reviewing the journeyperson-to-apprentice ratio for all construction trades. In total, 14 trade ratios were reduced and one trade ratio increased as part of the review. These new ratios were made law through Ontario Regulation 104/14, Ratio of Journeypersons-to-Apprentices.
- OHBA was the most active stakeholder during the ratio review process and provided written and oral deputations for all trades involved in residential construction.
- While OHBA was pleased with the reduction in ratios, which will provide more opportunities for men and women to enter the trades, we continue to advocate for an **across the board 1:1 ratio for all construction trades**, consistent with our 2011 Resolution. This would position Ontario with a similar ratio structure as the majority of provinces.
- OCOT will be launching another round of journeyperson-to-apprentice ratio reviews in 2016. OHBA will again be advocating for a 1:1 ratio for all trades involved in residential construction.
- For more information on the College of Trades visit: www.collegeoftrades.ca

CONSTRUCTION LIEN ACT REFORM

- The Construction Lien Act (CLA) Consultation was initiated due to political pressure from “Prompt Payment” private members legislation introduced in previous legislative sessions.
- OHBA opposed Prompt Payment because it would have imposed rigid contract payment terms, onerous work verification procedures, penalties and intrusive financial disclosure requirements.
- The government announced in their 2014 election platform they would review the CLA.
- Bruce Reynolds has been appointed to lead the review and table recommendations to the government by December 31, 2015.
- Reynolds has released a consultation paper which requests feedback on issues related to

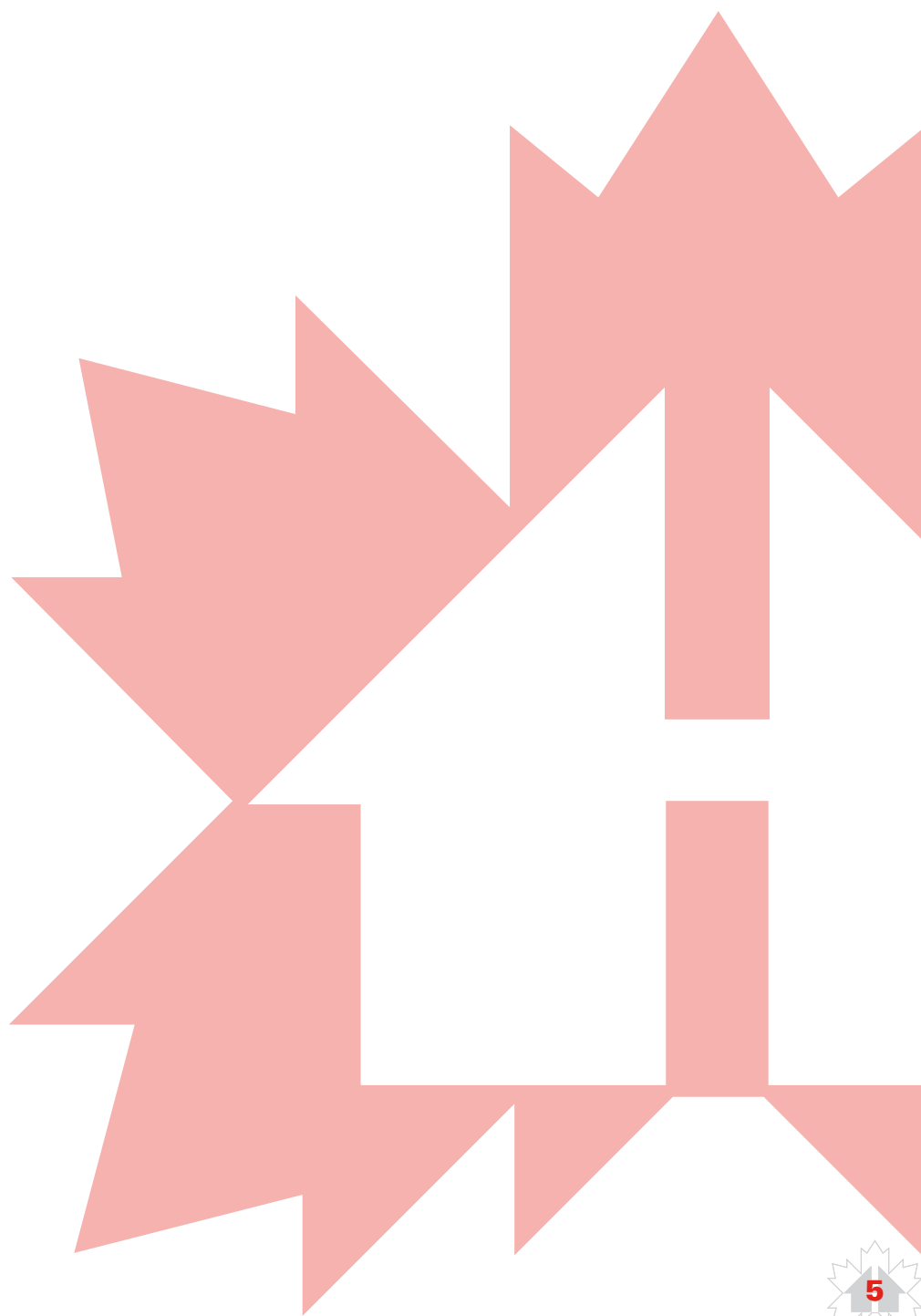


the holdback and substantial performance; preservation, perfection and expiry of liens and Prompt Payment.

- OHBA passed a resolution at its 2014 Annual Meeting of Members for the association to advocate that any changes to the *Construction Lien Act* must not make it more difficult for projects to be completed in a timely fashion, increase costly litigation or increase administrative burden on contractors.



Economic Review Committee

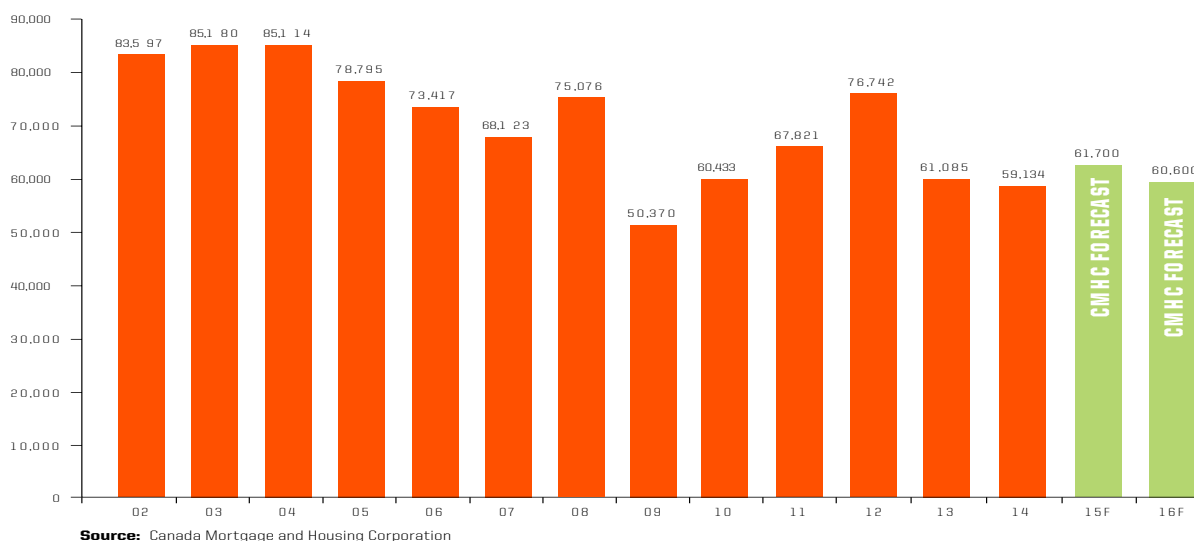


ECONOMIC IMPACT OF THE HOUSING SECTOR

- According to a report by the Altus Group, the impact of **10,000 new housing starts** on the economy:
- Generates **\$3.3 billion** in economic production across a broad array of industries – including:
 - **\$727 million** in manufacturing, and
 - **\$307 million** in the wholesale, retail, transportation and warehousing sectors.

MARKET CONDITIONS

ONTARIO HOUSING STARTS - 2002 - 2016 (F)



HOUSING MARKET

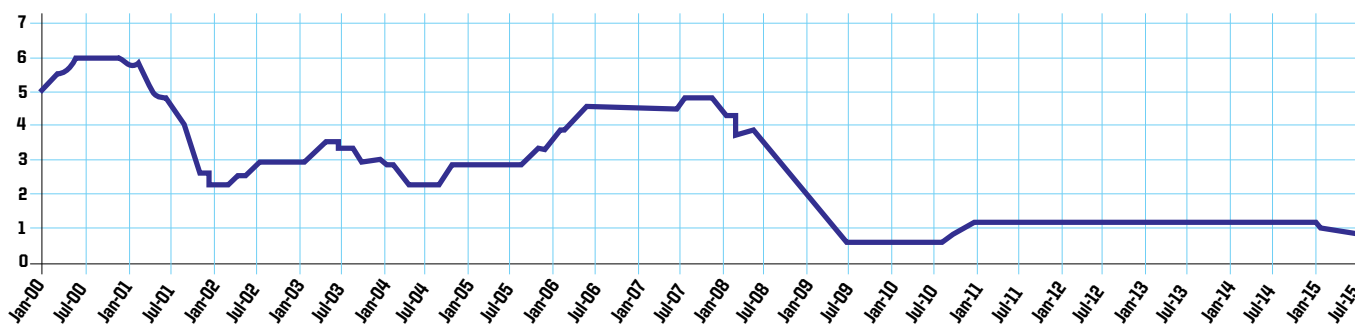
	2013	2014	2015F	2016F
Total Ontario Housing Starts	61,085	59,134	61,700	60,600
Single Detached Housing Starts	23,270	23,691	21,800	20,300
Multiple Unit Housing Starts	37,815	35,443	39,900	40,200
- Semi	3,116	2,742	2,540	2,350
- Row	9,427	9,975	10,000	10,000
- Apartment	25,272	22,726	27,360	27,850
Total MLS Sales	198,675	205,972	209,600	203,200
MLS Average Price	\$402,547	\$430,984	\$446,300	\$453,700

Source: Canada Mortgage and Housing Corporation



BANK OF CANADA

BANK RATE



Source: Bank of Canada

CONDOMINIUM MARKET

GTA CONDOMINIUM SALES

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
10,802	12,364	16,224	16,124	22,654	14,469	14,792	20,491	28,190	17,997	13,797	21,605

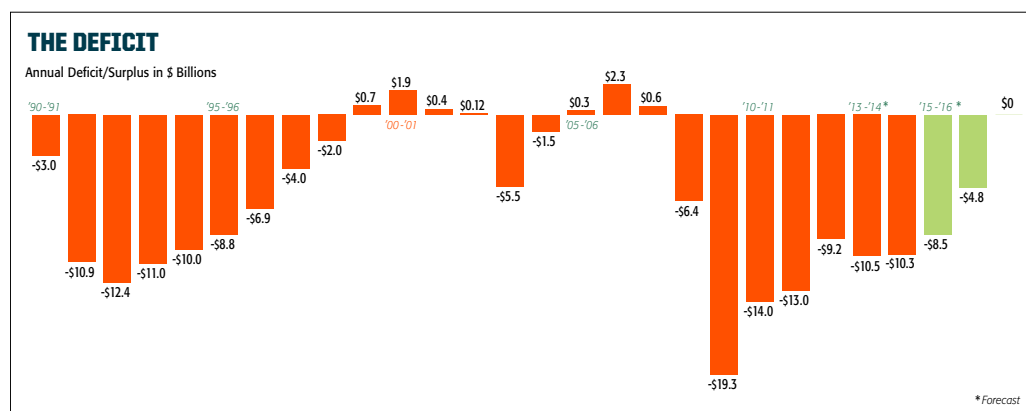
Source: Urbanation

ONTARIO PROVINCIAL BUDGET 2015

ONTARIO'S ECONOMIC OUTLOOK AT A GLANCE

	2011	2012	2013	2014	2015(F)	2016(F)
Real GDP Growth (%)	2.2	1.3	1.3	2.2	2.7	2.4
Unemployment (%)	7.8	7.8	7.6	7.3	6.9	6.7
CPI Inflation (%)	3.1	1.4	1.0	1.5	1.2	2.0
Net Migration	100,361	84,856	94,074	73,289	89,600	97,200
Budget (\$ Billions)	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Provincial Expenses	122.7	122.6	126.4	128.8	131.9	133
Provincial Revenues	109.8	113.4	115.7	118.5	124.4	129.4
Reserve	-	-	-	-	1.0	1.2
Surplus/(Deficit)	-13.0	-9.2	-10.5	-10.3	-8.5	-4.8

Source: Ontario MFIN, 2015 Ontario Budget, CMHC



Source: Urbanation



ONTARIO REGION ECONOMIC AND HOUSING INDICATORS

	Housing Data	2013	2014	2015F	2016F
Barrie	Single Starts	602	550	550	650
	Multiple Starts	289	598	550	490
	Total Starts	891	1,148	1,100	1,140
	MLS Sales	4,648	4,795	4,900	4,950
	MLS Avg Price	\$317,883	\$341,023	\$358,000	\$370,000
Greater Sudbury	Single Starts	208	172	150	150
	Multiple Starts	223	99	90	80
	Total Starts	431	271	240	230
	MLS Sales	2,308	2,156	2,050	1,980
	MLS Avg Price	\$245,307	\$249,961	\$245,200	\$244,800
Hamilton	Single Starts	1,159	1,153	1,130	1,120
	Multiple Starts	1,550	1,679	1,530	1,480
	Total Starts	2,709	2,832	2,660	2,600
	MLS Sales	13,471	14,324	14,000	13,400
	MLS Avg Price	\$383,892	\$406,366	\$422,500	435,000
Kingston	Single Starts	325	338	275	250
	Multiple Starts	531	334	535	395
	Total Starts	856	672	810	645
	MLS Sales	3,156	2,982	3,000	2,850
	MLS Avg Price	\$279,339	\$281,980	\$284,500	\$287,150
Kitchener - Waterloo	Single Starts	690	869	925	875
	Multiple Starts	1,150	3,581	2,000	2,000
	Total Starts	1,840	4,450	2,925	2,875
	MLS Sales	6,467	6,646	6,800	6,900
	MLS Avg Price	\$324,604	\$337,806	\$344,000	\$350,000
London	Single Starts	1,153	1,116	950	925
	Multiple Starts	1,101	867	1,140	1,280
	Total Starts	2,163	1,983	2,090	2,205
	MLS Sales	8,113	8,751	8,850	9,000
	MLS Avg Price	\$246,943	\$255,453	\$262,500	\$268,500
Oshawa	Single Starts	887	1,141	1,180	1,100
	Multiple Starts	497	530	945	775
	Total Starts	1,384	1,671	2,125	1,875
	MLS Sales	10,019	10,343	10,500	10,100
	MLS Avg Price	\$354,548	\$388,610	\$420,000	\$440,000
Ottawa	Single Starts	1,787	1,775	1,550	1,560
	Multiple Starts	4,773	3,987	3,460	3,650
	Total Starts	6,560	5,762	5,010	5,210
	MLS Sales	14,049	14,094	14,000	13,900
	MLS Avg Price	358,876	\$363,161	\$366,900	\$370,000
St. Catharines - Niagara	Single Starts	717	896	920	890
	Multiple Starts	506	583	590	580
	Total Starts	1,223	1,479	1,510	1,470
	MLS Sales	5,483	5,875	6,050	6,000
	MLS Avg Price	\$238,449	\$251,297	\$260,800	\$268,800
Toronto	Single Starts	9,421	8,830	7,700	7,000
	Multiple Starts	24,126	20,099	24,700	25,800
	Total Starts	33,547	28,929	32,400	32,800
	MLS Sales	88,946	93,278	93,400	90,000
	MLS Avg Price	\$524,089	\$566,491	\$595,000	605,000
Windsor	Single Starts	535	566	5225	525
	Multiple Starts	173	240	255	260
	Total Starts	708	806	780	785
	MLS Sales	5,341	5,332	5,700	5,900
	MLS Avg Price	\$179,820	\$187,283	\$192,500	\$197,500

Source: Canada Mortgage and Housing Corporation



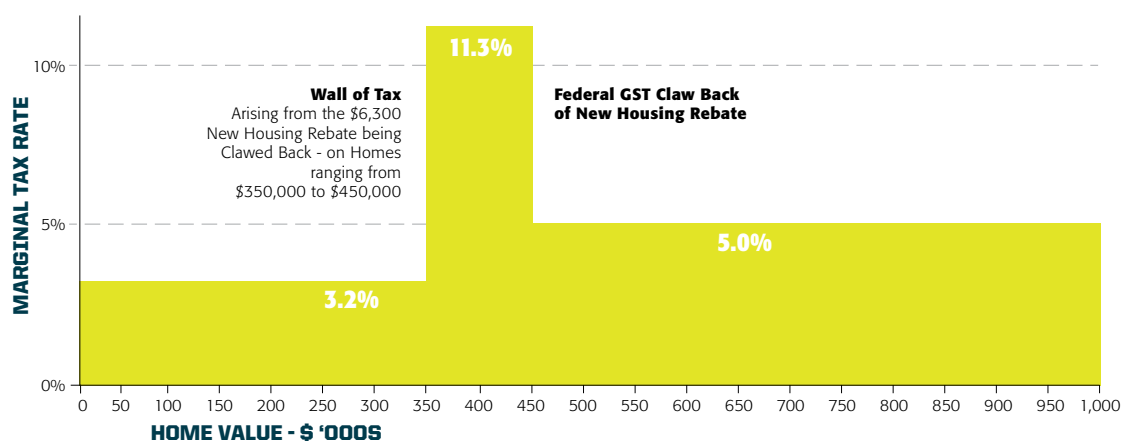
POPULATION GROWTH

- The 2011 census reported that Ontario's population grew 5.7 per cent from 12.16 million in 2006 to 12.85 million in 2011.
- During the 30-year period from 2011-2041, the population of the Greater Golden Horseshoe is expected to grow by almost 4.4 million people.

PROGRESSIVE GST REBATE FOR NEW HOUSING

- In 1991 the federal government promised to index the GST rebate thresholds. It never happened and 24 years later housing affordability is suffering across the country.
- Historical trends show that the failure to implement indexation by the federal government has led to a dramatically increased GST tax burden on new home buyers – more than doubling since the inception of the GST.

MARGINAL FEDERAL GST TAX RATE FOR NEW HOUSING



- Currently a new home under \$350,000 receives a GST rebate of 36 per cent of the GST. The rebate is phased out up to a \$450,000 threshold above which consumers pay the full 5 per cent GST. This regressive tax structure is harmful to housing affordability for new home buyers, renters and seniors and does not represent good public policy.

GST Tax Structure

New Home Price	\$350,000	\$400,000	\$450,000
GST - 5%	\$17,500	\$20,000	\$22,500
GST New Housing Rebate	\$6,300	\$3,150	-
Actual GST Payable	\$11,200	\$16,850	\$22,500
Actual GST as % of New Home Price	3.2%	4.21%	5%

Source: Canadian Home Builders' Association

- Between 1991, when the GST was introduced, and 2014, the Statistic's Canada New House Price Index has increased by more than 70 per cent. Had the GST New Housing Rebate thresholds been adjusted to take into account this increase in new house prices, the thresholds in 2011 would be roughly \$600,000 and \$770,000.
- Vancouver and Toronto are Canada's highest priced housing markets. In 1991, 75 per cent (Vancouver) and 67 per cent (Toronto) of single and semi completions qualified for the full rebate versus zero per cent (Vancouver) and four per cent (Toronto) in 2014.

GST COLLECTED FROM NEW HOUSING SALES, CENSUS DATA, 1991 AND 2006

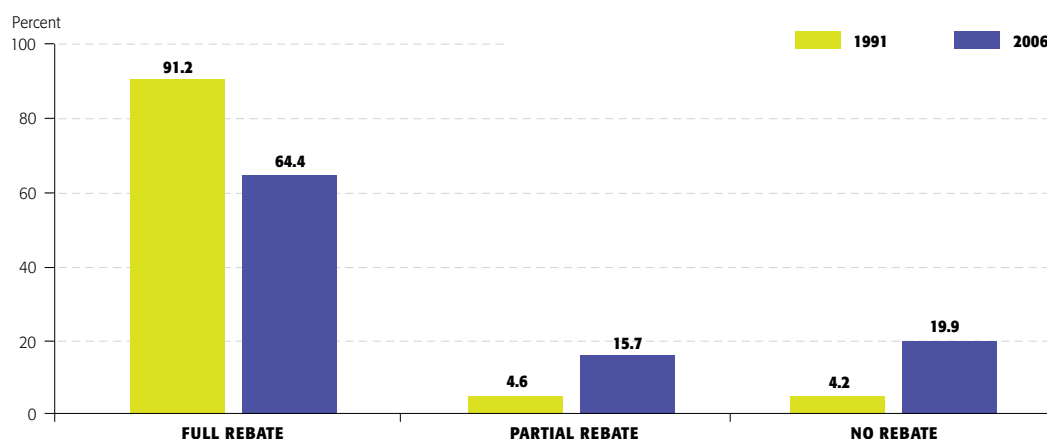
	1991	2006	Percentage Change
New Housing (Units)*	166,227	173,472	4%
Median New Housing Price (\$)	162,500	295,000	82%
Total GST Collected (\$ Millions)	1,588	3,400	114%

*Average annual units based on total newly-built, owner occupied housing units during the census period.

Source: Altus Group

- Due to the provincial enhancements to the HST structure the federal government should implement a progressive GST structure that is harmonized with the progressive provincial tax structure. **OHBA passed a resolution** to this effect at its AMM on September 21, 2009.
- On October 25, 2009, **CHBA passed a resolution** for the federal government to adopt a GST rebate modelled on the progressive HST tax structure in Ontario.

