



Housing Issues

Status Report - Fall 2016

29 local associations

BILD-GTA
Bluewater
Brantford
Chatham-Kent
Cornwall
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
Sarnia-Lambton
Simcoe County
St.Thomas-Elgin
Stratford & Area
Sudbury & District
Thunder Bay
Waterloo Region
Windsor Essex



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

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2. Homes by DeSantis - Aquablu
3. Reid's Heritage Homes - Net Zero Home
4. Minto Communities - Yorkville Park
5. Discovery Dream Homes - The Towerhill

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1. ZINC Developments - 35 Wabash 1
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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 2015.

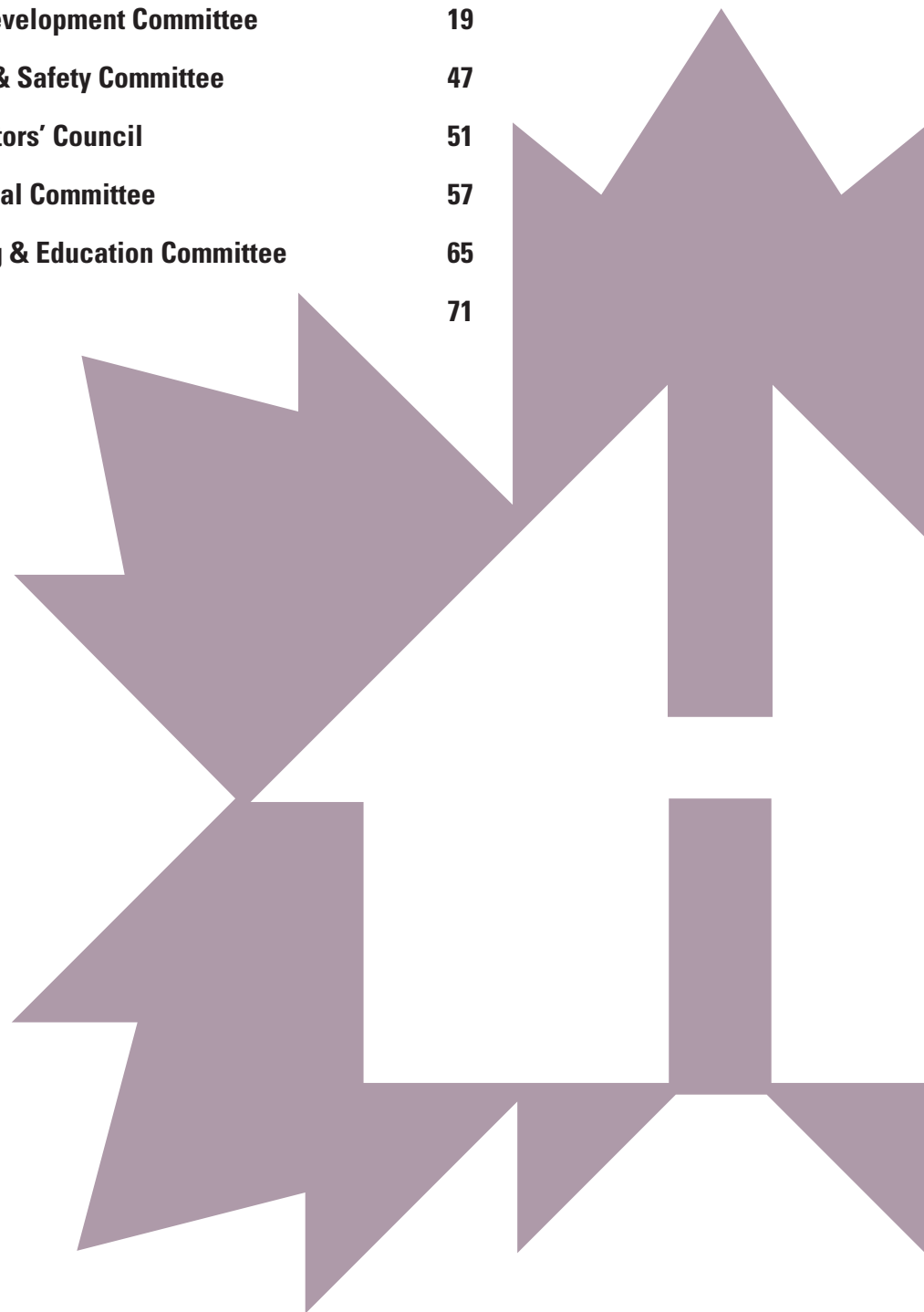
Each issue is described under the OHBA standing committee chiefly responsible for it. This status report is intended to provide members with a sense of the agendas of each of the various committees. The ordering of issues within the status report does not reflect their relative importance.

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.