Percentage of New Home Buyers Qualified for the GST New Housing Rebate Program, Census Data, 1991 and 2006



Source: Altus Group

RENOVATION MARKET

ECONOMIC IMPACTS OF RESIDENTIAL RENOVATION ACTIVITY IN ONTARIO

Year	2012	2013	2014
Value of Construction (\$ Millions)	\$23,200	\$24,291	\$26,100
Jobs Created (Total Person Years)	172,100	\$182,100	\$174,500
Total Wages Generated (\$ Millions)	\$9,100	\$9,900	\$9,600

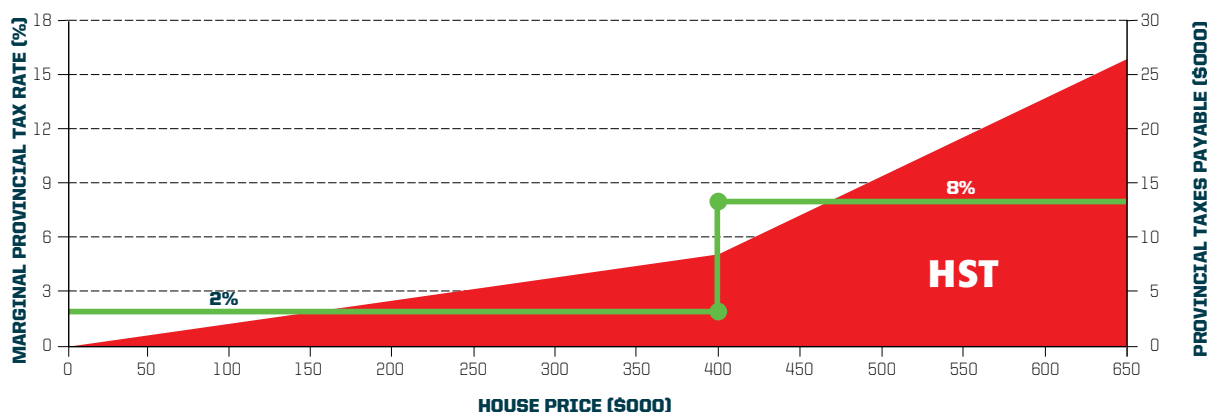
Source: Estimates by Will Dunning Inc.



SALES TAX HARMONIZATION

- The enhanced Ontario New Housing Rebate provided an estimated \$930 million in targeted HST relief to new home buyers in 2013 according to the Ontario *Transparency in Taxation, 2014* report.
- Since the HST came into effect in July 2010, the **Ontario New Housing Rebate has provided approximately \$5 billion in targeted HST relief to new home buyers.**
- Tax Structure:
 - A 2 per cent flat tax is applied to the sale price of a new home up to a \$400,000 threshold;
 - An 8 per cent sales tax is applied to the incremental sale price of a new home above the \$400,000 threshold;
 - A maximum rebate of up to \$24,000 is available to new home buyers;

TOTAL PROVINCIAL TAXES AND MARGINAL TAX RATE ON NEW HOUSING UNDER REVISED HST PROPOSAL



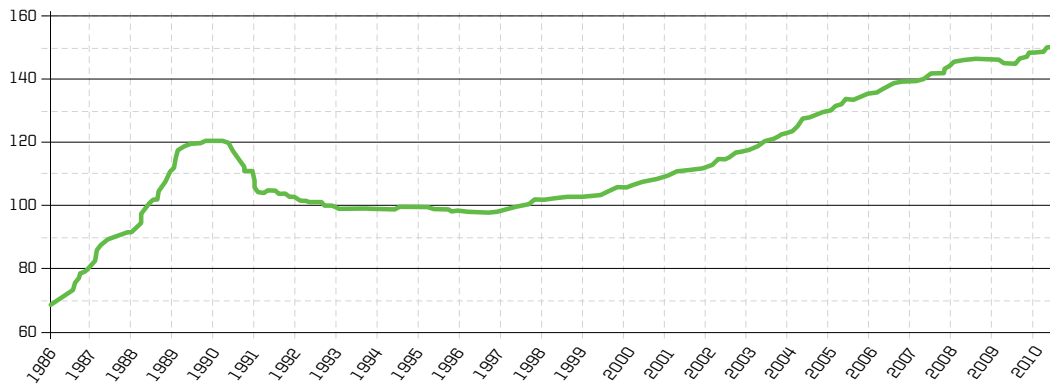
Source: Ontario Home Builders' Association

HST THRESHOLD REVIEW

- **OHBA is supportive of the progressive tax structure** that protects housing affordability by maintaining a 2 per cent sales tax on the first \$400,000 of a new home and levies additional taxes on the incremental value over \$400,000.
- However, Ontario housing prices tend to rise over time. From 2000 to 2011, the new housing price index has increased some 44.3 per cent, compared with general inflation that rose by 26.3 per cent and median family income which advanced by 20.3 per cent.

NEW HOUSING PRICES IN ONTARIO, 1966-2010

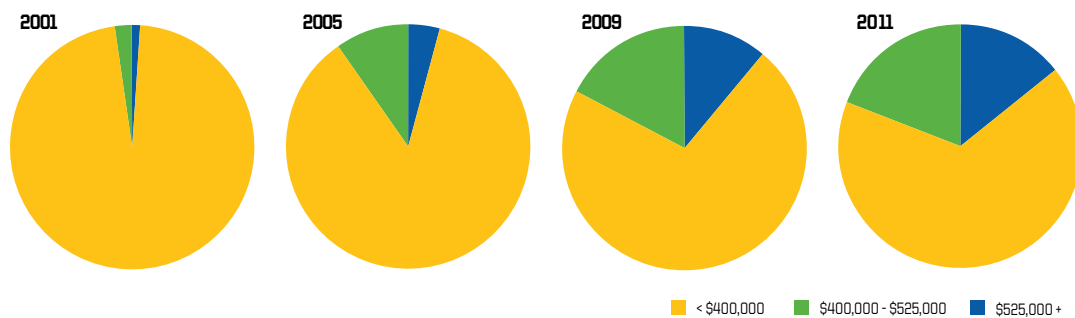
New Housing Price Index (1997 = 100)



Source: Atlas Group

- As a result of faster housing price appreciation, an ever-growing share of new homes are valued at the high-end of the price range and a large number of households purchasing homes valued above \$400,000 are middle income families.

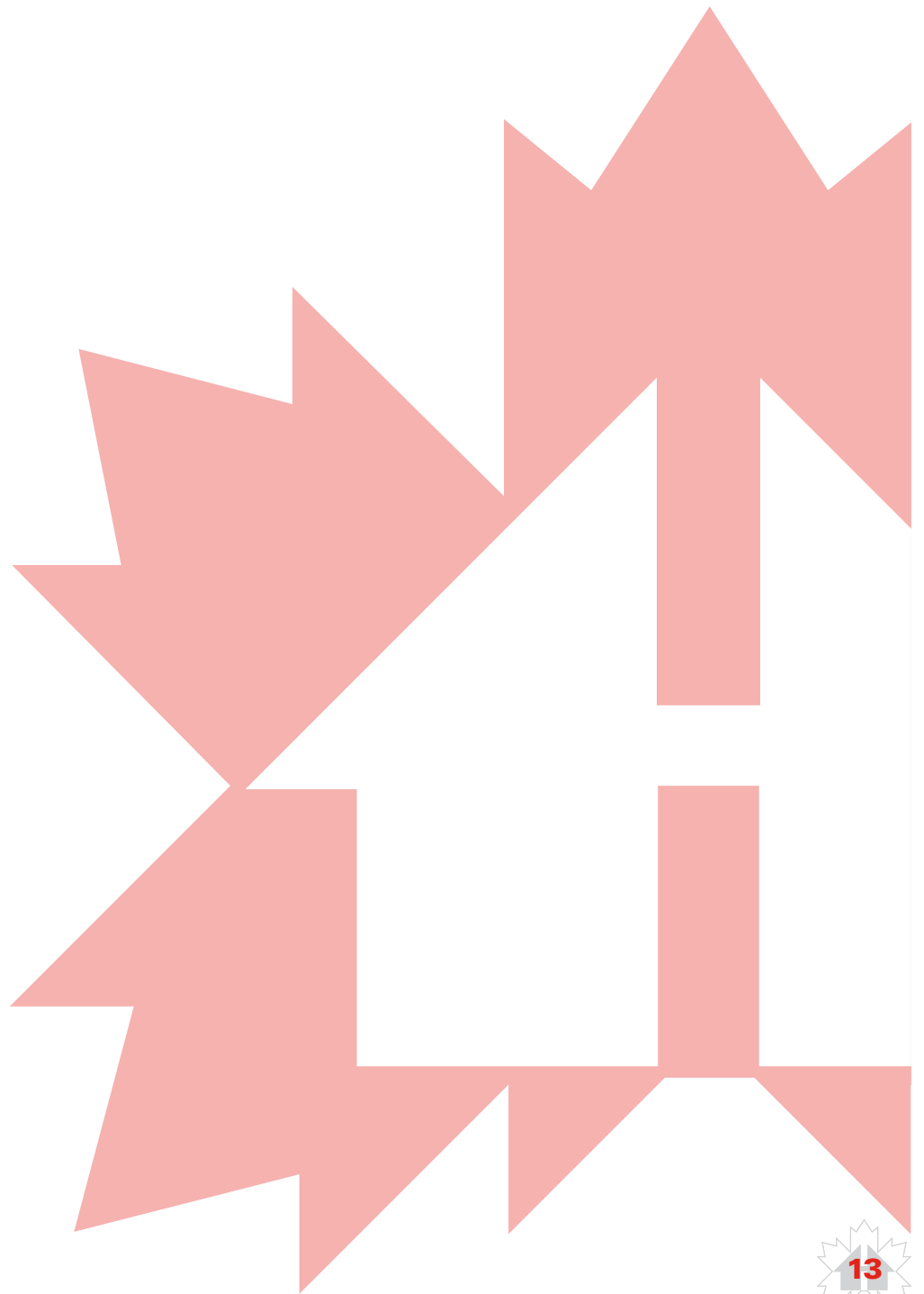
DISTRIBUTION OF NEW HOUSING UNITS BY PRICE RANGE, ONTARIO



Source: Altus Group Economic Consulting based on data from Tarion Warranty Corporation

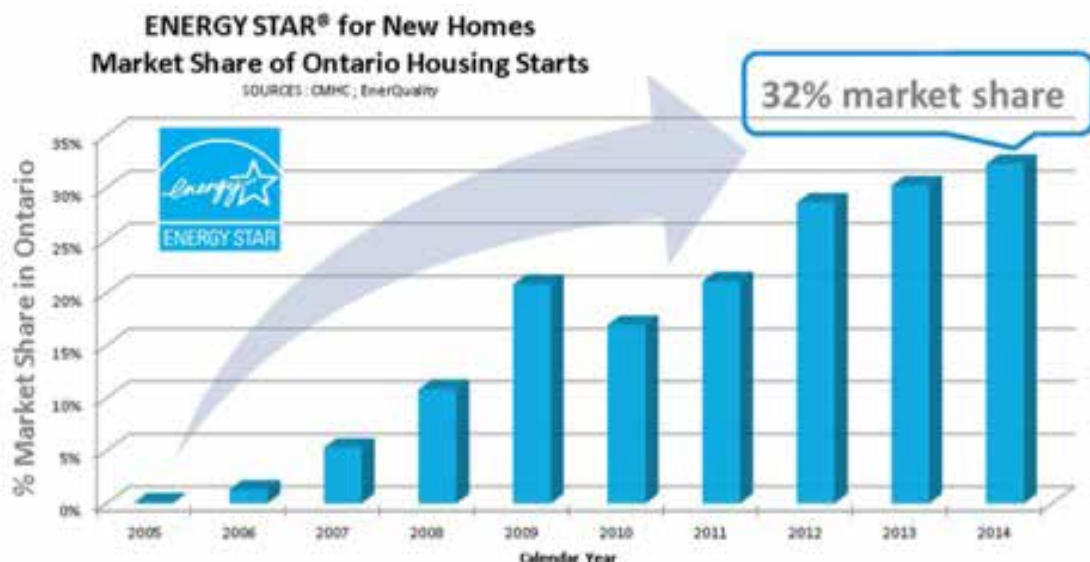
- Over time, the rebate threshold will inevitably become too low to reflect the purpose of the rebate – to guarantee tax neutrality for most low and modest income new home buyers. In light of this issue, the threshold should be reviewed on a regular basis.
- OHBA supports a regular review of the threshold to reflect increases to average new home prices** to maintain tax neutrality and improve housing affordability for the majority of middle class Ontario new home buyers.

EnerQuality Corporation



ENERQUALITY

- EnerQuality is the #1 Certifier of Energy Efficiency Homes in Canada and designs and delivers green building programs to the residential construction industry.
- Founded in 1998 as a partnership between the Canadian Energy Efficiency Alliance (CEEA) and the Ontario Home Builders' Association (OHBA).
- EnerQuality's mission is to accelerate housing innovation to improve building performance. The mandate is to support home builders to deliver a better product in order to satisfy consumer expectations and meet regulatory requirements, in line with emerging market trends such as energy efficiency, intensification and other building code requirements.
- EnerQuality's programs are voluntary and market-based designed to support innovation and improve building performance.
- EnerQuality proudly celebrated the 10th Anniversary of ENERGY STAR for New Homes – Canada's most successful green building program.
- EnerQuality will be celebrating the next generation of energy efficiency programs at the upcoming EQ Housing & Innovation Forum (Feb 25, 2016) in Toronto. More information can be found at www.enerquality.ca.
- With 15 years of experience delivering green building education, EnerQuality is pleased to offer Net Zero ready builder training as part of the incoming Canadian Home Builders' Association (CHBA) Net Zero Energy Labelling Program.



PROGRAMS



ENERGY STAR® for New Homes

ENERGY STAR for New Homes was launched in 2005. ENERGY STAR qualified homes are approximately 20 per cent more energy efficient than those built to the minimum Ontario Building Code. Since 2005, over 750 builders have participated in the program enrolling more than 77,000 homes and certifying over 60,000. In 2014, EnerQuality certified 32 per cent of all houses built in Ontario to the ENERGY STAR standard.



GreenHouse™ Certified Construction

GreenHouse Certified Construction was launched in 2008 to compliment ENERGY STAR for New Homes. Made-in-Ontario, GreenHouse incorporates water conservation, indoor air quality, and material and waste management credits on top of its core energy requirements. Innovative builders now have a tool to address these other green building metrics by dual-labelling their homes ENERGY STAR and GreenHouse.



Green Renovator Project™

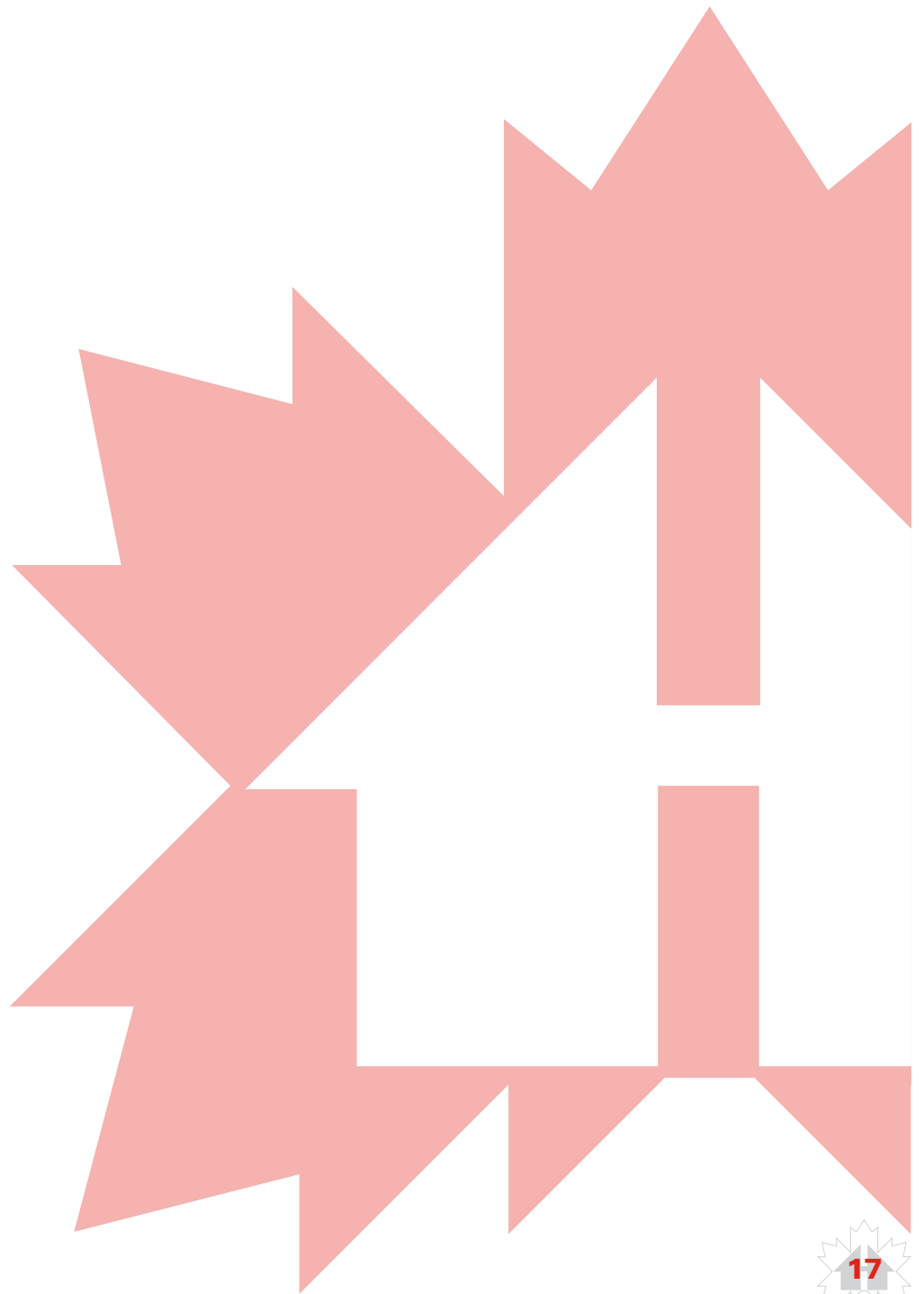
The Green Renovator Project trains general contractors to incorporate best practices in green building into their renovation projects. Certified Green Renovators are equipped with a recognized credential to differentiate their firms based on green building expertise and the knowledge to work with their clients to make smart choices when it comes to energy, water and materials/waste.



R-2000 / Net Zero Energy Homes **NEW!**

R-2000-qualified homes enjoy the best of all worlds: advanced building technology, energy savings, protected indoor air quality, and a low environmental footprint. Since its introduction over 25 years ago, the R-2000 Standard has become a benchmark for energy-efficient new home building in Canada. Started in 2014 and launching in 2015, EnerQuality will certify Net Zero Ready (NZR) and Net Zero Energy (NZE) labelled homes based on an enhanced R-2000 standard developed by CHBA Net Zero Council.

OHBA/Tarion Liaison Committee



ILLEGAL BUILDING

- The *Good Government Act, 2009*, which contained amendments to the *Building Code Act, 1992* was passed in December 2009. The amendments required municipal building officials to give Tarion prescribed information relating to building permits, for all permits issued on or after January 1, 2011. Municipalities have 45 days after a permit has been issued to provide the prescribed information to Tarion, which includes:
 - Date the permit is issued; and
 - Information contained in the application form (other than the information contained in the schedules or other attachments to the application forms).

More information pertaining to the specific legislative requirements for permit information sharing can be found on the Ministry of Municipal Affairs and Housing's website:

www.mah.gov.on.ca

- OHBA and local HBAs continue to work with Tarion and the media to increase awareness and highlight that illegal building puts homeowners at risk, hurts the reputation of the industry and is harmful to the local economy.
- Both Tarion (**1-800-786-6497**) and WSIB (**1-888-745-3237**) have established hotlines to report illegal activity anonymously.
- Under the Ontario Budget 2014, the province proposed to address the problem of illegal residential building which may include legislative and regulatory changes.
- On September 28, 2014, OHBA passed a resolution to work with Tarion to design a model that is not onerous to existing Tarion registered vendor/builders and building officials and to amend the *Building Code Act* to permit Tarion to determine if an applicant is a registered vendor/builder or is legitimately an owner-builder.
- Tarion, in partnership with the OHBA and the Ontario Building Officials Association (OBOA), launched an Illegal Building Prevention Strategy to protect new home buyers from the dangers of illegal building in six municipalities in Ontario: Barrie, Sarnia, Middlesex Centre, Belleville, Sudbury and Niagara Falls. As of July 1, 2015, under the pilot project, an applicant for a building permit who claims to be an owner/builder would have to obtain a Letter of Confirmation confirming that they are exempt from the warranty program, issued by Tarion to the Chief Building Official (CBO) of the municipality. If the applicant does not have a Letter of Confirmation, the municipality will not issue a building permit. As a result of the pilot project's success, the pilot has been extended to December 2015 and will include additional municipalities. OHBA supports the pilot project to combat illegal building and will continue to be an active stakeholder during this pilot process.
- Tarion, OHBA and OBOA are working to explore a regulatory change with the Ministry of Municipal Affairs and Housing with respect to the building permit application process to prevent illegal building before it starts.

BUILDER BULLETIN 19 (CONDOMINIUM PROJECTS: DESIGN AND FIELD REVIEW REPORTING)

- As a result of the Ontario Building Code amendments effective January 1, 2015 that permit wood-frame buildings up to six storeys high (raising the current limit from four storeys), Tarion has updated Builder Bulletin 19 in order to accommodate the new building practice.

BUILDER BULLETIN 20 (HOW CHARGEABILITY IS DETERMINED AND APPLIED)

- In October 2013, Tarion published a revised Builder Bulletin #20 (BB20), *Chargeable Conciliations* (effective October 31, 2013) that outlined the rules and guidelines in connection with chargeable conciliations, including disclosure on Tarion's website of chargeable conciliations.
- In June 2014, Tarion launched a public consultation on BB20. Consultations included industry roundtable discussions in Hamilton, Sudbury and the GTA. OHBA and BILD submitted letters that contained a summary of comments raised between the initial release of the revised BB20 to the time of the public consultation.
- On March 9, 2015, Tarion held a BB20 Post-Consultation Brief with stakeholders who submitted feedback under the public consultation process. Tarion provided stakeholders with a draft copy of the revised BB20. In response to substantial changes contained in the draft document, OHBA and BILD identified, in writing, over 20 items related to BB20 that required further attention.
- In June 2015, Tarion published a revised BB20, effective July 1, 2015. Based on stakeholder input, Tarion undertook a plain language review of the bulletin and added more clarity around the chargeability process. The revisions included:
 - o Clarification of each parties' role and responsibilities;
 - o Notice period for repairs changed from 24 hours to two business days; and
 - o Introduction of a formal Early Intervention Process that can be voluntarily initiated by either the homeowner or the builder, during the builder repair periods, if they are having trouble communicating or resolving warranty issues.
- Tarion's homeowner information package (HIP) has been updated to reflect the revised BB20, including the early intervention process and party responsibilities.

BUILDER BULLETIN 28 (TARION REQUIREMENTS FOR RECEIPT AND RELEASE OF SECURITY)

- Six regional Builder Bulletin 28 (BB28) roundtables were conducted from January to March 2015 to gain broad industry feedback. The common feedback received from builders was to have separate versions of BB28 for condo and freehold construction.
- Tarion will be seeking Tarion Board approval for the 2016 consultation plan on the draft BB28 and the proposed security model.

BUILDER EDUCATION TASK FORCE (BETF)

- On February 9, 2012, Tarion's Board of Directors approved the *Builder Core Competency Consultation Paper* to receive feedback on a proposal to enhance Tarion's registration requirements. The Board's Builder Education Task Force (BETF) developed this consultation paper, to help focus the policy discussion on how Tarion can better fulfill its mandate to inform and educate new builders. Consultation closed at end of June 2012.
- Initially the BETF was asked to develop a vision for a home builder education program. It was determined that enhancing registration requirements for new applicants and introducing new renewal requirements on core competencies for existing registrants was the ideal way for Tarion to fulfill registration requirements and to set the bar for professionalism in the industry.
- Through this policy discussion, Tarion would determine:
 1. If and how it should enhance its current registration process to include an evaluation of a builder's core competencies; and
 2. How Tarion might ensure that all builders stay current in their knowledge.
- Tarion launched a subsequent consultation in summer 2013 to discuss program implementation. Tarion consulted with existing builders, new applicant builders, various other stakeholder groups and industry associations across the province.
- As of Sept. 1, 2015, Tarion phased in new education criteria for all new, non-registered builders as a condition of earning a Tarion license in Ontario. The new educational requirements for new, non-registered builders will be implemented in two phases:
 - Phase one (Sept. 1, 2015): New builders registering on or after that date must attain the core competencies prior to their next renewal.
 - Phase two (Sept. 1, 2016): Achieving the core competencies will be a pre-requisite for registration.

PERFORMANCE-BASED PRICING

- A task-force was been established by the Tarion Board of Directors to develop a proposal for performance-based pricing. The initial consultation on the policy proposal was completed in July 2012.
- The principle behind performance-based pricing is that the enrolment fees paid by a vendor/builder would be affected by their long-term performance with Tarion, and that a vendor/builder's rating would be publicly disclosed on Tarion's website.
- The proposed rating system will be based on three components:
 - o Tenure;
 - o Claims history; and
 - o Chargeable conciliation history.
- Tarion has been preparing trial scores based on four years of history, and will deliver these to builders in early 2014. This will give vendor/builders an opportunity to prepare themselves for what their scores would actually look like when the program starts in 2015. They can also provide feedback to Tarion on the model, once they see how scores will actually be computed.
- Starting January 2016, Tarion plans on making the official builder ratings publicly available, giving home buyers additional information to use in choosing the right builder.

REPAIR WARRANTIES AND REPAIR AGREEMENT

- The Tarion Board approved consultation on repair warranty and repair agreement. Currently, the general practice of repair warranty falls outside of the statutory warranty and is unenforceable by Tarion. Tarion is proposing to formalize a policy on repair warranty.
- OHBA established a Repair Warranty sub-committee to identify the issues related to repair warranties and repair agreements. With input from the OHBA Board and Executive and the BILD Builders' Council, this sub-committee prepared a submission containing a set of guiding principles and key recommendations for discussion with Tarion.

MAJOR STRUCTURAL DEFECT (MSD) WARRANTY CONSULTATION

- OHBA has been opposed to Tarion's shift in liability responsibility since it was first proposed in 2009. However, Tarion approved a MSD policy making the builders solely responsible for the long-term, seven-year MSD warranty.
- Tarion conducted a final public consultation (on the regulations specifically) in January 2012.

- OHBA again voiced its opposition to the MSD policy change and provided detailed recommendations to the revised definition and regulation proposals.
- Builders are not solely responsible for the MSD warranty. OHBA successfully improved the original policy (that would have shifted responsibility solely to builders) to a policy that satisfies Tarion's objectives through co-share payments for the MSD warranty.
- In combination with the discussions on a revised MSD definition, Tarion has reviewed the structure and processes behind the Builder Arbitration Forum (BAF) to give builders a more effective means to dispute warranty and MSD-related issues. A separate public consultation for the BAF review was issued which OHBA made additional comments on April 2012.
- The MSD liability shift came into effect on July 1, 2012.

TARION CONSTRUCTION PERFORMANCE GUIDELINES REVIEW

- Tarion established a working group to review and recommend changes to the 2003 Edition of the Construction Performance Guidelines (CPG).
- The working group reviewed over 160 requests for revisions to existing CPG items and drafted proposals for new items not covered in the previous edition based on suggestions from Tarion staff, builders and other stakeholders.
- Tarion conducted a public consultation on the proposed items in late 2010.
- The new revised CPG came into effect January 1, 2013 for any conciliation taking place after the implementation date.
- Tarion has completed work and consultation on a Common Element-CPG for condominium projects. This version of the CPG applies to the common element items in a condominium project only and not to individual suites.
- The Common Element-CPG was posted in October 2012 and came into force at that time.

WARRANTY PROTECTION FOR CONDOMINIUM CONVERSIONS

- o In April 2013, Tarion announced that it is studying the feasibility of providing warranty coverage for condominium conversions.
- o As the Tarion warranty program was conceived as a new home protection plan, Tarion, at present, cannot provide warranty protection for such conversion projects.
- o Given the unique nature of most condo conversions, these projects present additional challenges for warranty coverage and a significant financial risk.

TARION INDUSTRY DATA

TARION INDUSTRY DATA

	2006	2007	2008	2009	2010	2011	2012	2013	2014
	Dec YTD	Dec YTD	Dec YTD	Dec YTD	Dec YTD	Dec. YTD	Dec. YTD	Dec. YTD	Dec. YTD
New Home Enrolments	62,408	66,958	61,320	47,649	52,531	58,610	60,932	51,506	49,890
New Homes Under Warranty (a)	458,082	459,725	457,111	434,296	418,020	399,527	382,628	371,535	365,392
Avg Sale Price - Freehold	\$331,710	\$353,135	\$365,084	\$376,828	\$380,414	\$415,619	\$436,953	\$446,322	\$463,318
Avg Sale Price - Low-rise Condo	\$241,799	\$252,232	\$280,746	\$274,489	\$260,961	\$268,190	\$279,368	\$301,015	\$347,520
Avg Sale Price - High-rise Condo	\$257,140	\$330,235	\$363,121	\$363,733	\$348,253	\$343,658	\$357,806	\$348,914	\$371,852
Registered builders/vendors	5,777	5,809	5,840	5,517	5,390	5,397	5,403	5,396	5,400
License refusal/revocations	79	99	113	94	48	29	28	37	28

TARION Enforcement Activity

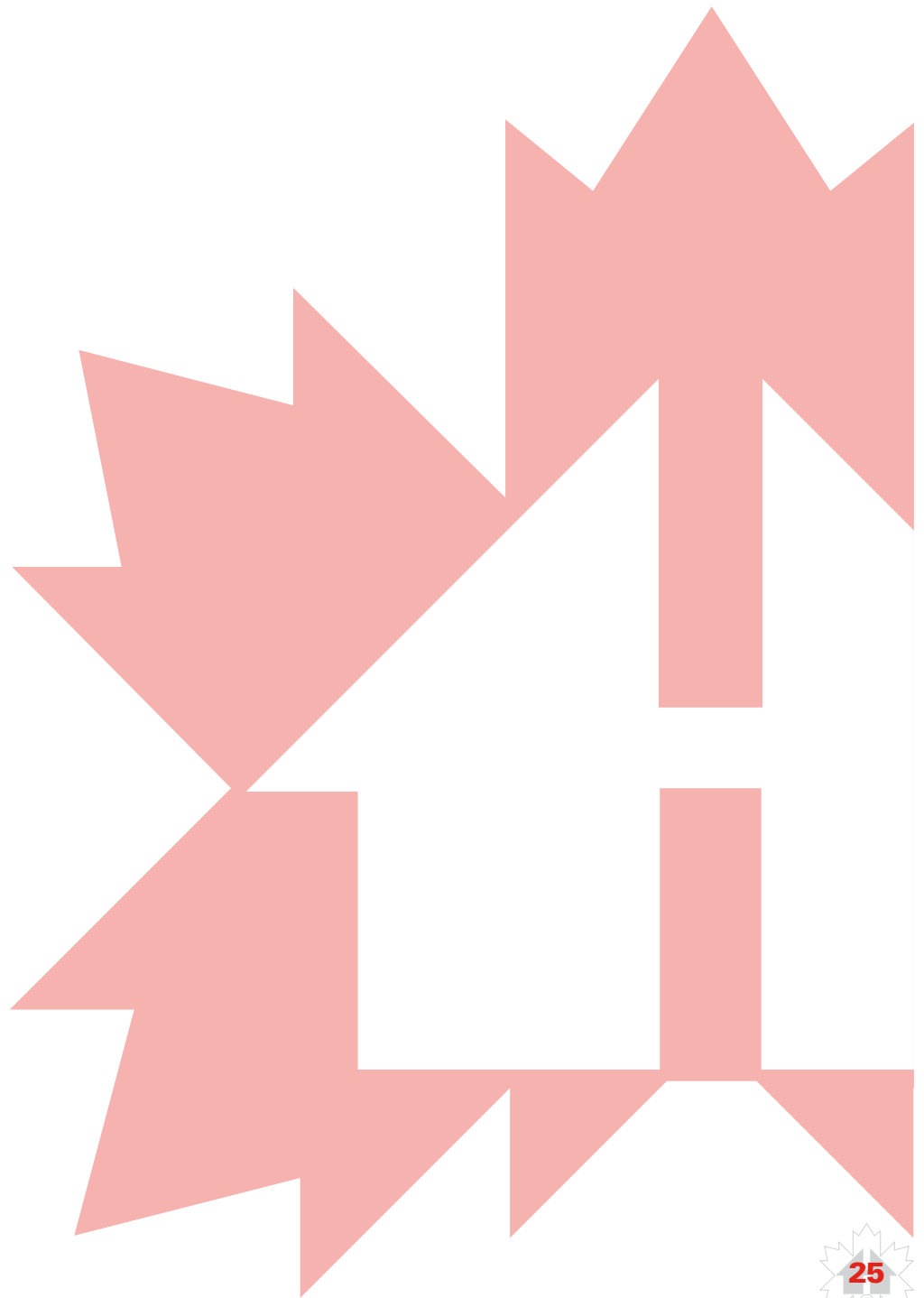
	2006	2007	2008	2009	2010	2011	2012	2013	2014
	Dec YTD	Dec YTD	Dec YTD	Dec YTD	Dec YTD	Dec. YTD	Dec. YTD	Dec. YTD	Dec. YTD
Investigations	759	449	601	419	354	157	324	388	339
Charges Laid	364	592	583	353	154	71	147	227	233
Convictions	218	320	379	241	184	84	69	83	193
Fines Levied	\$674,000	\$616,000	\$851,000	\$1,040,000	\$345,000	\$128,000	\$211,000	\$263,000	\$413,000
Probation Orders	0	0	0	0	0	0	0	0	0
Jail Sentences	1	3	0	2	0	0	0	0	0
Fees Recovered (b)	\$2.0	\$0.7	\$0.6	\$0.4	\$1.1	\$0.2	\$0.07	\$0.214	\$0.02
	million	million	million	million	million	million	million	million	million

Notes:

(a) Numbers of Homes under warranty are updated based on the most recent available data.

(b) Please note that starting in 2007, fees recovered (basically enrolment fees and registration fees) have declined relative to prior years because the follow up activity associated with illegal building activity by registered builders is now primarily done by staff in the Builder Relations department and not through investigations by Enforcement.

Land Development Committee



BROWNFIELDS

- A package of amendments to Brownfields Regulations (O. Reg 153/04) for Records of Site Condition was approved in 2009 along with technical amendments in 2011.
- Amendments to O.Reg 153/04 addressed the following areas:
 - Enhanced Record of Site Condition integrity;
 - A 'modified generic' streamlined risk assessment; and
 - Strengthened standards.
- **OHBA is supportive** of the Ontario Real Estate Association's (OREA) proposal that the provincial government amend O. Reg 282/98 of the *Assessment Act* by adding a new property tax class for brownfield properties that are "under remediation".
- On September 22, 2014, at the OHBA AMM, two Brownfield **resolutions were passed** requesting the Ministry of Environment and Climate Change to:
 - o Provide an exemption to the *Environmental Protection Act* and Ontario Regulation 153/04 for temporary roads; and
 - o Make improvements to O. Reg 153/04 with respect to Records of Site Condition to enhance the ability of Qualified Persons to interpret O. Reg 153/04 to support Brownfield development.

CLIMATE CHANGE

- The Ministry of Environment and Climate Change released a climate change discussion paper for comment in February 2015 (EBR 012-3452).
- OHBA made a submission in March 2015 with a number of recommendations ranging from supporting intensification through pre-zoning, mandatory home energy audits on resale and an energy-efficient targeted home renovation tax credit (available at www.ohba.ca).
- The Ministry has engaged OHBA on cap & trade discussions as well as OHBA supported mandatory home-energy labelling on resale.



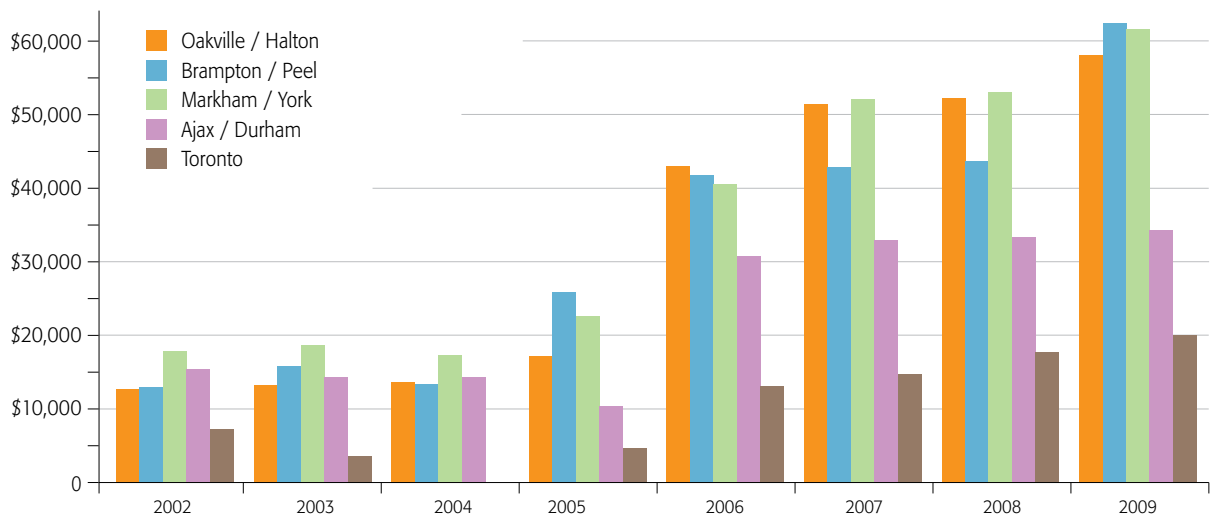
CONSERVATION AUTHORITIES (CA)

- OHBA supported the development of a Policies and Procedures for Conservation Authority Plan Review and Permitting Activities which was released in 2010 and facilitated streamlining of the CA permit review by:
 - the establishment of complete application requirements;
 - the establishment of decision-making timelines; and
 - granting applicants the right to appeal a non-decision of a CA.
- OHBA supported amendments in 2010 to Ontario Regulation 97/04 to simplify and streamline the Conservation Authority permitting process that:
 - Enable delegation of positive permit decisions to conservation authority staff;
 - Extend the maximum period of validity of a permit from 24 to 60 months.
- In August 2015, the Ministry of Natural Resources and Forestry (MNRF) has initiated a review of the *Conservation Authorities Act* and released a discussion paper focused on three areas:
 - ❖ Governance ❖ Funding Mechanisms ❖ Roles & Responsibilities
- OHBA participated in MNRF consultations on September 14th and 22nd and hosted a consultation for members on October 6, 2015.
- **OHBA passed a resolution in September 2015 at its AMM requesting** improvements to the inadequate appeals process for fees and permit decisions.
- OHBA recommends that the *Conservation Authorities Act* be included in the schedule in the *Consolidated Hearings Act* to enhance accountability and transparency through independent third party appeals for planning and permitting roles as well as fee schedules.
- OHBA responded to the consultation and submitted recommendations to the Ministry in October 2015 (EBR 012-4509).

DEVELOPMENT CHARGES ACT

- **OHBA is opposed** to amendments to the *Development Charges Act* that would undermine housing affordability and impose additional costs on new neighbours to create infrastructure assets that clearly benefit the whole community.
- An Altus study of GTA municipalities conducted in 2013 found that since 2004, for the municipalities studied, Development Charges (DCs) have increased between 143 per cent and 357 per cent.
- OHBA is concerned that many municipalities are not accepting that they are responsible for costs of services beyond the *Development Charges Act* and that excessive “levels of services” within DCs are creatively being utilized to maximize charges while artificially suppressing property tax rates.

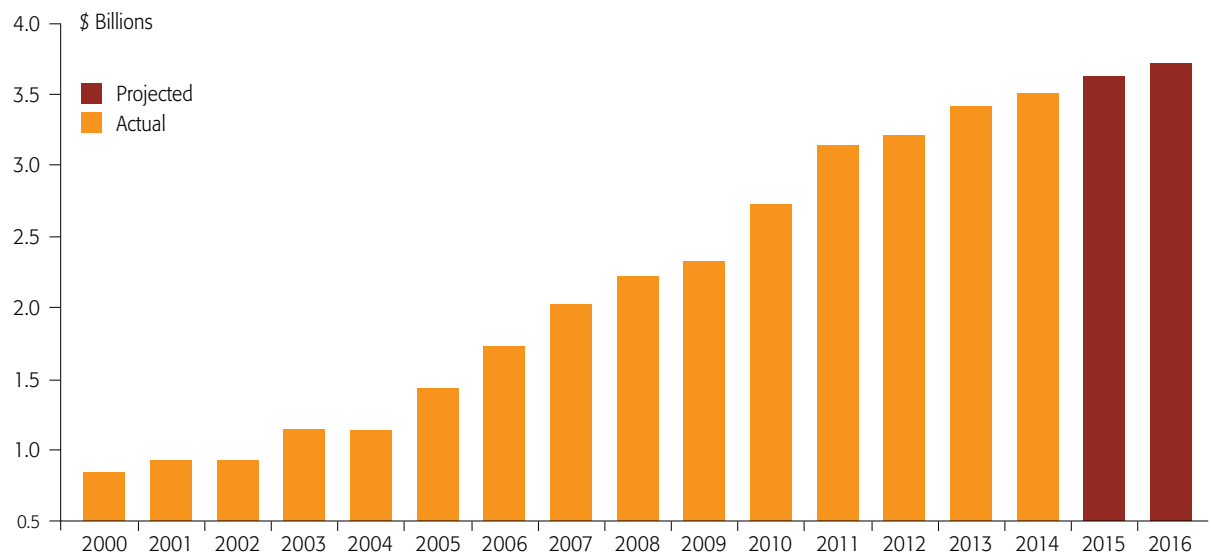
DEVELOPMENT CHARGES PER SINGLE-DETACHED HOME - Selected GTA Municipalities



Source: Altus Group Economic Consulting

- Over the past decade the Provincial Government has significantly increased support for municipalities through the *Provincial Municipal Fiscal Service Delivery Review* and by making permanent the transfer of two cents of existing gas for transportation infrastructure.
- OHBA notes that the province is providing municipalities with ongoing support of approximately \$3.5 billion in 2014. This is an increase of 200 per cent from the level provided in 2003.
- The Federal Government has also increased support for municipalities in recent years:
 - o GST rebate for municipalities; and
 - o Made permanent transfer of five cents of existing gas tax for infrastructure.

ONGOING SUPPORT TO MUNICIPALITIES WILL INCREASE TO \$3.7 BILLION BY 2016



Source: Ontario Budget 2013/2014

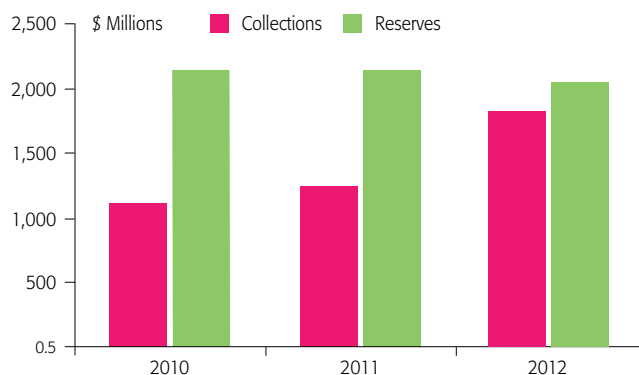
Source: Ontario Budget actual

DEVELOPMENT CHARGES CONSULTATION (SMART GROWTH)

- At the AMO 2013 Conference, the Minister of Municipal Affairs and Housing announced a consultation on the Development Charges system including other municipal measures that levy costs on development.
- OHBA **passed a resolution** in September 2013 at its AMM for the province to:
 - o To make affordability and fairness a cornerstone of Ontario's planning system and infrastructure financing framework; and
 - o Note that it would be inappropriate and inequitable to close the infrastructure deficit gap that benefits the entire community by increasing government-imposed charges on new home buyers.
- In a **second resolution passed** in September 2013 at OHBA's AMM, OHBA requested that the province:
 - o Not eliminate the 10-year service average provision from the *Development Charges Act*; and
 - o Eliminate the loop-hole within the current legislative framework to finance growth-related infrastructure that allows municipalities to levy charges and fees for infrastructure that benefits the entire community outside the scope of the *Development Charges Act*.
- OHBA consulted broadly with our 4,000 member companies through our network of 30 local HBAs. OHBA held internal industry consultations to develop our positions and recommendations to the provincial government at five local HBAs spread throughout the province. The Ministry of Municipal Affairs and Housing also attended and presented during the first half of the internal industry consultations.
- In January 2014, OHBA provided the Ministry of Municipal Affairs and Housing with detailed recommendations to reform the *Development Charges Act*, Parkland Dedication policies and Section 37 (Density Bonusing) of the *Planning Act*. The OHBA submission is available at www.ohba.ca.

- Across Ontario a growing share of the purchase price of a new home goes towards government imposed charges. As noted by the Ministry of Municipal Affairs and Housing, in 2013 alone, DCs contributed approximately \$2 billion directly toward the construction of infrastructure such as sewers, roads and transit.

DEVELOPMENT CHARGES - COLLECTIONS AND RESERVES in the Greater Golden Horseshoe



Source: Ministry of Municipal Affairs and Housing

- OHBA believes that a better balance needs to be struck between the costs assigned to new neighbours and existing homes and businesses. Failing to address this imbalance now will have an impact on future affordability of homes and businesses and on economic growth. It will also exacerbate current frustrations with a decline in transparency and accountability for funds collected by municipalities in some areas of the province.
- The 2014 Liberal Party Platform included a number of campaign commitments related to DCs.
- The 2014 Mandate Letter to the Minister of Municipal Affairs and Housing states that the Ministry priorities shall include, "Supporting the development of sustainable, transit-friendly complete communities by amending the *Planning Act* and the *Development Charges Act* to improve land-use planning and encourage smarter growth, with these amendments ensuring respect for local Official Plans and decision-making, generating more growth-related revenue for transit, requiring that citizen input is considered in the land-use planning process and having the effect of reducing the number of applications to the Ontario Municipal Board."
- In March 2015, the Minister of Municipal Affairs and Housing tabled the *Smart Growth For Our Communities Act (Bill 73)* in response to provincial consultation in 2013/14 proposing amendment to the *Development Charges Act* and the *Planning Act*.
- OHBA hosted a consultation with the Ministry of Municipal Affairs and Housing on May 4, 2015 and provided a comprehensive submission to the Ministry in May 2015 (available www.ohba.ca).
- OHBA and BILD members were appointed to a Ministry Development Charges Steering Committee and three sub-committees to address regulatory items to implement various DCs components of the proposed legislation.
- Over the summer of 2015, OHBA met directly with both the Premier and the Minister of Municipal Affairs and Housing on DCs and submitted two technical papers to the Ministry regarding a new transit DCs regulation.

DEVELOPMENT CHARGES, GTA

Summary of Development Charges in the GTA - Single Family Dwelling Units - 2014

Municipality	Region	TOTAL	Region DC	Municipal DC	GO Transit DC	EDC
Brampton	Peel	\$68,057	\$36,071	\$26,935	\$484	\$4,567
Markham	York	\$67,954	\$40,733	\$22,559	\$322	\$4,370
Mississauga	Peel	\$67,232	\$36,071	\$26,110	\$484	\$4,567
Aurora	York	\$65,511	\$40,733	\$20,116	\$322	\$4,370
Oakville	Halton	\$65,359	\$35,566	\$23,527	\$1,046	\$5,219
Newmarket	York	\$65,351	\$40,733	\$19,956	\$322	\$4,370
Caledon	Peel	\$63,698	\$36,071	\$22,577	\$484	\$4,567
Vaughan	York	\$62,993	\$40,733	\$17,598	\$322	\$4,370
East Gwillimbury	York	\$62,049	\$40,733	\$16,654	\$322	\$4,370
Richmond Hill	York	\$60,613	\$40,733	\$15,218	\$322	\$4,370
Whitchurch-Stouffville	York	\$58,037	\$40,733	\$12,642	\$322	\$4,370
Milton	Halton	\$57,558	\$35,566	\$15,726	\$1,046	\$5,219
King	York	\$57,082	\$40,733	\$12,022	\$322	\$4,370
Halton Hills	Halton	\$55,082	\$35,566	\$13,250	\$1,046	\$5,219
Burlington	Halton	\$50,034	\$35,566	\$8,203	\$1,046	\$5,219
Ajax	Durham	\$43,298	\$25,099	\$14,807	\$657	\$2,735
Clarington	Durham	\$42,435	\$25,099	\$15,565	\$657	\$1,114
Pickering	Durham	\$41,180	\$25,099	\$12,689	\$657	\$2,735
Whitby	Durham	\$40,298	\$25,099	\$12,239	\$657	\$2,735
Oshawa	Durham	\$39,639	\$25,099	\$11,148	\$657	\$2,735
Uxbridge	Durham	\$38,751	\$25,099	\$10,260	\$657	\$2,735
Toronto		\$28,615	-	\$27,774	-	\$841

Source: Building Industry and Land Development Association

DEVELOPMENT CHARGES, VARIOUS ONTARIO MUNICIPALITIES

Summary of Development Charges across Ontario - Single Family Dwelling Units - 2014

Municipality	Region / County	TOTAL	Region DC	Municipal DC	Education DC	GO Transit DC
New Tecumseth	Simcoe	\$46,359	\$6,191	\$38,409	\$1,759	
Innisfil	Simcoe	\$34,928	\$6,191	\$26,978	\$1,759	-
Barrie		\$32,547	-	\$30,788	\$1,759	-
Waterloo	Waterloo	\$31,506	\$17,936	\$11,859	\$1,711	-
Ottawa (outside greenbelt)		\$31,085	-	\$30,362	\$723	-
Hamilton	Ham-Wentworth	\$30,103	-	\$28,095	\$1,779	\$229
Kitchener	Waterloo	\$30,165	\$17,936	\$10,518	\$1,711	-
Cambridge	Waterloo	\$29,952	\$17,936	\$10,305	\$1,711	-
Collingwood	Simcoe	\$29,215	\$6,191	\$21,265	\$1,759	-
Guelph		\$29,116	-	\$27,232	\$1,884	
London (inside growth area)		\$27,722		\$27,722	-	-
Orangeville	Dufferin	\$26,554	\$2,597	\$23,125	\$832	-
Ottawa (inside greenbelt)		\$22,896	-	\$22,173	\$723	
Grimsby	Niagara	\$20,761	\$10,100	\$10,661	-	
Peterborough		\$20,133	-	\$20,133	-	-
Brantford	Brant	\$20,159	-	\$19,247	\$912	-
Windsor	Essex	\$18,596	-	\$18,291	\$305	-
Kingston		\$16,881	-	\$16,881		-
Sudbury		\$14,785	-	\$14,785		-
Stratford		\$13,389		\$13,389	-	-
Belleville		\$9,614	-	\$9,614	-	-
St. Thomas		\$7,288	-	\$7,288	-	-

Source: Ontario Home Builders' Association



ENDANGERED SPECIES ACT

- The *Endangered Species Act, 2007* (ESA) came into effect on June 30, 2008. Ontario has the most comprehensive species protection legislation in North America. The Act has three main features:
 - Emphasizes the importance of science in making decisions about the protection of species at risk;
 - Includes flexibility tools to create opportunities for both human activity (that would otherwise be prohibited) and species protection; and
 - Recognizes the importance of both species protection and habitat protection.
- OHBA strongly believes that habitat regulation should work in conjunction with existing legislation and complement other important provincial goals and objectives.

ENDANGERED SPECIES ACT – MINISTRY OF NATURAL RESOURCES AND FORESTRY TRANSFORMATION

- The Ministry of Natural Resources and Forestry (MNRF) has embarked upon a modernization initiative with a view to streamline permitting processes and requirements.
- OHBA has been involved in this process by **supporting the modernization initiative**, participating on the Bobolink Roundtable and on the Endangered Species Act (ESA) Stakeholder Panel. The Stakeholder Panel provided recommendations to improve the implementation of the ESA to the Minister of MNRF in January 2013 (EBR 011-7980).
- **OHBA made a submission** to MNRF in January 2013 as part of the input towards a consultation on *Taking a Broader Landscape Approach: A Policy Framework for Modernizing Ontario's Approach to Natural Resource Management* (EBR 011-7540).
- Following the submission of the ESA Stakeholder Panel Report, MNRF proposed a number of new approaches to the implementation of the ESA including the establishment of transition provisions and streamlining of permitting (EBR 011-7696).
- **OHBA submitted recommendations** generally supporting the regulatory package to MNRF in February 2013 (available at www.ohba.ca).
- On May 31, 2013, MNRF made **OHBA supported regulatory improvements** to the implementation of the ESA. The simplified rules include industry specific transition provisions and a rules in regulation approach, which includes registration with MNRF that will apply a risk-based approach and move away from the detailed review and approval of site-specific activities.
- On May 22, 2014, **OHBA made a submission to MNRF supporting an amendment** to O.Reg 242/08 in response to impending amendments to O.Reg 230.08 (EBR 012-1520). The regulation was subsequently posted in September 2014 and extends previous passed, and OHBA supported, transitional policies to six new species that were added to the SARO list in June 2014.

ENDANGERED SPECIES ACT – REDSIDE DACE

- In June 2011, a transition regulation under the ESA for protection of Redside Dace was posted following extensive consultation between MNRF, OHBA and BILD to develop an amended regulation.

ENDANGERED SPECIES ACT – BOBOLINK & EASTERN MEADOWLARK

- OHBA is represented on the Bobolink / Eastern Meadowlark Roundtable advisory group to provide advice and recommendations on a long-term plan and recovery strategy over the temporary permitting exemption for agricultural operations.
- The Ontario government posted an **OHBA supported transition policy** on the Environmental Registry 011-5372 in May 2012 that exempts qualified projects from an Overall Benefit Permit by providing support for the species through contributions to support habitat creation.
- In 2014, **OHBA supported the amendment to O.Reg 197/11** to continue the exemption for agricultural operations in relation to the Bobolink and Eastern Meadowlark for an interim period of 14 months (EBR 012-1596). In September 2014, the regulation was amended to extend the agricultural exemption to December 31, 2015. OHBA supported recommendations of the Roundtable in an October 2015 submission towards the development of a Government Response Statement posted in October 2015 proposing to extend the agricultural exemption for another 10-years (EBR 012-1597 and EBR 012-5138).

GOVERNMENT-IMPOSED CHARGES

• Development Charges

- o Municipal Development Charges
- o Regional Development Charges
- o Education Development Charges
- o GO Transit Development Charges

• Various Additional Municipal Charges

- o Storm Water Management
- o Topsoil Removal Fee
- o Regional Water Meter Fee
- o Engineering Design Review and Inspection fee
- o Public Art Charges
- o Engineering Fees
- o Parkland Dedication Fees (Cash-in-Lieu)
- o Building Permit Fees
- o Section 37

• Planning Fees (Various Development Application & Processing Fees)

- o Plan of Subdivision (singles and row houses)
- o Plan of Subdivision Registration/Review
- o Site plan approval
- o Plan of Condominium

• Ministry of Environment Engineering Review

- Land Registry Closing Fees (Title Registration)
- Conservation Authority Fees
- Electrical Permit - Electrical Safety Authority
- Legal Fees

• Land Transfer Tax

- o Provincial LTT
- o Toronto LTT

• HST (Provincial portion + GST)

• Costs associated with municipal by-laws

• Additional costs due to building code changes

• WSIB Premiums (Home Builder Rate Group) + WSIB Premiums passed on to builders by trades

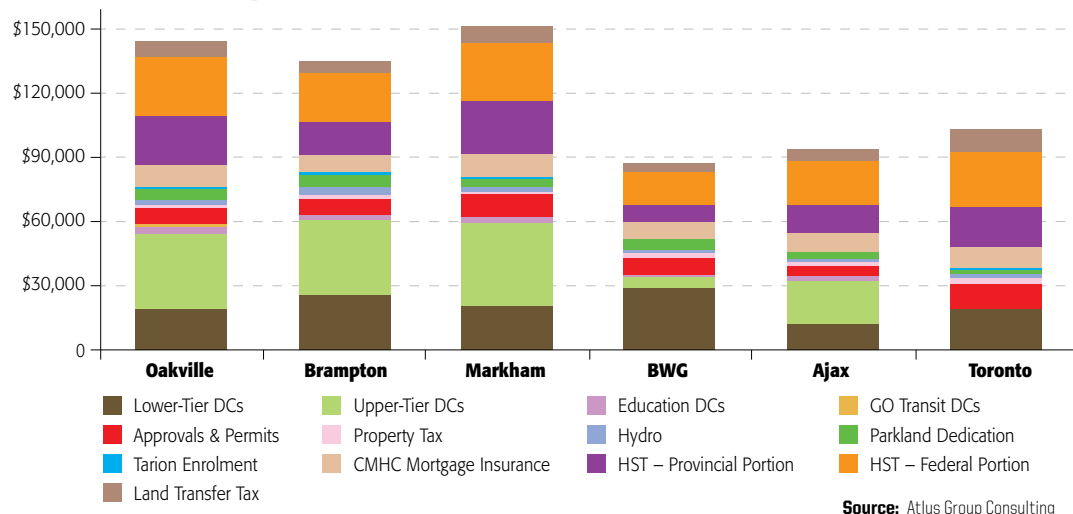
• Surcharges imposed by trades to cover potential Ministry of Labour safety fines

• Tarion Registration Fees

• Tarion Enrolment fees

- A 2013 Altus Group study of GICs in the GTA found that average government charges for each new single-detached home are about \$119,000 - over 23 per cent of the average price.

GOVERNMENT CHARGES PER LOW-RISE HOME, BY TYPE OF COST, 2013 Selected GTA Municipalities



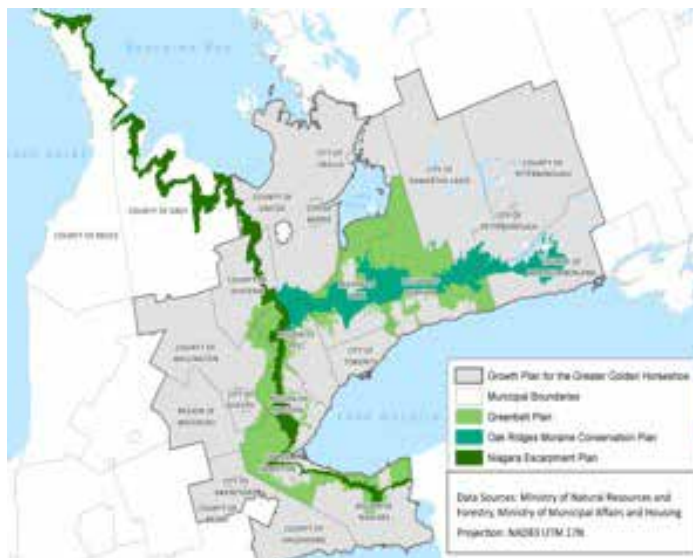
GREAT LAKES PROTECTION PLAN

- In June 2012, the province introduced a proposed *Great Lakes Protection Act, 2012*, which did not proceed when the Legislature prorogued. The province reintroducing the proposed *Great Lakes Protection Act, 2013* (Bill 6) in February 2013, which did not proceed when the legislative assembly was dissolved for the General Election.
- A third *Great Lakes Protection Act* (Bill 6) was proposed and passed in October 2015. OHBA previously submitted recommendations to the first two proposals in 2012 and 2013 and again made a **submission in spring 2015** (EBR 012-3523).

GREENBELT (CO-ORDINATED REVIEW)

- The Greenbelt Plan protects 1.8 million acres of land in the Golden Horseshoe including previously protected lands on the Oak Ridges Moraine and the Niagara Escarpment.
- In 2008, the provincial government consulted on a set of six criteria for Greenbelt expansion requests:
 1. Begins with a municipal request, passed by a council resolution;
 2. Identifies an area either adjacent to, or with a functional relationship to the Greenbelt;
 3. Embraces the Greenbelt purpose;
 4. Connections to Greenbelt Systems;
 5. Complements the Growth Plan for the Greater Golden Horseshoe;
 6. Timing and Relationship to other provincial Initiatives.

- In November 2012, the province proposed an amendment to the *Greenbelt Plan* under the *Greenbelt Act*, 2005 that:
 - o Added provincially-owned lands of approximately 255 hectares (630 acres), which are part of the Glenorchy Conservation Area in the Town of Oakville, to the Greenbelt;
 - o Added a new *Urban River Valley* designation to the *Greenbelt Plan* to facilitate adding publicly-owned lands in urban river valleys currently outside the Greenbelt into the Greenbelt Plan.
- In a January 2013 **submission**, OHBA noted that it is not opposed to growing the Greenbelt through the addition of existing publicly-owned lands, however, OHBA did outline a number of broad implementation concerns with respect to the new *Urban River Valley* designation.
- The 2014 Liberal Election Platform stated, "We will enhance the Greenbelt. As part of our review of the Greenbelt, we will work with communities and expand the outer boundary of the Greenbelt over the next six years, using established processes continuing our legacy of protecting Ontario's irreplaceable ecological and agricultural lands from urban sprawl. We will ensure that the *Greenbelt Act* is effectively meeting the goal of protecting ecologically sensitive and agricultural lands."
- The September 2014 Mandate letter to the Minister of Municipal Affairs and Housing states: "Partnering with municipalities to grow the Greenbelt. You will respond to municipal requests in a timely manner ensuring there is a clear, simple process in place to address requests for further expansion."
- In September 2014 at the **OHBA AMM a resolution was passed recommending:**
 - o That the *Urban River Valley* designation only be extended to publicly-owned lands and cannot be extended to cover privately-owned lands;
 - o Where there is a public Official Plan process that meets the *Growing the Greenbelt* criteria including the Growth Plan requirements, that is the appropriate process to grow the Greenbelt.
 - o That as part of the 10-year review of the Greenbelt, and as contemplated in the *Greenbelt Act*, that the **province consult the public and stakeholders on a set of criteria to review Greenbelt designations** in the *Greenbelt Plan*.
- In February 2015, the government launched a co-ordinated review of the Greenbelt, Niagara Escarpment Plan, Oak Ridges Moraine Conservation Plan and the Growth Plan.

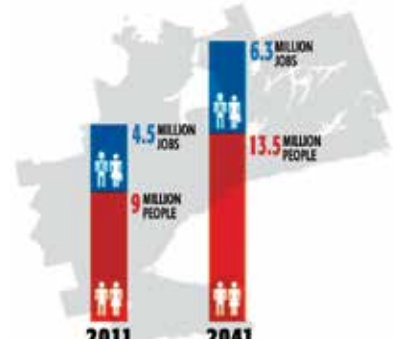


- The provincial government hosted 17 regional town hall consultations. OHBA members and staff were present at every town hall meeting.
- An expert panel Chaired by former Toronto Mayor David Crombie, which includes OHBA Past President Leith Moore is responsible for a report to be submitted to the government at the end of Phase One of the consultation.
- OHBA made a comprehensive submission (EBR 012-3256) to the government on May 28, 2015 (available www.ohba.ca).
- OHBA has supported additional third-party research to make recommendations to enhance and improve both the Greenbelt and the Growth Plan.
- OHBA has met directly with the Premier, the Crombie Panel and Minister of Municipal Affairs and Housing on the Co-ordinated Review.

GROWTH PLAN – GREATER GOLDEN HORSESHOE (CO-ORDINATED REVIEW)

- *Places to Grow* outlines a vision and strategy for the future of the Greater Golden Horseshoe (GGH). The number of people living in the GGH is projected to grow by approximately 50 per cent to almost 13.5 million people and employment by 40 per cent or 6.2 million jobs by 2041.

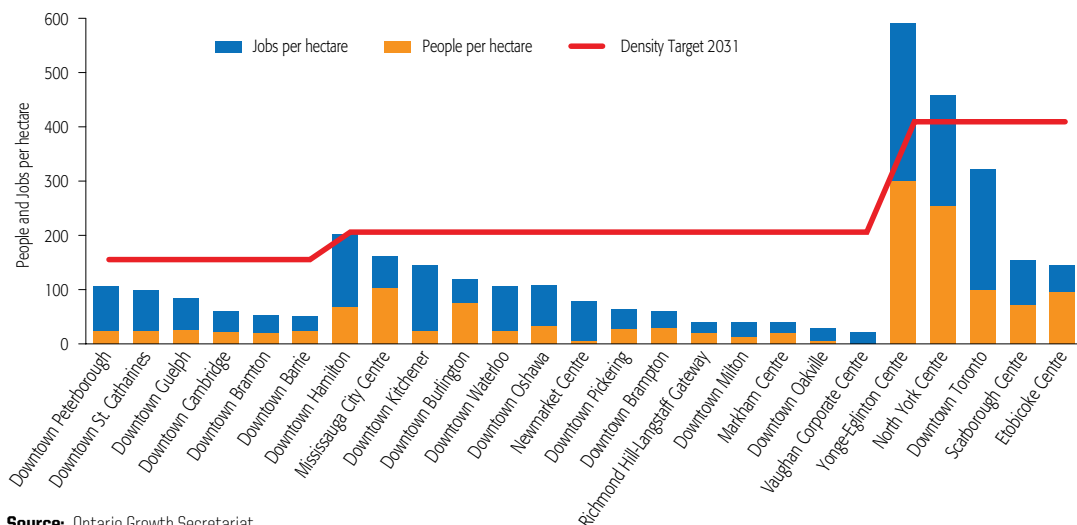
PEOPLE AND JOBS in the Greater Golden Horseshoe



Source: Ontario Growth Secretariat

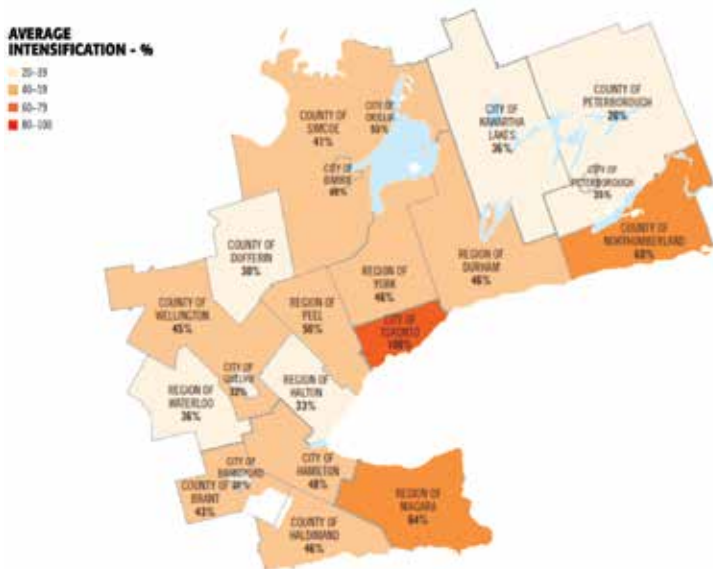
- In 2011, the province released a Five-Year Progress Update of the Growth Plan:
 - The update notes: Because of the magnitude of growth that is forecast, it will be necessary to bring new lands into the urban envelope;
 - Municipalities in the GTAH contain approximately 227,000 hectares of built-up land;
 - As of June 2011, they have approximately 51,800 hectares of designated greenfield land that will accommodate future urban uses; and
 - Beyond the lands that are currently designated for urban uses, these municipalities also have approximately 55,000 hectares of rural and agricultural lands within their boundaries that are not part of the Greenbelt.
- The Five-Year Progress Update indicated a shift toward more intensified housing types which has occurred across the Greater Golden Horseshoe over the past five years.

Population and Employment Density for 25 Urban Growth Centres - 2011



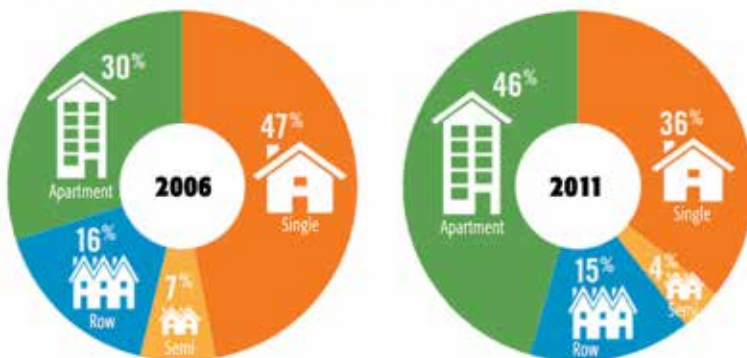
Source: Ontario Growth Secretariat

MEASURING RESIDENTIAL INTENSIFICATION Four-Year Average of Annual Intensification Rate, 2007-2010



Source: Ontario Growth Secretariat

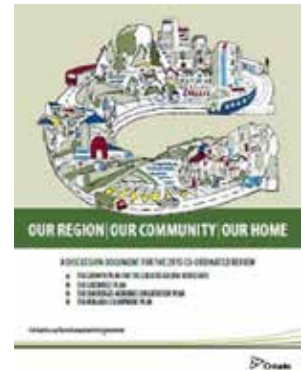
NEW HOUSING UNITS IN THE GREATER GOLDEN HORSESHOE



Adapted from Canada Mortgage and Housing Corporation (CMHC) Housing Completion Data.
NOTE: Data has been rounded and may not add up to 100%.

Source: Ontario Growth Secretariat

- In advance of the currently underway Co-ordinated Review of the Growth Plan, the Ontario Growth Secretariat launched a consultation in March 2014 on Proposed Performance Indicators for the Growth Plan. OHBA **provided recommendations** on the proposed indicators, including recommendations for new indicators in a submission on April 30, 2014 (available www.ohba.ca). Furthermore, OHBA noted that consideration must be given to the significant differences between the inner ring and outer ring municipalities.
- In September 2014 at the **OHBA AMM a resolution was passed recommending:**
 - o The upcoming legislated 10-year review of the Growth Plan for the Greater Golden Horseshoe should officially designate and protect the White-Belt lands as a long-term urban reserve in which municipal expansions can only occur when the series of test and criteria, already outlined in the Growth Plan, have been met; and
 - o That the **Greenbelt designation not be expanded into the White-Belt** except in limited circumstances where that land is publicly-owned or meets the *Urban River Valley* criteria (which can only be used if under public ownership).
- In February 2015, the government launched a Co-ordinated Review of the Greenbelt, Niagara Escarpment Plan, Oak Ridges Moraine Conservation Plan and the Growth Plan.
- The provincial government hosted 17 regional town hall consultations. OHBA members and staff were present at every town hall meeting.
- An expert panel Chaired by former Toronto Mayor David Crombie, which includes OHBA Past President Leith Moore, was responsible for a report submitted to government at the end of Phase One of the consultation.
- OHBA made a comprehensive submission (EBR 012-3256) to the government on May 28, 2015 (available www.ohba.ca).
- OHBA has also produced and partnered with other organizations to advocated for policy tools that support intensification.
- OHBA has met directly with the Premier, the Crombie Panel and Minister of Municipal Affairs and Housing on the Co-ordinated Review.
- HBAs in the GGH include: BILD, Brantford, Greater Dufferin, Durham Region, Guelph & District, Haldimand Norfolk, Hamilton-Halton, Niagara, Peterborough & the Kawarthas, Simcoe County and Waterloo Region.
- All OHBA *Places to Grow* submissions are available by contacting OHBA or visit www.placestogrow.ca for more information on *Places to Grow*.



GROWTH PLAN - SIMCOE AREA - AMENDMENT #1

- The Simcoe Sub-Area Amendment came into effect on January 19, 2012.
- **OHBA was supportive** of the amendment that provides planning certainty and flexibility in managing development on land within existing settlements.
- The *Barrie-Innisfil Boundary Adjustment Act, 2009* expanded Barrie's municipal boundary by approximately 2,293 hectares. OHBA **made a presentation** to the Standing Committee on Justice Policy in November, 2009 **supporting the legislation**.

GROWTH PLAN – AMENDMENT #2

- *Amendment 2* under the *Places to Grow Act* was supported by OHBA and extends the Growth Plan's population and employment forecast horizon for upper and single-tier municipalities to 2041 and contains new forecasts for 2036 and 2041 (Schedule 3).
- **OHBA and BILD were consulted extensively** on the methodology and provided the Ontario Growth Secretariat with a **joint submission** in February 2013 supporting the release of population and employment forecasts for 2036 and 2041 (available at www.ohba.ca).

GROWTH PLAN - Schedule #3

Distribution of Population and Employment for the Greater Golden Horseshoe to 2041 (figures in 000s)

			UPDATED FORECASTS					
	Population 2031A	Employment 2031A	Population			Employment		
			2031B	2036	2041	2031B	2036	2041
Region of Durham	960	350	970	1,080	1,190	360	390	430
Region of York	1,500	780	1,590	1,700	1,790	790	840	900
City of Toronto	3,080	1,640	3,190	3,300	3,400	1,660	1,680	1,720
Region of Peel	1,640	870	1,770	1,870	1,970	880	920	970
Region of Halton	780	390	820	910	1,000	390	430	470
City of Hamilton	660	300	680	730	780	310	330	350
GTHA Total	8,620	4,330	9,010	9,590	10,130	4,380	4,580	4,820
County of Northumberland	96	33	100	105	110	36	37	39
County of Peterborough	61	18	70	73	76	20	21	24
City of Peterborough	88	42	103	109	115	52	54	58
City of Kawartha Lakes	100	27	100	101	107	29	30	32
County of Simcoe	See Schedule 7	See Schedule 7	See Schedule 7	456	497	See Schedule 7	141	152
City of Barrie				231	253		114	129
City of Orillia				44	46		22	23
County of Dufferin	80	27	80	81	85	29	31	32
County of Wellington	122	54	122	132	140	54	57	61
City of Guelph	175	92	177	184	191	94	97	101
Region of Waterloo	729	366	742	789	835	366	383	404
County of Brant	47	19	49	53	57	22	24	26
City of Brantford	126	53	139	152	163	67	72	79
County of Haldimand	56	20	57	60	64	22	24	25
Region of Niagara	511	218	543	577	610	235	248	265
OUTER RING TOTAL*	2,880	1,240	2,940	3,150	3,350	1,280	1,360	1,450
TOTAL GGH*	11,500	5,560	11,950	12,740	13,480	5,650	5,930	6,270

Source: Ontario Growth Secretariat

*Total may not add up due to rounding

Note: Numbers rounded off to nearest 10,000 for GTAH municipalities, GTAH Total and Outer Ring Total, and to nearest 1,000 for outer ring municipalities

GROWTH PLAN - NORTHERN ONTARIO

- In March 2011, the Ontario Government released the Growth Plan for Northern Ontario, under the authority of the *Places to Grow Act, 2005*.
- The plan will guide policy and decision making in Northern Ontario by:
 - Establishing a Northern Policy Institute;
 - Developing a strategy to create an integrated transportation infrastructure system; and
 - Supporting regional economic planning, business innovation and entrepreneurship.

INFRASTRUCTURE

- OHBA supports the provincial government's broad \$130 billion ten-year infrastructure plan for Ontario. In particular, our members support the two dedicated transportation infrastructure funds for the GTAH (\$16 billion) and for regions of Ontario outside the GTHA (\$15 billion).
- The *Infrastructure for Jobs and Prosperity Act, 2015* (Bill 6) was passed in spring 2015. OHBA submitted recommendations in May 2015 supporting enhanced municipal infrastructure asset management planning.
- The provincial government consulted on infrastructure priorities outside the GTHA in the summer of 2015. **OHBA made submission** to the Ministry of Economic Development, Employment & Infrastructure in September 2015 (available at www.ohba.ca)
- Ministry of Transportation is consulting with OHBA on updating MTO corridor permit fees.

INCLUSIONARY ZONING

- Inclusionary zoning is a regulatory tool that undermines overall housing affordability and supply. Inclusionary zoning requires private sector obligations towards subsidized housing through policies requiring land, housing units and/or cash-in-lieu. While some new affordable units are created, the effect is that the remaining 'market' units are taxed to subsidize the new affordable units.
- Inclusionary zoning proponents have advocated for incentive trade-offs such as density bonusing which **OHBA believes is problematic**. The provincial planning regime through the *Planning Act*, *Places to Grow* and the Provincial Policy Statement directs growth to achieve higher densities and a high-quality urban form on the basis of current urban planning principles. Exchanging a social good (subsidized units) as the currency to achieve the desired urban form planned in the provincial legislative framework will jeopardize intensification efforts.
- Appropriate zoning should reflect Official Plans, the PPS and the Growth Plan and therefore, urban lands should not be under-zoned whereby the provision of subsidized units unlocks appropriate densities.

LAND-USE PLANNING AND APPEALS SYSTEM (SMART GROWTH)

- Over the past decade the land-use planning system as well as the home building and land development industry have evolved significantly. While the province has demonstrated leadership through the creation of modern long-term plans, there is a lack of consistency in the implementation and interpretation of Provincial Planning Policy.
- At the Association of Municipalities of Ontario's (AMO) 2013 Annual Conference, the Minister of Municipal Affairs and Housing announced a consultation on Ontario's land-use planning system and decision-making process, including land-use appeals to the Ontario Municipal Board (OMB).
- **OHBA passed a resolution** in September 2013 at its AMM for the province to maintain a strong, independent third-party appeals tribunal (OMB) as a core component of Ontario's land-use planning system.
- In order to contribute to the continued economic vitality of the province, the new housing and land development industry must operate within a framework that provides certainty, establishes clear rules for development and determines how our communities grow.
- Therefore it is critical that municipalities ensure that local planning documents, including both Official Plans and zoning by-laws, are up-to-date and consistent with provincial policy. Furthermore, municipalities should make greater use of the planning tools that the provincial government has provided to ensure the best possible planning outcomes in the development of strong, healthy and complete communities.
- OHBA contends that a planning policy disconnect has emerged between the province and many municipalities. This disconnect is partially responsible for some of the frustration in the implementation of public policy and for some appeals made to the OMB.
- Closing the gap and ensuring a better alignment between Provincial Planning Policy and municipal planning implementation tools emerged as a major theme within OHBA's recommendations to the provincial government.
- On January 10, 2014, OHBA provided the Ministry of Municipal Affairs and Housing with **comprehensive and detailed recommendations** with respect to the Land-Use Planning and Appeals System (available at www.ohba.ca).
- The 2014 Liberal Party election platform committed to: "reduce the number of development applications that go to the OMB," and to, "ensure citizens are consulted sooner and that there is more citizen input into the land-use planning process."
- The 2014 Mandate Letter to the Minister of Municipal Affairs and Housing states that the Ministry priorities shall include, "Supporting the development of sustainable, transit-friendly complete communities by amending the *Planning Act* and the *Development Charges Act* to

- improve land-use planning and encourage smarter growth, with these amendments ensuring respect for local Official Plans and decision-making, generating more growth-related revenue for transit, requiring that citizen input is considered in the land-use planning process and having the effect of reducing the number of applications to the OMB.”
- In March 2015, the Minister of Municipal Affairs and Housing tabled the *Smart Growth For Our Communities Act (Bill 73)* in response to provincial consultation in 2013/14 proposing amendment to the *Development Charges Act* and the *Planning Act*.
 - OHBA hosted a consultation with the Ministry of Municipal Affairs and Housing on May 4, 2015 and provided a comprehensive submission to the Ministry in May 2015 (available www.ohba.ca).
 - OHBA has a number of major concerns with proposed amendments to the *Planning Act* including limiting minor variance applications within two years of a Zoning By-Law amendment limiting appeal rights following the implementation of an Official Plan and policies further restricting employment land conversion.
 - The Ministry of Municipal Affairs and Housing has appointed an OHBA and a BILD member to a *Planning Act* working group that focused on new regulations to define a minor variance and notice provisions in the summer of 2015.



LONG-TERM AFFORDABLE HOUSING STRATEGY

- In November 2010, the provincial government released the Long-Term Affordable Housing Strategy as a key component of the Poverty Reduction Strategy.
- The *Strong Communities Through Affordable Housing Act, 2011*, received Royal Assent in April 2011. OHBA appeared before the Standing Committee on Justice Policy in March 2011 **in support of the legislation** that requires municipalities to have policies in their Official Plans allowing for secondary suites in both new and existing communities;
- The province consulted on a five-year review of the *Long-Term Affordable Housing Strategy* in the spring/summer of 2015. The OHBA submission in June 2015 provided the province with several key recommendations:

1. Create a long-term portable housing allowance program to provide immediate assistance to low-income households who have housing affordability problems;
2. Amend the *Planning Act* to permit 'as-of-right' secondary suites across Ontario;
3. Stop the regressive taxation of tenants by equalizing residential and multi-residential property tax rates across Ontario;
4. Reduce unnecessary government-imposed cost and regulatory barriers to the supply of new housing which constrain housing opportunities for lower income households;
5. Address homelessness by focusing on special needs housing and services for the hard-to-house and integrating enhanced support services within housing projects;
6. Leverage existing assets, unlock land and make strategic investments to fix Ontario's existing social housing stock as well as build new affordable housing in livable, walkable, location-efficient communities;
7. Better link transit and transportation investments with land-use planning including pre-zoning along transit corridors;
8. Streamline planning process for affordable housing projects;
9. Implement a Transportation Planning Policy Statement (TPPS) through the Ministry of Transportation that would support affordable housing and apply to higher-order transit corridors across Ontario;
10. Support Tower Renewal;
11. Do NOT amend *Planning Act* to permit for inclusionary zoning.

METROLINX

- Metrolinx launched its \$50 billion, 25-year Regional Transportation Plan *The Big Move* for the Greater Toronto and Hamilton Areas in 2008.
- In April 2013, OHBA provided Metrolinx and the provincial government with recommendations on the *Metrolinx Investment Strategy* regarding **OHBA's opposition to revenue tools that specifically target the new housing, development and professional renovation industry** as well as providing recommendations for planning tools that would support intensification around transit stations and transit corridors. The OHBA submission is available at www.ohba.ca.
- In July, 2013, OHBA, BILD and HHHBA provided Metrolinx with a **submission that strongly opposed the proposed revenue (tax) tools** which disproportionately target new home buyers and new businesses across the GTHA. This was an inequitable and unfair approach that would embed the cost of infrastructure, meant to last upwards of 75 years, into the amortized mortgages of new home purchasers and/or onto the costs of new employment centres.
- In September 2013, an **OHBA resolution was passed** noting that OHBA is opposed to proposed revenue tools that will erode the affordability of new housing, mixed-use communities and new employment centres across the GTHA

- In September 2013, **OHBA Past President Leith Moore was appointed by Premier Kathleen Wynne** to a Transit Investment Strategy Advisory Panel to consider other options to fund public transit and report its findings to government.
- In November 2013, OHBA and BILD made a **joint submission** to the Transit Investment Strategy Advisory Panel.
- In December 2013, the Transit Investment Strategy Advisory Panel provided their recommendations to the provincial government, which did not include taxes targeting new neighbours (www.transitpanel.ca).
- The 2014 Ontario Provincial Budget **incorporated OHBA recommendations** and a 2007 OHBA resolution to dedicate an additional portion of the existing gas tax to fund transit and transportation infrastructure.
- In September 2014 at the OHBA AMM a **resolution was passed recommending**:
 - o The Minister of Transportation commence consultations with stakeholders to implement a Transportation Planning Policy Statement (TPPS) that would apply to higher-order transit corridors across Ontario. The TPPS should be structured to require municipal Official Plans and Zoning By-Laws to be in conformity with the TPPS and allow appropriate as-of-right Transit-Oriented Development on transit corridors and surrounding new/planned transit stations.

Metrolinx: The Big Move



Source: Metrolinx

- The 2015 Ontario Provincial Budget committed \$16 billion towards transit expansion in the GTHA and \$15 billion towards transportation infrastructure in the rest of Ontario.
- A review of the *Metrolinx Act* and Big Move Regional Transportation Plan is anticipated in 2016.

MINISTRY OF ENVIRONMENT & CLIMATE CHANGE MODERNIZATION

- The Ministry of the Environment and Climate Change (MOECC) is moving forward with a plan to modernize and more sustainably manage, Ontario's environmental resources. OHBA is supportive of the main components of the modernization plan, including streamlining approvals processes and operation delivery transformation.
- In September 2013, **OHBA made a submission** to the Ministry (available at www.ohba.ca) that was generally supportive of the modernization approach to streamlining MOECC approvals through standardized conditional approaches (Rules in Regulation with Registration) and exemptions for lower-risk activities. Specifically, **OHBA recommended** a number of streamlined approaches and exemptions for lower risk surface water movements on construction sites (Permits to Take Water).
- OHBA has expressed concern to the MOECC with respect to increased delays for the processing and red tape with respect to Environmental Compliance Approvals and the effectiveness of the Transfer of Review Program. OHBA believes that Environmental Compliance Approvals should be considered within the broader modernization initiative.
- In March 2015, the Ministry of the Environment and Climate Change released a Technical Paper on the Environmental Activity and Sector Registry (EASR) and Short-Term Water Takings (EBR 012-0580) which proposed significant improvements to the process for Permits To Take Water. **An OHBA submission to the Ministry on April 2015 supported the proposed technical amendments.**

MINIMUM DISTANCE SEPERATION FORMULA (MDS)

- The Ministry of Agriculture and Food and the Ministry of Rural Affairs are undertaking a review of the Minimum Distance Separation Formula (MDS).
- OHBA participated in a technical stakeholder consultation in June 2013 and provided the Ministries with a submission in August 2013. OHBA noted concern that a stricter application of the MDS or the elimination of municipal discretion and flexibility could have significant unintended consequence of allowing the MDS to be utilized as a tool to prevent planned infrastructure extensions and growth from occurring.

MUNICIPAL ACT / CITY OF TORONTO ACT

- In spring 2015, the Ministry of Municipal Affairs and Housing launched a review of the *Municipal Act*, *City of Toronto Act*, *Municipal Conflict of Interest Act* and *Municipal Elections Act*. Key issues include: governance, accountability, transparency and fiscal sustainability.
- OHBA and BILD hosted a Ministry consultation for members on September 21, 2015.
- **OHBA is preparing a submission** to respond to the EBR 012-4277 posting in October 2015.

ONTARIO MUNICIPAL BOARD

- The Ontario Municipal Board (OMB) is an independent adjudicative tribunal that hears appeals on a wide range of municipal and land-related matters. The quasi-judicial board reviews development applications on planning merits in regard to provincial policies. This is in contrast to many local planning decisions that are based on short-term political situations rather than on the merits of the development application.
- In September 2013, an **OHBA resolution was passed** requesting the province to:
 - o Maintain a strong, independent third party appeals tribunal as a core component of Ontario's land-use planning system;
 - o Reduce unacceptable hearing and decision delays that are increasing the costs and time associated with planning approvals for all stakeholders;
 - o Improve the scoping of issues to be heard and evidence to be brought forward during an appeal to enhance efficiency, reduce the length of hearings and to reduce the costs associated with OMB appeals for all stakeholders; and
 - o Discourage frivolous appeals by increasing the application fees and by requiring appellants to fully disclose their grounds for appeal within the application based on conformity and compliance with the Public Planning Policy framework.
- On January 10, 2014, OHBA provided the Ministry of Municipal Affairs and Housing with **comprehensive and detailed recommendations** with respect to the Land-Use Planning and Appeals System. These recommendations included concepts to streamline and enhance OMB hearings (i.e. increased use of mediation), increase staffing levels at the board and improvements to the land-use planning system that would significantly reduce the case load at the OMB (i.e. ensuring municipalities maintain modern up-to-date Zoning By-Laws and Official Plans that are in conformity with provincial policy).
- An NDP Private Member's Bill (Bill 20) in 2013 proposed removing the OMB from the jurisdiction of the City of Toronto. In May 2014 OHBA appeared before the Standing Committee on Finance and Economic Affairs to deliver OHBA's **opposition to the Private Member's Bill** and communicated our recommendations for the land-use planning and appeals system consultation to the committee. The Private Member's Bill was defeated.
- The 2014 Mandate Letters to both the Attorney General and the Minister of Municipal Affairs and Housing included references to: "reviewing the scope and effectiveness of the Ontario Municipal Board and in recommending possible reforms to improve its role within the broader land-use planning system."

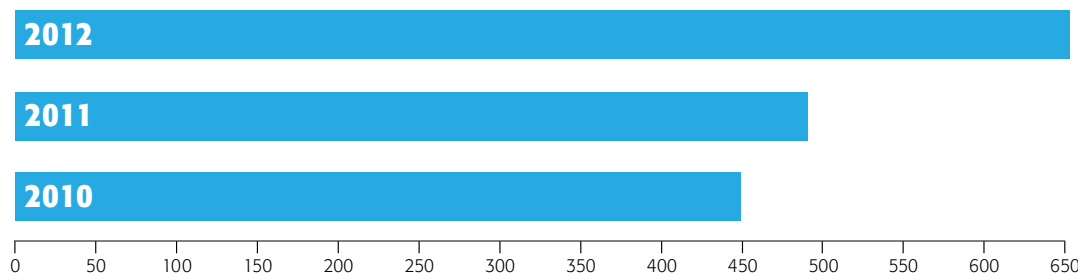
- The *Smart Growth For Our Communities Act* (Bill 73) proposes a number of amendments to the *Planning Act* supporting alternative dispute resolution and limiting and/or altering appeal rights to the OMB. OHBA expressed a number of concerns regarding the proposed amendments in a submission to the province (EBR 012-3651) in June 2015.

PARKLAND DEDICATION

- As required by the *Planning Act* any development must provide five per cent of the land for parkland dedication at the time of development, or up to one hectare per 300 dwelling units. If the development does not have a park site, the developer is required to pay cash-in-lieu for the value of the land.
- In September 2009, an **OHBA resolution was passed** requesting the province to:
 - Reduce cash-in-lieu of parkland fees in urban growth centres and intensification corridors to promote intensification and affordability; and
 - Include a provision in the *Planning Act* to allow a credit towards parkland dedication for 'passive parks' in lands ceded to Conservation Authorities, storm water drainage easements and passive recreational lands surrounding storm water management ponds.
- In the spring of 2013 OHBA wrote to both the Ministry of Municipal Affairs and Housing and the Minister of Infrastructure and Transportation requesting the province to support intensification and provincial policy by amending the *Planning Act* to reduce the outdated maximum allowable cash-in-lieu of parkland fee formula.
- In September 2013, an **OHBA resolution was passed** requesting the province to:
 - Amend sec 42(3) of the *Planning Act* to significantly reduce the maximum cash-in-lieu of parkland ration from one hectare for every 300 units; and
 - To require municipalities to provide alternative parkland dedication policies within Urban Growth Centres and along higher-order transit corridors.
- On January 10, 2014, OHBA provided the Ministry of Municipal Affairs and Housing with comprehensive and detailed recommendations with respect to modernizing Parkland Dedication policies.
- The *Smart Growth For Our Communities Act* (Bill 73) proposes amendments to the *Planning Act* to alter the cash-in-lieu of parkland ratio from one hectare for every 300 units to one hectare for every 500 units. OHBA is supportive of this proposed improvement, but remains concerned that a cap was not proposed. **OHBA made a submission** to the province on the proposed legislative amendments (EBR 012-3651) in June 2015.

2010-2012 Municipal Parkland Dedication Reserves (Planning Act)

Millions (\$) Collected



Source: Ministry of Municipal Affairs and Housing



PROVINCIAL POLICY STATEMENT (PPS)

- In October 2010 **OHBA submitted recommendations** to the Ministry of Municipal Affairs and Housing noting that the planning process has become increasingly complex with numerous layers of legislation and regulation interfacing with the land-use approvals process.
- In October 2012, the province released draft PPS statements for consultation.
- OHBA prepared a **second submission** to the Ministry of Municipal Affairs and Housing outlining industry concerns and recommendations in November 2012.
- The new 2014 PPS was released in February 2014 and became effective on April 30, 2014 and applies to planning decisions made on or after that date.

STRATEGIC LAWSUITS AGAINST PUBLIC PARTICIPATION (SLAPP)

- In 2010, the Ministry of the Attorney General appointed an expert panel to explore the issue of strategic lawsuits and to recommend solutions.
- Following those recommendations, in June 2013 the province proposed a *Protection of Public Participation Act, 2013*, which did not proceed when the legislative assembly was dissolved for the General Election.
- The September 2014 Mandate letter to the Attorney General states that a priority for the Ministry will be, "pursuing the re-introduction of legislation to protect the public from lawsuits intended to discourage public participation."
- In December 2014 a new *Protection of Public Participation Act* (Bill 52) was proposed. Bill 52 passed Second Reading with an 87-8 vote on September 15, 2015.
- OHBA is supportive of the public planning process and democratic role for the public and communities to be involved in the planning process. However, OHBA is concerned with respect to frivolous appeals that are simply made to delay development from proceeding.
- OHBA submitted comments to the Standing Committee on Justice Policy in October 2015 supporting the intent of the legislation, but noted that the legislation cannot become a license to slander.

WASTE DIVERSION ACT

- In June 2013, the provincial government introduced a *Waste Reduction Act* (EBR 011-9260) and the Waste Diversion Strategy (EBR 011-9262). OHBA previously participated

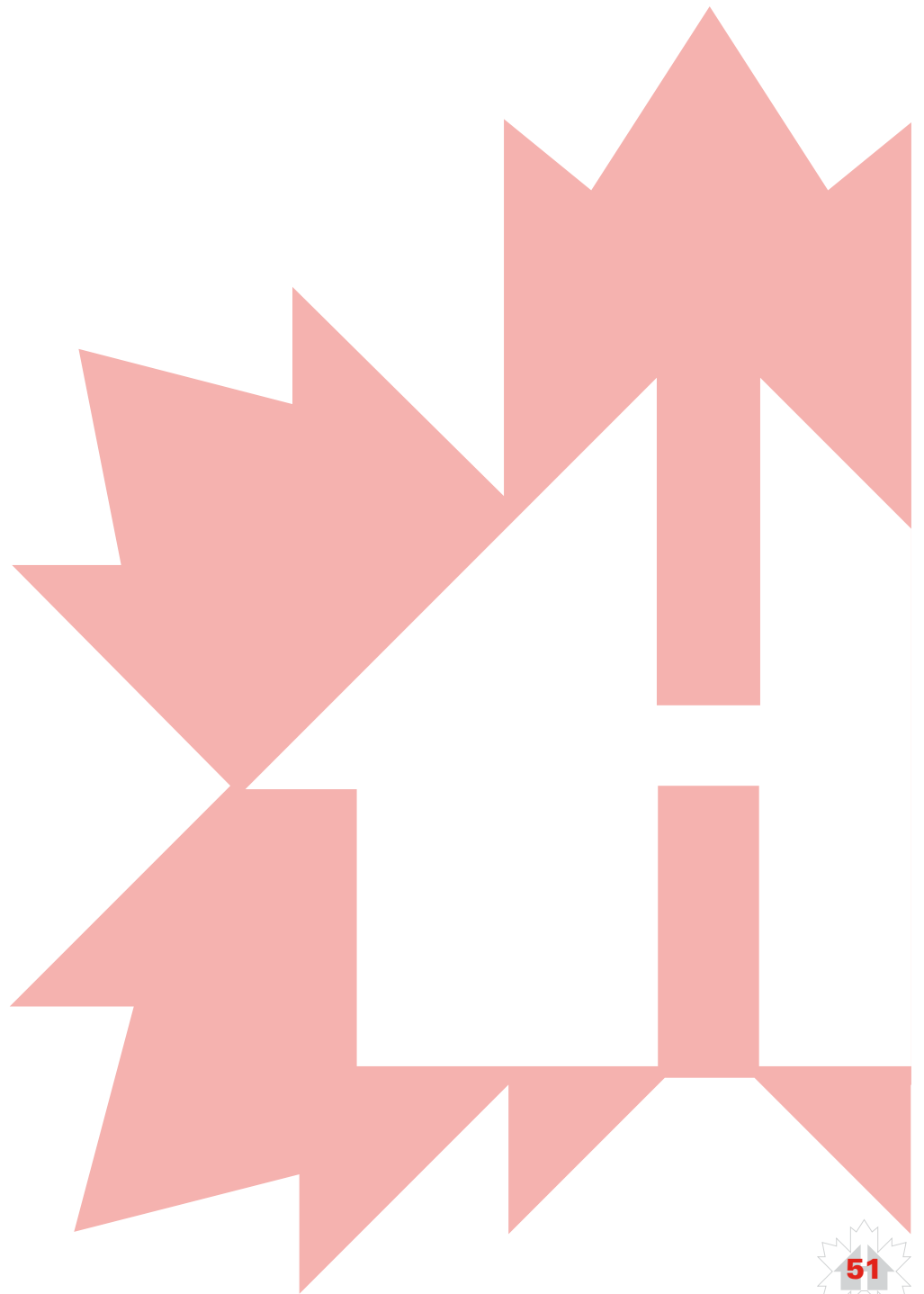
in consultations on Ontario's waste diversion framework and provided the Ministry of the Environment with a **submission responding** to The Role of Waste Diversion in the Green Economy (EBR 010-8164) in February 2010. The legislation did not proceed when the Legislative Assembly was dissolved for the Ontario General Election.

- In August 2013, OHBA provided the Ministry of the Environment with **recommendations in a submission** that was generally supportive of an extended producer responsibility framework. However, OHBA noted specific issues and concerns for the residential construction industry that aggregates materials to produce housing rather than actually producing the material and further noted how such a framework would impact the residential construction industry.
- The September 2014 Mandate letter to the Minister of the Environment and Climate Change states: "Your ministry will do so [increase waste diversion] by building on the release of the Waste Reduction Strategy and working with industry, municipalities and other stakeholders toward the objective of re-introducing waste reduction legislation."
- In 2015, the Ministry of Environment and Climate Change re-engaged stakeholders and is in the process of developing Resource Recovery and Waste Reduction legislation.

WETLAND CONSERVATION

- The Ministry of Natural Resources and Forestry (MNRF) launched a review of Wetland Conservation in Ontario in August 2015 (EBR 012-4464). MNRF intends to develop a strategic plan for Ontario wetlands that will identify a provincial vision, goals and objectives for wetlands in Ontario over the next 10 to 15 years.
- OHBA is engaged with an industry stakeholders group and **submitted a joint letter** to MNRF Parliamentary Assistant, MPP McMahon in September 2015.
- OHBA is preparing a submission to the Ministry for October 2015.

Health & Safety Committee



WSIB PREMIUM RATE CLASSIFICATION

- The WSIB Premium Rate for residential construction is more than twice as high as the Canadian average workplace safety compensation premium rate and 4.5 times higher than workplace insurance rates in Alberta.
- Ontario also is one of the only provinces where residential construction is in a different classification unit than institutional, commercial and industrial (ICI) construction. Ontario home builders pay twice as much as ICI contractors even though the approvals process, building code, building materials and trades may be identical in both instances.
- Lost time injuries have declined 64.3 per cent since 2002 yet rates have declined only 10.83 per cent.
- WSIB has been active in the past few years studying the rate framework in order to create more fairness and address the large unfunded liability.
- According to Q1 WSIB Report at the end of 2015, the WSIB unfunded liability was at \$7.34 billion or a funding ratio of 73 per cent.
- **OHBA passed a resolution in 2014** supporting the basic findings in the Funding Fairness Report, and requested that, "WSIB expeditiously create a targeted plan on merging rate groups over the short-term with clear timelines."
- WSIB is consulting on reforms to the rate groups which would merge home building with ICI construction. In the new system the target rate for home builders would be \$5.22 and moving downwards to \$3.10 when the unfunded liability is eliminated.

WSIB PREMIUM RATES 2016

- In 2016, for the third consecutive year, premium rates will be maintained at current levels.
- The maximum insurable earnings ceiling for 2016 is \$88,000. This is an increase of 3.3 per cent from 2015. Changes to the Maximum Insurable Earnings Ceiling are directly linked to changes in average earnings in Ontario as measured by Statistics Canada, and provisions under the Workplace Safety and Insurance Act.

Rate Group	Description	2015 Premium Rate
(S)		
704	Electrical And Incidental Construction Services	3.69
711	Roadbuilding And Excavating	5.29
719	Inside Finishing	7.51
723	Industrial, Commercial & Institutional Construction	4.55
728	Roofing	14.80
732	Heavy Civil Construction	7.03
741	Masonry	12.70
748	Form Work And Demolition	18.31
751	Siding And Outside Finishing	10.25
755*	Non-Exempt Partners and EOs in Construction	0.21
764	Homebuilding	9.10

Source: WSIB

WSIB MANDATORY COVERAGE: INDEPENDENT OPERATORS AND EXECUTIVE OFFICERS

- Mandatory WSIB Coverage refers to the policies outlined in the *Workplace Safety and Insurance Act, 2008*. This legislation mandates independent operators and executive officers to purchase WSIB insurance. The legislation provides limited exemptions for residential renovations and executive officers; however, the WSIB has been slow to release finalized policies. The legislation is now in force as of January 1, 2013.
 - **OHBA continues to advocate against mandatory coverage** for independent operators and executive officers in construction;
 - According to the Auditor General, WSIB is expected to receive an additional \$72 million in annual revenues as a result of including this new group of workers.
- Exemptions to Mandatory Coverage:
 - Home Renovation: Home Renovators who are contracted directly through the person occupying the residence and work exclusively in home renovation are exempt from the Mandatory Coverage legislation;
 - Executive Officers, Partners: Businesses can select one executive officer or partner to apply for an exemption from coverage. This must be an individual who does not perform any construction work on any building site (including on-site supervision);
 - In a resolution passed at the 2013 OHBA AMM, OHBA proposed that WSIB create a separate rate group for IOs and EOs 'on the tools' that takes into consideration market realities prior to Bill 119 and creates market-competitive rates that is established at one-third of the current rate group. This should act as the standard for a five-year period. After this time, WSIB should have the date to determine the true experience rating of IOs and EOs in construction.

MANDATORY FALL PROTECTION TRAINING FOR WORKERS

- As of April 1, 2015 workers who use fall protection equipment must have successfully completed a Ministry of Labour approved Working at Heights training program delivered by an approved trainer.
- Workers who have already been trained prior to April 1, 2015 have an additional two years to do the training.

MANDATORY HEALTH AND SAFETY AWARENESS TRAINING

- Starting July 1, 2014 the requirements for *Mandatory Health and Safety Awareness* training for all workers (not just construction) comes into effect. This training focuses on safety rights and responsibilities and serves as a general introduction to workplace health and safety. The training is available online through the Ministry of Labour at no cost.
- *Mandatory Supervisor Health and Safety Awareness* training also took effect on July 1, 2014. This training introduces supervisors to the *Occupational Health and Safety Act*. The Program can be completed by using the workbook or the Ministry of Labour's e-Learning module. The online module takes 45-60 minutes to complete and users must save or print the certificate as the ministry will not maintain records. This mandatory training requirement is also available through the Ministry of Labour at no cost.

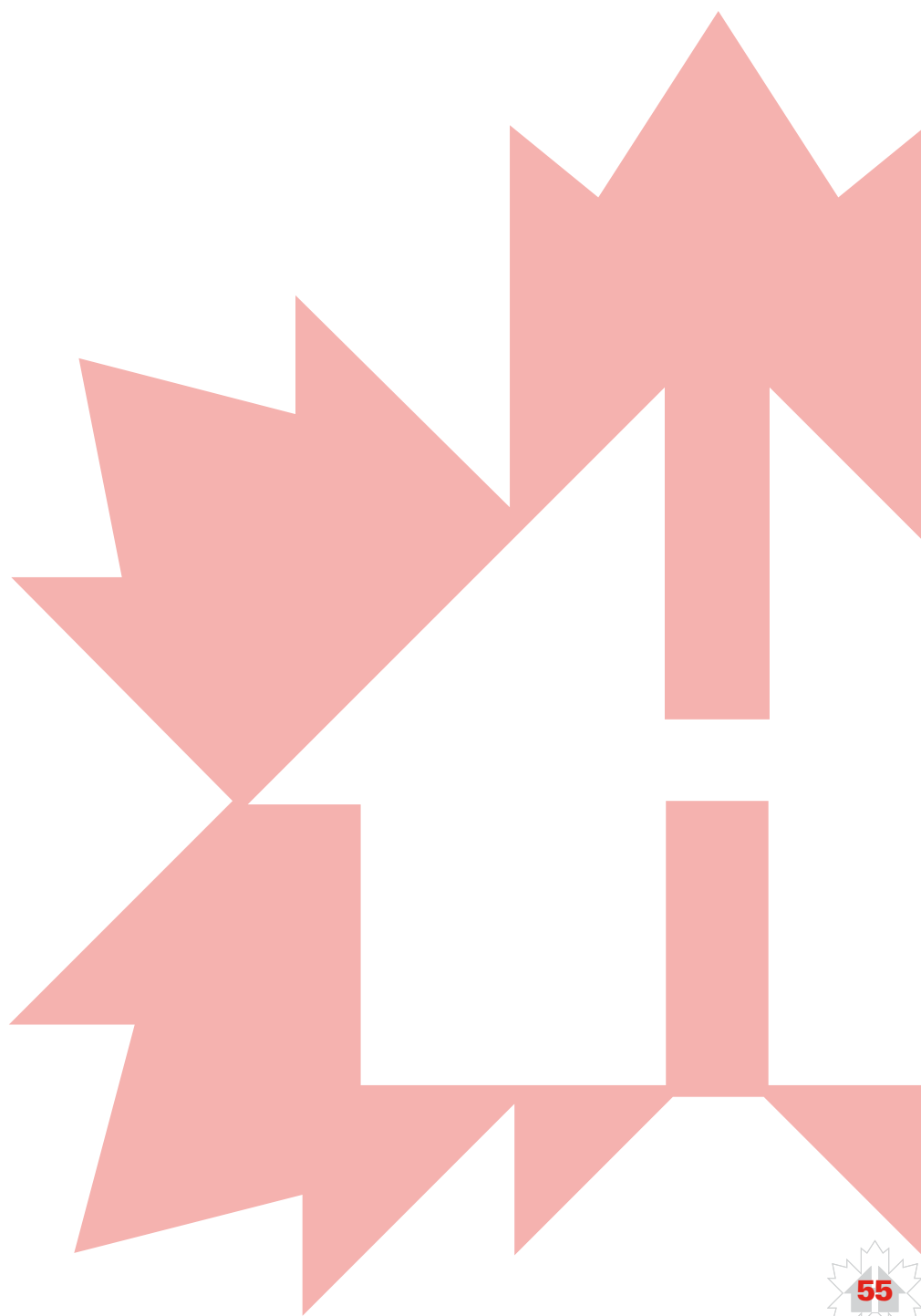
WORKPLACE VIOLENCE AND HARRASSMENT REGULATIONS

- Changes to *Ontario's Occupational Health and Safety Act* (OHSA) that will increase protection for workers from workplace harassment and violence came into effect in 2010.
- Employers must:
 - Prepare policies with respect to workplace violence and harassment;
 - Develop and maintain programs to implement their policies; and
 - Provide information and instruction to workers on the contents of these policies.
- More detailed information has been published by IHSA:
http://www.healthandsafetyontario.ca/bundles/ihsa/news/workplace_violence.html

MINISTRY OF LABOUR: SAFETY PREVENTION PROGRAM

- A workplace safety toll-free phone number for the public and workers to report labour practices or work conditions that appear unsafe: 1-877-202-0009.

Renovators' Council



OHBA/ MARCH OF DIMES ACCESSIBILITY PROFESSIONAL DESIGNATION

- Through a partnership with the March of Dimes, the OHBA has created a designation for renovators wishing to become more knowledgeable in the field of accessible and universal design.
- The online training course consists of four modules that focus on exterior property access, interior access, accessible kitchen design and accessible bathroom design.
- Upon completion of the program OHBA member companies will receive the “Accessibility Professional” designation which will be complimentary with the RenoMark program and allow renovators and builders to demonstrate their knowledge in this ever growing field.



HEALTHY HOMES RENOVATION TAX CREDIT

- The *Healthy Homes Renovation Tax Credit* is a permanent, refundable income tax credit that assists with the cost of modifications that can improve accessibility or help a senior be more functional or mobile at home.
- The Credit is worth up to \$1,500 each year, calculated at 15 per cent of up to \$10,000 in eligible expenses per year.
- **OHBA is fully supportive of the Tax Credit** and continues to advocate to both provincial and federal governments for a more broad-based permanent tax credit that would encourage consumers to collect receipts and utilize the services of legitimate renovators.

MINISTRY OF CONSUMER SERVICES RECOGNIZES RENOMARK/ HBA NETWORK

- The Ministry of Consumer Services recognized and identified OHBA's HBA network and RenoMark renovators as the source for consumers looking to renovate.
- The release states that:
 - o Last year, the residential renovation sector contributed over \$23 billion to Ontario's economy and supported 211,000 jobs. Renovations and repairs shouldn't be left to chance. Families can get the best return for their hard-earned dollars by following these tips:
 - o Choose a reputable contractor. Ask for recommendations, check websites like RenoMark, or call your HBA. Reputable contractors will be bonded, will make sure their workers are insured against workplace injuries and will charge HST.

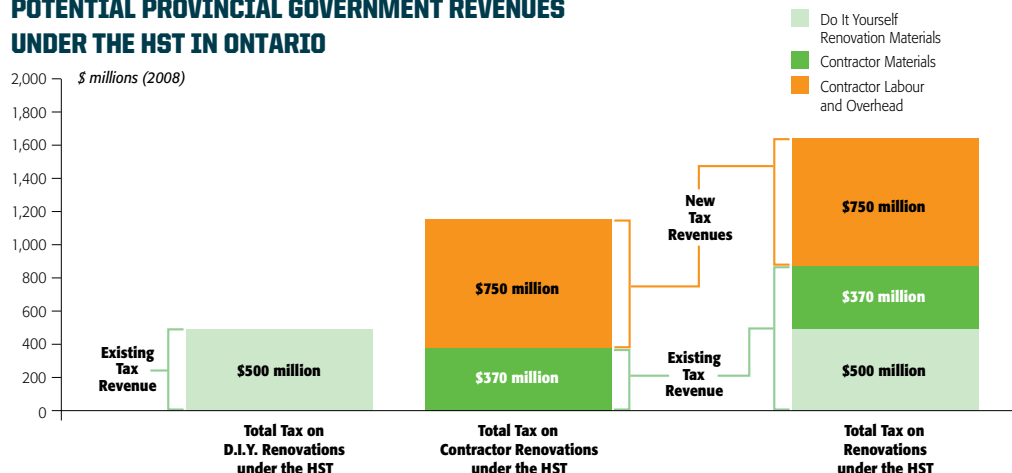
RESIDENTIAL RENOVATIONS AND THE UNDERGROUND ECONOMY

The residential renovation sector contributed:

- **\$26.1 billion** to the provincial economy in 2014
- Supported **174,500 jobs**.
- **\$9.6 billion** in wages
- Underground 'cash' economy represents at least 37 per cent of the residential renovation contractors
- Approximately **\$5.2 billion in underground activity** in Ontario

- The Harmonized Sales Tax (HST) has had negative impacts on the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70 per cent of all renovation investment across Ontario.
 - o The Altus Group estimates that the HST increased the annual tax burden on homeowners undertaking renovations by approximately \$757 million - triple the previous sales tax rate on contractor's renovations in Ontario;
 - o Tax avoidance by consumers is shifting more renovation and repair jobs from contractor assignments to 'do-it-yourself' projects. This will have long-term negative consequences for the quality of the existing housing stock in Ontario;
 - o Tax avoidance by consumers has shifted more activity into the 'underground economy' with implications on government tax revenue, renovation quality, legitimate employment opportunities for contractors, risks to consumers and homeowner liability.
- **OHBA is concerned** that harmonization has further exacerbated the underground 'cash' economy problems experienced in the sector since the GST was initially introduced.

POTENTIAL PROVINCIAL GOVERNMENT REVENUES UNDER THE HST IN ONTARIO



Source: Altus Group Economic Consulting

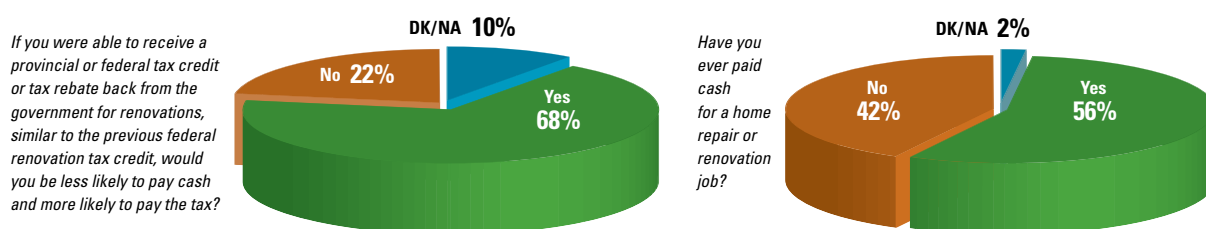
- Evidence suggests that the size of the underground economy varies by the cost of the renovation projects. The CHBA Pulse Survey finds that “cash deal” arrangements were believed to be the most common for small renovation jobs.
- To mitigate against underground economy activity, protect consumers and reduce the potential for government tax revenue to ‘leak’ to the underground, OHBA recommends:
 - **The province should implement a new rebate for contractor renovations directly to the consumer** to encourage the collection of receipts and for contractors to operate in the legitimate economy. A 5.4 per cent rebate (8 per cent provincial portion of the HST minus 2.6 per cent PST that was already previously embedded in the cost of renovations for materials) of the contract value should be rebated directly to consumers. A rebate could also take the form of a tax credit, similar to the federally administered *Home Renovation Tax Credit*.
 - As an alternative, the government could implement a rebate policy for certain contractor renovations to be considered ‘major renovations’, which focus on capital investment rather than maintenance and repair. These rebates could be implemented under physical definitions or based on the project value (i.e. \$5,000+, \$20,000+ or \$50,000+).

Benefits of Various Rebate Programs to the Ontario Government

Size of Contractor Renovation Project by Value Range	Total Contractor Renovation	Estimated Share of Underground Economy	Estimated Size of Underground Economy	Total Tax Revenue Leakage	Tax Loss Prevented		
	(\$ millions)	%	(\$ millions)	(\$ millions)	Under Definition \$5,000+ (\$ millions)	Under Definition \$20,000+ (\$ millions)	Under Definition \$50,000 (\$ millions)
\$1 - \$4,999	2,176	65	1,414	327	–	–	–
\$5,000 - \$19,999	5,693	53	3,006	696	348	–	–
\$20,000 - \$49,999	3,358	20	672	155	78	78	–
\$50,000 and over	2,863	5	143	33	17	17	17
Total	14,090	37	5,235	1,212	442	94	17

Source: Altus Group Economic Consulting

- In November 2010, a poll of 1,113 home owners throughout the province by *Environics Research* found that a majority of Ontarians have paid cash for a renovation job and that a government tax credit or rebate would provide an incentive for consumers to pay for legitimate contractors. In the survey, 56 per cent of Ontarians admitted they have paid cash and avoided taxes for a renovation or repair job.



Source: Envionics Research Group

- On November 17, 2014 the Honourable Kerry-Lynne D. Findlay, Minister of National Revenue and for the Canada Revenue Agency, hosted the inaugural meeting of the new Underground Economy Advisory Committee. CHBA is a member of the new Advisory Committee, which

is comprised of representatives from key industry stakeholder organizations representing a broad cross-section of the Canadian business community and tax professions. The Advisory Committee will provide the Minister and the Canada Revenue Agency (CRA) with unprecedented direct access to industry perspectives and input to help inform the Government of Canada's strategy for tackling the underground economy.

- In November 2014, the Honourable Kerry-Lynne D. Findlay tabled CRA's new strategy document, *Reducing Participation in the Underground Economy - 2014-2015 to 2017-2018*, which recognized CHBA and directly referenced CHBA's *Get it in Writing!* campaign in the strategy as a best practice.
- On March 5, 2015, CHBA announced an agreement with the Government of Canada to renew its successful public information program, *Get it in Writing!*, for the next three years. This industry-lead initiative provides homeowners with advice on how to hire a contractor, and the dangers of dealing with illegal 'cash' operators. The *Get it in Writing!* Campaign emphasizes how having a written contract gives homeowners control over their renovation, and protects them while helping to ensure they get the renovation results they want.
- Federal Conservatives are pledging to deliver a **permanent tax credit for home renovations** if re-elected in October 2015. Taxpayers would be eligible to claim up to 15 per cent of the cost of permanent "substantial" renovations to homes, condos and cottages. The tax credit would apply to renovation costs between \$1,000 and \$5,000.
- **OHBA continues to recommend** that the federal government implement a permanent GST rebate or tax credit program to entice consumers to utilize the services of a legitimate, professional contractor rather than the underground 'cash' economy.
- On March 25, 2015, OHBA participated at the Conference Board of Canada's **Roundtable Discussion on Recommendations to Address Ontario's Underground Economy** and made recommendations that the federal and provincial governments should implement a permanent home renovation tax rebate to the consumer, as well as provide an incentive for consumers to demand receipts from legitimate renovators for the CRA.
- The 2014 Mandate Letter for MPP Laura Albanese, Parliamentary Assistant to the Ontario Minister of Finance, included references to specific measures in the 2014 Budget for, "monitoring and enhancing our government's efforts to preserve revenue integrity".
- On September 20, 2010, **OHBA passed a resolution** on residential renovations and the underground economy. **OHBA made the following recommendations** to the provincial and federal governments:
 - The federal government and provincial governments should implement a permanent home renovation tax rebate to the consumer as well as provide an incentive for consumers to demand receipts from legitimate renovators and submit them to the CRA;
 - All firms and individuals in the construction industry should be required to register for a Business Number, even if they wish to take advantage of the HST exemption for companies which operate below the \$30,000 annual sales threshold;
 - The Ontario government should embark on a public awareness campaign targeted

towards consumers that explains the risks associated with paying cash under-the-table to illegitimate contractors; and

- Government departments such as the Canada Revenue Agency, local building departments, WSIB, and the Ministry of Labour should better co-ordinate and share information to catch illegal contractors.
- On December 3, 2009, **OHBA made a deputation** to the Standing Committee on Finance and Economic Affairs regarding the implications of the HST for the renovation sector and the underground economy.
- On October 25, 2009, **CHBA passed a resolution** recommending that the federal government implement a renovation tax rebate under the GST to achieve revenue neutrality with the previous federal sales tax on home renovations.
- On September 21, 2009, **OHBA passed a resolution** recommending that the federal government modernize renovation tax policy to capture a significant portion of the renovation market. The resolution recommended that the provincial government ensure that the HST does not further encourage underground economic activity by increasing the tax burden on residential renovations.

RENOMARK

- **OHBA has purchased RenoMark licenses** for all Ontario local HBA's.
- Each local HBA has the option of joining the RenoMark program by contacting and signing an agreement with BILD.

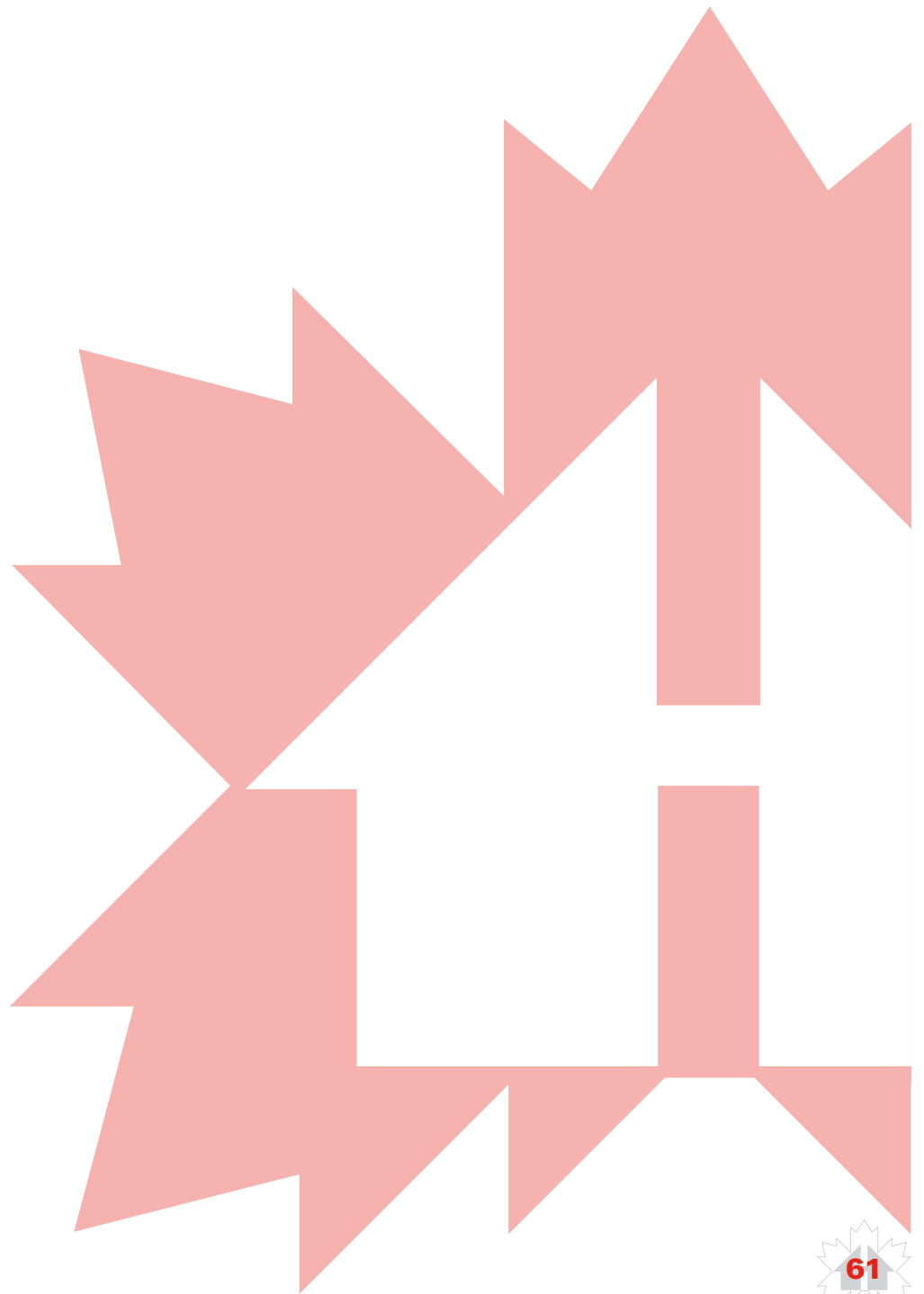
To date, 19 OHBA locals are participating in the RenoMark program:

- | | |
|-------------------------|------------------------------------|
| ➤ Brantford HBA | ➤ Niagara HBA |
| ➤ Chatham-Kent HBA | ➤ Greater Ottawa HBA |
| ➤ Greater Dufferin HBA | ➤ Peterborough & The Kawarthas HBA |
| ➤ Durham Region HBA | ➤ Simcoe County HBA |
| ➤ Guelph & District HBA | ➤ St. Thomas-Elgin HBA |
| ➤ Haliburton County HBA | ➤ Quinte HBA |
| ➤ Hamilton-Halton HBA | ➤ Waterloo Region HBA |
| ➤ Lanark-Leeds HBA | ➤ Windsor Essex HBA |
| ➤ London HBA | ➤ Stratford HBA |



- Visit www.Renomark.ca for more information.

Technical Committee



ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT (AODA)

- The *Accessibility for Ontarians with Disabilities Act* (AODA) received Royal Assent in May 2005. The intent of the Act is to develop codes and standards to improve accessibility and freedom of movement within the province by January 1, 2025.
- The AODA takes a broad definition of those with disabilities from the Human Rights Code and includes such groups as people in wheelchairs, blind, deaf, autistic or other learning disabilities. The codes and standards will look to make changes in all sectors including transportation, customer service, business and construction (new and existing structures).
- A public consultation on the proposed *Accessible Built Environment Standard* was opened from July to October 2009. **OHBA prepared two response documents** including a general policy discussion as well as an on-line submission of technical comments.
- The Minister of Community and Social Services announced that retrofitting of the existing built environment and housing would not be part of the consultation and subsequently not being considered by government at this time.
- Early in 2010, the committee revised the initial proposed standard to reflect the public's input resulting in the final proposed *Accessible Built Environment Standard*.
- Work has been completed on the standard for *Transportation and the Customer Service Standard* has already been adopted. Business owners should be aware of the Customer Service Standard and what it can mean to their operations. More information about the different accessibility standards (including the Built Environment Standard) can be found at: **www.ontario.ca/accesson**.
- On December 27, 2013, the amendments to the 2012 Building Code, O.Reg. 332/12 were filed, which included requirements to enhance accessibility in newly constructed buildings and existing buildings that are to be extensively renovated. Effective January 1, 2015, the Building Code increased accessibility requirements, such as more apartment units with accessible features and visual fire safety devices such as smoke alarms with a strobe light. These changes to the Building Code position Ontario as a North American leader in barrier-free building design.

BUILDING CODE CONSERVATION ADVISORY COUNCIL (BCCAC)

- The Building Code Energy Advisory Council (BCEAC), was established under directive from the *Green Energy and Economy Act, 2009* to require regular review of the Building Code's energy conservation provisions at five-year intervals.

- With the passing of the *Water Opportunities and Water Conservation Act, 2010*, the BCEAC's mandate was expanded to include water conservation measures and renamed to the Building Code Conservation Advisory Council (BCCAC). The function of the BCCAC is to provide strategic and technical advice to the Minister of Municipal Affairs and Housing on energy and water conservation measures that could be considered for future editions of the Ontario Building Code.
- There are 11 members on the Council (two members awaiting the Minister's appointment): OHBA Past President Doug Tarry represents the residential construction industry.

2012 ONTARIO BUILDING CODE (OBC)

- As of January 1, 2012, amendments to the OBC, mainly under Article 1.3.3.4, Div. C, set out criteria that must be met before occupancy of the building will be allowed. OHBA identified two main issues related to the new occupancy inspection and permit requirements:
 - o Substantial completion of grading (difficult to inspect grading in winter). **OHBA recommended to the Ministry of Municipal Affairs and Housing to remove this onerous requirement.** The 2012 Ontario Building Code (effective January 1, 2014) removed the requirement for site grading to be substantially complete as a condition for issuing an occupancy permit.
 - o The prescriptive requirements for energy efficiency under the Building Code would need to be met before occupancy could be allowed and an Occupancy Permit issued. The occupancy inspection requires, among other things, that the building envelope (including: cladding, roofing, windows, doors, insulation, vapour barriers and air barriers) are substantially complete. In addition, the occupancy inspection requires the heating systems to be complete, operational and tested. The OHBA/OBOA/LMCBO Joint Working Group has addressed what is required to demonstrate compliance with SB-12 energy efficiency requirements on a FAQ document at www.oboa.on.ca.
- Most of the requirements of the 2012 *Ontario Building Code* will come into force on Jan. 1, 2014, with certain requirements coming into force on Jan. 1, 2015 and Jan. 1, 2017.
- OHBA was extensively involved in two rounds of public and stakeholder consultations.
- There are over 20,000 changes to the *Ontario Building Code*, most are language changes, however some key changes include:
 - o One smoke alarm per bedroom plus one per floor. Must be hard-wired and have an alternate power source for seven days, followed by four minutes of alarm;
 - o Changes describing guards designed not to facilitate climbing;
 - o Increased water conservation for toilets and showers;
 - o Changes to on-site sewage system requirements;
 - o Roof sheathing supports with spacing more than 406 mm will require edge fasteners at every 150 mm maximum;
 - o Change in concrete wall height (basements); and
 - o Supply ducts located in conditioned space must be sealed.

- On January 1, 2015, a number of additional code changes took place, including:
 - o Furnace equipped with a brushless direct current motor (e.g. ECM);
 - o Updated 2012 CSA standard (F280) for heating and cooling load calculations;
 - o Natural Gas (or propane) ready kitchen and laundry rooms are permitted instead of electrical;
 - o Requirements for all smoke alarms in all buildings, including houses, to include a visual signalling component;
 - o Requirements for visual fire alarms to be installed in all public corridors of multi-unit residential buildings and in all multi-unit residential suites.
- OHBA efforts ensured some ill-advised potential items did not make it into the code including:
 - o Low-rise fire sprinklers;
 - o Proposal to require mandatory “Solar Ready” conduits in all houses;
 - o Proposal regarding increased performance for fire separation between houses and protection of soffits on closely spaced buildings were not harmonized with the National Code based on 10-minute emergency response times.

SB-12 ENERGY EFFICIENCY REQUIREMENTS (JOINT WORKING GROUP)

- The 2012 OBC includes the next step forward for Ontario housing in terms of energy and water efficiency in 2017. All new housing construction in 2017 must meet an energy efficiency level that is 15 per cent higher than those under the current code, and large buildings must meet a 13 per cent higher energy efficiency level.
- The energy efficiency requirements for housing captured in SB-12 (SB-10 for large buildings), along with new requirements for mandatory occupancy inspections and mandatory air barrier inspections came into force for all new homes built on or after January 1, 2012.
- OHBA, the OBOA and the Large Municipalities Chief Building Officials (LMCBO) **formed a joint working group**, with support from the Ministry of Municipal Affairs and Housing staff to address problem areas with the implementation of SB-12 and facilitate faster permit processing.
- The SB-12 joint working group developed an Energy Efficiency Design Summary (EEDS) form to be used by permit applicants when applying for a building permit under the new SB-12 requirements. This form summarizes all of the design information contained within the drawings on one convenient form and helps to streamline the plans review process for municipalities.
- In response to OHBA 2013 Resolution #11, EEDS (Energy Efficiency Design Summary) Form Update, the SB-12 Joint Working Group revised the EEDS form and the accompanying FAQ. The key changes on the revised EEDS form incorporate amendments to SB-12 as of March 2013.

- In preparation for the OBC 2017 energy efficiency requirements, the SB-12 Joint Working Group and members from the OHBA Technical Committee submitted recommendations to MMAH on the general framework for SB-12 2017 and compliance options.

MANDATORY HOME ENERGY RATING AND DISCLOSURE (ON RESALE)

- On October 3, 2013, Liberal MPP Phil McNeely tabled a motion in the legislature that, “in an effort to protect and inform homebuyers, energy labelling related to the energy efficiency of new and existing houses at time of sale should be enacted by the end of 2014.”
- The debate at Queens Park on October 3rd highlighted the distinction between homes after 2012 and those before the code change. MPP McNeely has also assured OHBA that he feels new homes should be exempt from this requirement. The motion passed with 47 in favour and 34 opposed as the Liberals and NDP voted in favour of the motion and the PC Party against. The motion is not binding on the government and **OHBA will continue to advocate on behalf of consumers** for better disclosure to promote energy-efficient buildings in new and older homes.
- OHBA supported the motion with the condition that new homes would be exempt from auditing. Under the Ontario Building Code (OBC) effective January 1, 2012, low-rise residential buildings are designed to meet the performance level that is equal to an EnerGuide rating of 80 or more. Based on this OBC requirement, and the process MMAH has created to confirm that new homes are inspected a minimum of ten times before occupancy (OBC 1.3.5.1.) by municipal building officials, the idea of mandatory labelling of new homes is redundant for the new home consumer.
- New home consumers who purchase an ENERGY STAR qualified home, or other energy-efficiency labelled homes, will receive a label as part of their agreement of purchase and sale. Based on this administrative process, mandatory labelling of new homes is redundant.
- On September 28, 2015, OHBA passed a resolution in support of mandatory home energy rating and disclosure on resale: *Therefore Be It Resolved That: The provincial government enact Section 3 of the Green Energy and Green Economy Act, 2009 to enable mandatory home energy audits prior to the sale of an existing home (re-sale).*
- Under OHBA’s 2015 Resolution #5, Mandatory Home Energy Rating and Disclosure on Resale, OHBA prepared an initial submission to the Ministry of Energy on its proposed Home Energy Rating & Disclosure (HER&D) policy initiative, which expressed our continued support for mandatory home energy audits prior to listing an existing home. The Ministry proposes to phase-in HER&D over a five-year timeframe, with province-wide adoption in 2019. OHBA will continue to participate in consultation opportunities and keep our members informed about the initiative.

SIX-STOREY WOOD-FRAME CONSTRUCTION

- OHBA advocated for the provincial government to amend the *Ontario Building Code* to allow wood-frame buildings to be constructed to a maximum of six storeys to provide more design options for developers while realizing cost savings for new home construction and homebuyers.
- This proposal supports the implementation of the Growth Plan (**see page 36**) which contains policies to build compact, complete communities including intensification policies in built-up areas.
- In May 2013, OHBA and BILD held a press conference calling for changes to the *Ontario Building Code* that will result in safe, affordable homes for Ontario residents. Two reports supporting six-storey wood-frame buildings were released:
 - Strong planning and economic rationales are outlined in the report, *Unlocking the Potential for Mid-Rise Buildings: Six-Storey Wood Structures*, commissioned by BILD and authored by former City of Toronto Chief Planner Paul Bedford;
 - In addition, BILD and the Residential Construction Council of Ontario (RESCON) commissioned a complementary report, *Mid-rise Combustible Construction in Ontario – Building Code Issues*, to investigate fire safety issues related to an increased use of combustible material in construction.
- OHBA raised the issue directly with Premier Wynne and former Municipal Affairs and Housing Minister Linda Jeffrey as well as the Ministry of Municipal Affairs and Housing Deputy Minister and the Buildings and Development Branch.
- MMAH is financially contributing to research being undertaken by the National Research Council (NRC). The NRC has proposed research on mid-rise and other wood-based construction to support proposed changes to the 2015 edition of the model National Building Code.
- OHBA and BILD met with the Ontario Professional Firefighters Association and the City of Toronto Fire Chief in May to discuss concerns related to the safety of occupants and to members of the fire services.
- In September 2013 and 2014, OHBA passed a resolution at its AMM supporting OBC amendments for six-storey wood-frame construction.
- On October 1, 2013, OHBA participated in MMAH's focused stakeholder consultation to help inform strategy with respect to mid-rise wood-frame construction. In attendance were organizations such as RESCON, OBOA, LMCBO, OAA, OSPE, the Canadian Wood Council, the City of Toronto, the Ontario Association of Fire Chiefs (OAFCA) and the Ontario Professional Fire Fighter's Association (OPFFA). The main discussion pertained to fire safety of the buildings during construction and as-built.
- From October to December 2013, the Canadian Commission on Building and Fire Codes

(CCBFC) launched a public consultation on proposed changes to the 2010 National Model Construction Codes, which included proposed changes allow mid-rise wood-frame construction in the NBC. OHBA conducted two stakeholder sessions with CHBA, LHBA and BILD to review and comment on the proposal.

- On March 20, 2014, the provincial government proposed amendments to the Ontario Building Code to permit mid-rise wood construction up to six storeys. The proposal included several made-in-Ontario fire safety provisions to ensure the safety of building occupants and emergency responders. OHBA conducted stakeholder consultation with RESCON and the Canadian Wood Council to review the proposal.
- The 2014 Liberal Platform promoted wood construction, through changing the building code to allow six-storey, wood-frame buildings to encourage the construction of mid-rise, mixed use buildings.
- September 23, 2014, the province announced changes to the Building Code allowing up to six-storey wood-frame buildings, effective Jan. 1, 2015.
- To promote public safety and support implementation of the new regulatory requirements, MMAH has worked in conjunction with the Ministries of Labour and Community Safety and Correctional Services and Office of the Fire Marshal in developing guidance material to address fire safety during construction. OHBA and BILD participated in the stakeholder review of the draft guideline, which included representation from the fire services, building and insurance industries, bargaining unit representatives and municipalities.
- On June 25, 2015, OHBA and BILD, in co-operation with the City of Toronto Building Division, co-hosted a mid-rise wood-frame building forum on construction site fire safety. The forum brought the industry together with the City of Toronto's Chief Building Official, provincial staff, and Ontario Wood WORKS! to address construction site fire safety for mid-rise wood-frame construction in Ontario.

TECHNICAL SUB-COMMITTEE ON FURNANCE SIZING AND DESIGN

- The OHBA Technical sub-committee reviewed changes to CSA F280 which addresses a home's heat loss/heat gain calculations. The new standard allows for heat loss calculations that take into account design elements that are common practice in energy-efficient housing and homes designed to SB-12 requirements (e.g. credit for HRV, credit for better air tightness, better window and basement modelling.)
- On December 27, 2013, MMAH published an amendment to the OBC that references the new edition of CSA F280-12 (effective January 1, 2015). OHBA supported the adoption of the new CSA F280 in the OBC.

RADON GAS

- The OHBA Technical Committee requested clarification from the Tarion Warranty Corporation to identify warrantable conditions involved in Radon. A fact sheet is now available from Tarion.
- On July 17, 2014, MPP Qaadri's Bill 11, *Radon Awareness and Prevention Act, 2014*, passed Second Reading in the Ontario Legislature with all-party support. The Act seeks to raise awareness about radon, provide for the Ontario Radon Registry and reduce radon levels in dwellings and workplaces.
- On November 12, 2013, the Minister of Health joined the New Brunswick Lung Association and Summerhill Impact Group to announce the Government's support for the annual National Radon Action Month, and to encourage all Canadians to test the levels of radon gas in their homes.
- Starting September 1, 2015, the City will implement a Radon Gas Mitigation Program for certain building permits applied for after August 31, 2015. As part of the new program, a builder must put in place one of three radon gas mitigation options when constructing a new low-rise residential dwelling in Guelph.
- It is difficult to address the risk of radon ingress in new housing based on geographic location because of the absence of comprehensive radon data in Ontario. It is therefore also problematic to give blanket exemptions from requirements for the protection from radon ingress because the only viable way to determine the radon concentration in a building is to perform a test once the building is complete. Consequently, OHBA has signed an MOU with the Radiation Safety Institute of Canada (RSIC) to conduct voluntary radon testing on 200 new homes across Ontario. The results from this survey will form a basis for discussion for radon protection in new housing.

RESIDENTIAL FIRE SPRINKLERS

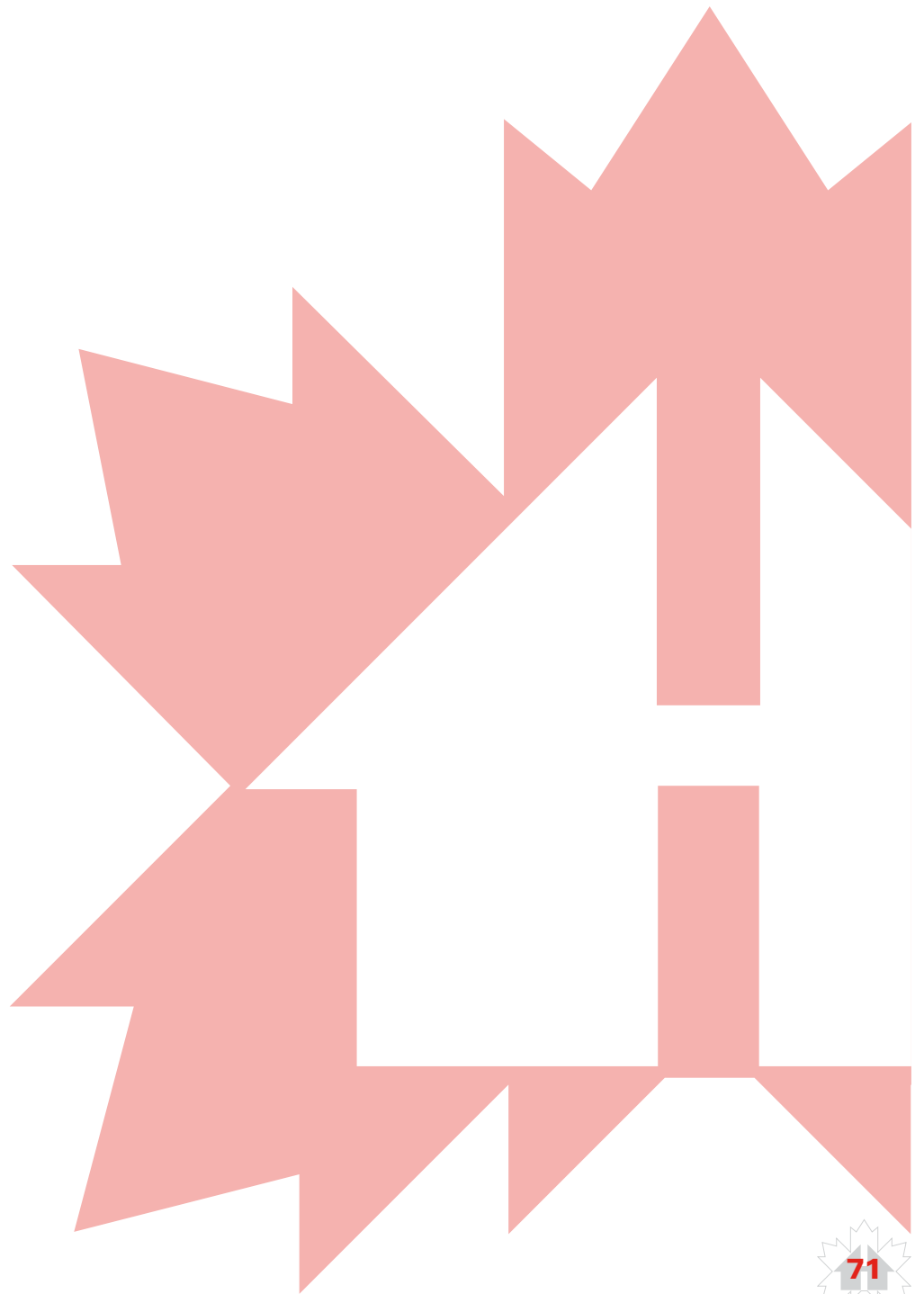
- Mandatory residential fire sprinklers were adopted into the *Ontario Building Code* for buildings four storeys and higher, applying to building permit applications for Part three buildings filed after April 1, 2010.
- Residential fire sprinklers are not mandatory in low-rise housing in Ontario.
- According to data collected by the Ontario *Office of the Fire Marshal* (OFM), there was a 36 per cent decline in the fire death rate in residential structures in Ontario from 2001 to 2010. This extends a trend of steady decline in fire fatalities over almost two decades even though Ontario's population has been steadily increasing. As a representation of population to fire fatalities, Ontario's fire fatality rate in 2001 was 8.3 per cent while in 2010 it had dropped to 5.3 per cent.

- According to OFM 2012 data, in 33 per cent of preventable residential fires where there was a fatality there was no smoke alarm warning. (In 15 percent there was no smoke alarm, and in 18 per cent the smoke alarm did not operate.)

GLASS PANELS IN BALCONY GUARDS

- The Ministry of Municipal Affairs and Housing established an *Expert Advisory Panel on Glass Panels in Balcony Guards* including representation from OHBA and BILD to provide recommendations on whether and how to amend the Building Code to address the issue of breakage of glass panels in balcony guards.
- The Panel put forward seven recommendations which were all adopted.
- Ontario Regulation 159/12 was filed on June 20, 2012 and came into force on July 1, 2012. The amendment incorporates, by reference, new *Supplementary Standard SB-13*, "Glass in Guards".
- The amendments include:
 - Requiring the use of heat-strengthened laminated glass when glass is close to or beyond the edge of a balcony;
 - Permit the use of heat-soaked tempered glass where glass balcony guards are inset a certain distance from the edge of the balcony; and
 - These requirements apply to new construction only.

Training & Education Committee



COLLEGE OF TRADES

- *The Ontario College of Trades and Apprenticeship Act* develops a governance model for trades in the province through the establishment of the Ontario College of Trades (OCOT). OCOT is responsible for:
 - Establishing apprenticeship programs and other training programs;
 - Maintaining a public registry of its members;
 - The process for determining appropriate apprentice-to-journeyperson ratios;
 - The process for trade classification reviews; and
 - Establishing the scope of practice for trades.
- OHBA passed a resolution at its 2009 AMM which outlined concerns with respect to the College as well as recommending the government complete a full review of journeyperson-to-apprenticeship ratios for all trades and undertake a full economic impact analysis of the implications of this regulatory package.
- OHBA passed a resolution at the 2013 AMM stating that the association will oppose all requests for compulsory certification for currently voluntary trades along with all requests for currently compulsory trades to be made voluntary.
- OHBA believes that compulsory certification would:
 - Increase the underground economy as home owners and contractors try to escape increased regulation;
 - Limit job opportunities in construction through high apprenticeship ratios;
 - Restrict labour mobility through limited worker skill sets;
 - Be used by certain labour unions to increase unionization in regions with little union activity and assert jurisdictional claims against other unions; and
 - Increase costs for home purchasers and home owners due to increased costs and red tape.

COLLEGE OF TRADES MEMBERSHIP

- Certificate of Qualification (C of Q) holders in Voluntary Trades, this includes: carpenters, painters, roofers, and bricklayers:
 - If you hold a certificate of qualification in a voluntary trade and received this prior to April 8, 2013 you **will not** be mandated to join the College. This means that you do not have to pay any fees and are excluded from any disciplinary function of the College. You will have the option to join the College if you so choose.
 - If you receive your C of Q in a voluntary trade after April 8, 2013 **you must join** the College of Trades in order to maintain your CofQ.
- C of Q holders in compulsory trades, this includes: electricians, plumbers and sheet metal workers:

- If you are working in a compulsory trade (such as electricians and plumbers) you still must join the College in order to maintain your C of Q.
- Construction Employers:
 - If you are an employer in construction with workers in compulsory and/or voluntary trades you do not have to join the College or pay fees.
 - OHBA would recommends not becoming members of the Ontario College of Trades as you may be exposing you and your company to onerous and unnecessary oversight and liability.

COLLEGE OF TRADES FEES

- OHBA advocated for employers to be exempt from the College of Trades. The Membership fees for each class are as follows:
 - Apprentices: \$60 + HST
 - Tradespersons: \$60 + HST
 - Journeypersons: \$120 + HST
 - Employers (OPTIONAL) \$120 + HST

COMPULSORY CERTIFICATION FOR THE SPRINKLER AND FIRE PROTECTION INSTALLER TRADE

- Only one trade – sprinkler and fire protection installer – went through the OCOT certification review process. OHBA opposed this application and provided written and oral deputations to inform the process.
- OCOT released the Review Panel Decision for the Sprinkler and Fire Protection Installer Trade Classification Review recommending compulsory certification for this trade. The Panel ruling also establishes “a period of repose” of two years, after which time an application could be made to return this to a voluntary trade. OHBA provided a written submission in Fall 2013 arguing for this trade to remain voluntary as well as an oral deputation to the Panel on January 6, 2014.
- The OCOT ruling was not unanimous and a minority opinion reiterates many of the arguments OHBA has made with respect to concerns about process at OCOT and the negative effects compulsory certification would have on industry and tradespeople.
- There is currently only one training delivery agent for this trade in Ontario and OHBA has communicated to the Ministry that we are concerned that this is insufficient if this trade is to become compulsory.

College of Trades Journeyperson-to-Apprentice Ratio Review:

TRADE	Current Ratio	Review Finding	Outcome
Floor covering installer	1:1	2:1	▲
*Crane Operator	1:1	1:1	■
Concrete Erector	1:1, 3:1	1:1, 3:1	■
Cement Mason	1:1, 3:1	1:1, 2:2, 3:2, 4:2, 5:3, 6:3,	▼
Roofer	1:1, 3:1	1:1, 2:1	▼
Terazzo, tile and Marble setter	1:1, 3:1	1:1, 2:1	▼
Architectural Glass and Metal Technician	1:1, 2:1	1:1, 2:1	■
Construction Boilermaker	1:1, 3:1	1:1, 3:1	■
Heat and Frost insulator	1:1, 3:1	1:1, 3:1	■
Brick and Stone Mason	1:1, 3:1	1:1, 2:1	▼
Construction Millwright	1:1, 4:1	1:1, 3:1	▼
Ironworker	1:1, 2:1	1:1, 2:1	■
Painter and Decorator	1:1, 2:2, 3:2, 4:2, 5:3, 6:3,...	1:1, 2:2, 3:2, 4:2, 5:3, 6:3,...	■
*Plumber	1:1, 3:1	1:1, 2:1	▼
*Refrigeration and air conditioning systems mechanic	1:1, 3:1	1:1, 2:1	▼
*Residential Air Conditioning Systems Mechanic	1:1, 3:1	1:1, 2:1	▼
*Residential low rise sheet metal installer	1:1, 3:1	1:1, 3:1	■
*Sheet Metal Worker	1:1, 3:1	1:1, 2:1	▼
Drywall, acoustic & lathing applicator	1:1, 4:1	1:1, 4:1	■
*Electrician	1:1, 2:2, 3:2, 4:2, 5:3, 6:3, 7:3, 8:4 then for every 3 journeypersons after the 8th journeyperson, 1 additional apprentice	1:1, 2:2, 3:3, 4:4, 5:4, 6:4, 7:5, 8:5, 9:5, 10:5 then for every 3 journeypersons after the 10th journeyperson, 1 additional apprentice	▼
General Carpenter	1:1, 4:1	1:1, 3:1	▼
Powerline technician	1:1	1:1	■
Sprinkler and fire protection installer	1:1	1:1	■

Source: Ontario College of Trades

PROVINCIAL APPRENTICESHIP INITIATIVES

- The *Ontario Youth Apprenticeship Program* (OYAP) provides employers with financial and administrative support regarding apprenticeship opportunities.
- There are a number of different programs in place to facilitate movement into skilled trades, including: OYAP (high school), *Co-op Diploma Apprenticeship Program* (college) and for those who've left high school before graduation, *the Pre-Apprenticeship Training*.
- A number of local home building associations are engaged in partnerships with local OYAP officials and offer a number of training and employment opportunities with member companies.

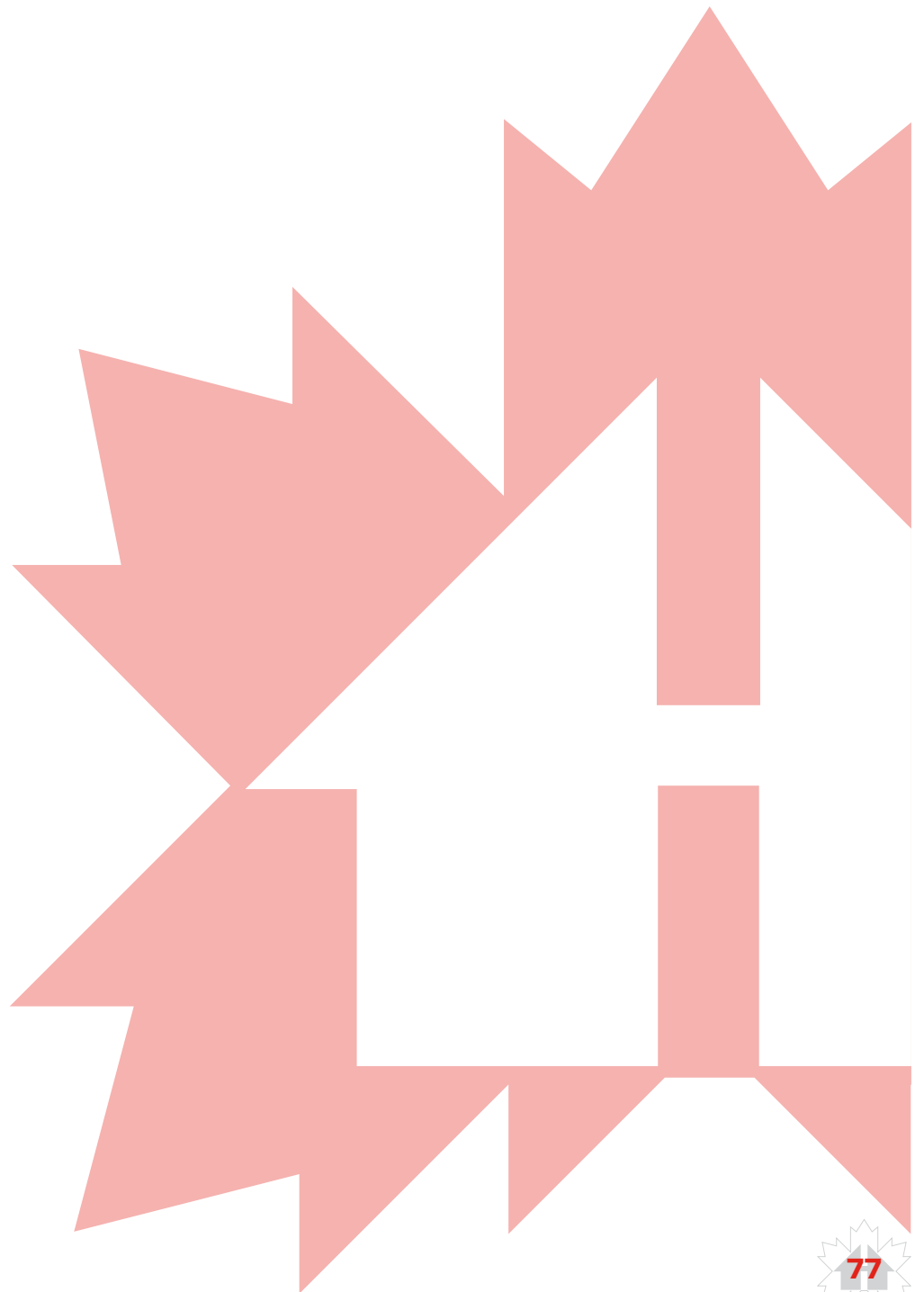
SPECIALIST HIGH SKILLS MAJORS (SHSM) PROGRAM

- The Ministry of Education has returned technical classes to the high school curriculum, which will enable students to graduate with a *Construction Skills Degree*. It is hoped that this will encourage careers in the construction trades.
- The SHSM is a Ministry-approved specialist program that allows students to focus on a specific economic sector while meeting the requirements of the Ontario Secondary School Diploma and assists the transition to apprenticeship training, college, university or the workplace.
- The SHSM program is available in all school boards across the province. The program currently reaches 530 schools in one or more of the sectors, for a total of more than 1,000 SHSM programs province-wide.
- For more information visit:
www.edu.gov.on.ca/eng/morestudentsuccess/SHSM.html

CANADA-ONTARIO JOB GRANT

- The *Canada-Ontario Job Grant* was established by the federal and Ontario governments in 2014.
- The Grant provides up to \$10,000 or more per person. The grant is available to businesses with a plan to deliver training to existing and new employees. The grant requires employers to contribute one-third of the total costs of the training.
- For additional details on the program visit www.tcu.gov.on.ca/eng/eopg/cojg

Index



Accessibility for Ontarians with Disabilities Act	62	Growth Plan – Amendment #2	39
Apprenticeship Information	74	GST – New Housing Rebate	9
Apprenticeship Ratios	3	Healthy Homes Renovation Tax Credit	56
Bank of Canada	7	Home Energy Labelling	65
Barrie-Innisfil Boundary Adjustment	39	Housing Market	6
Bobolink	33	Housing Starts	6
Brownfields	26	HST – Renovations (Rebate)	59
Builder Bulletin 20	19	HST – Threshold Review	11
Builder Bulletin 28	20	Illegal Building	18
Builder Education Task Force (BETF)	20	Inclusionary Zoning	40
Building Advisory Council	62	Infrastructure For Jobs and Prosperity Act	40
Building Code Conservation Advisory Council	62	Land-Use Planning and Appeals System	41
Canada Job Grant	75	Long-Term Affordable Housing Strategy	42
Climate Change	26	Major Structural Defect (MSD)	21
College of Trades Review	2	Mandatory Home Energy Labelling	65
College of Trades	72	Mandatory WSIB Coverage	53
Co-ordinated Review	36	March of Dimes Accessibility	56
Compulsory Certification	73	Market Conditions	6
Condo Conversions – Warranty	22	Metrolinx	43
Condominium Act	2	Minimum Distance Separation Formulae (MDS)	45
Condominium Market	7	Ministry of Environment Modernization	45
Conservation Authorities Act	27	Municipal Act	46
Construction Lien Act	3	Occupational Health and Safety Act	54
Development Charges Act	27	Ontario Building Code	63
Eastern Meadowlark	33	Ontario Municipal Board (OMB)	46
Economic and Housing Indicators	8	Ontario Provincial Budget	7
Economic Impact	6	Parkland Dedication	47
Endangered Species Act	32	Permits to take Water (PTTW)	45
ENERGY STAR for New Homes	15	Places to Grow	36
EnerQuality Corporation	14	Planning Act, Sec 37	29
Environmental Activity and Sector Registry (EASR)	45	Population Growth	9
Fall Protection Training	53	Provincial Policy Statement	48
Furnace Sizing	67	Prompt Payment	3
Glass Panels on Balcony Guard	68	R-2000/NetZero Energy Homes	15
Government-Imposed Charges	33	Radon Gas	67
Great Lakes Protection Act	34	Redside Dace	32
Greenbelt	34	Renomark	60
Greenhouse Certified Construction	15	Renovation Market	10
Green Energy and Economy Act	62	Renovation Tax Credit	56
Green Renovator Project	15	Residential Fire Sprinklers	68
Growth Plan – Greater Golden Horseshoe	36	Sales Tax Harmonization	11
Growth Plan – Northern Ontario	40	SB-12	64
Growth Plan – Amendment #1	39	Six-Storey Wood-Frame Construction	66

Smart Growth	29
Specialist Program - SHSM	75
Strategic Lawsuits Against Public Participation	48
Tarion Builder Bulletin 19	19
Tarion Construction Performance Guideline	22
Tarion Performance-Based Pricing	21
Tarion Warranties	21 & 22
Tarion Industry Data	23
(City of) Toronto Act Review	
Tony Dean	2
Underground Economy	57
Waste Diversion/Reduction	48
Wetland Conservation	49
Workplace Violence and Harassment	54
WSIB Premium Rates	52
WSIB Mandatory Coverage (Bill 119)	53



Ontario
Home Builders'
Association

20 Upjohn Road, Suite 101
North York, Ontario M3B 2V9
416-443-1545 / 800-387-0109
Fax: 416-443-9982
info@ohba.ca
www.ohba.ca
@OntarioHBA