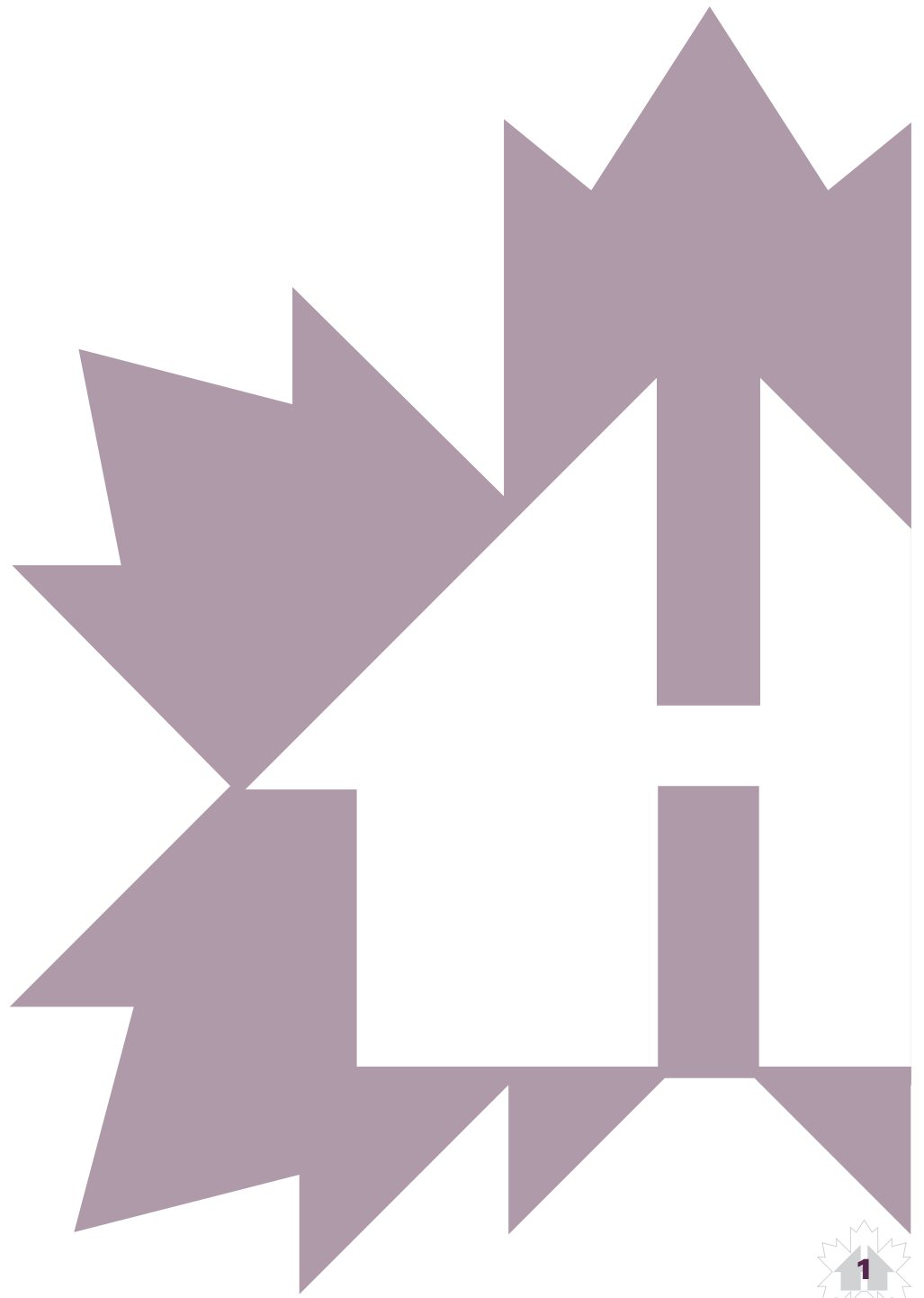
The Ontario Home Builders' Association is the voice of the new housing, land development, and professional renovation industry in Ontario. Its 4,000 member companies are organized into a network of 29 local associations involved in all facets of the new home construction and residential renovation industries. 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	3
EnerQuality Corporation	9
OHBA / TARION Liaison Committee	11
Land Development Committee	19
Health & Safety Committee	47
Renovators' Council	51
Technical Committee	57
Training & Education Committee	65
Index	71



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.

CONDOMINIUM ACT REVIEW

- Bill 106, *Protecting Condominium Owners Act, 2015* passed third reading unanimously in the legislature in late 2015 received Royal Assent. The legislation is the result of three years of consultation with public and industry stakeholders.
- Significant components of the Act require regulations to be established before any changes can take effect. For example, future regulatory consultations will clarify rules around the prohibition for sale or leaseback of units and common elements and new disclosure requirements have not yet been enacted.
- OHBA looks forward to continuing to inform the policy process as government consults on regulatory elements that impact our members.
- OHBA submissions on the Condo Review are all available at ohba.ca.
- For more information visit: ontario.ca/condos.

CONSTRUCTION LIEN ACT REFORM

BACKGROUND

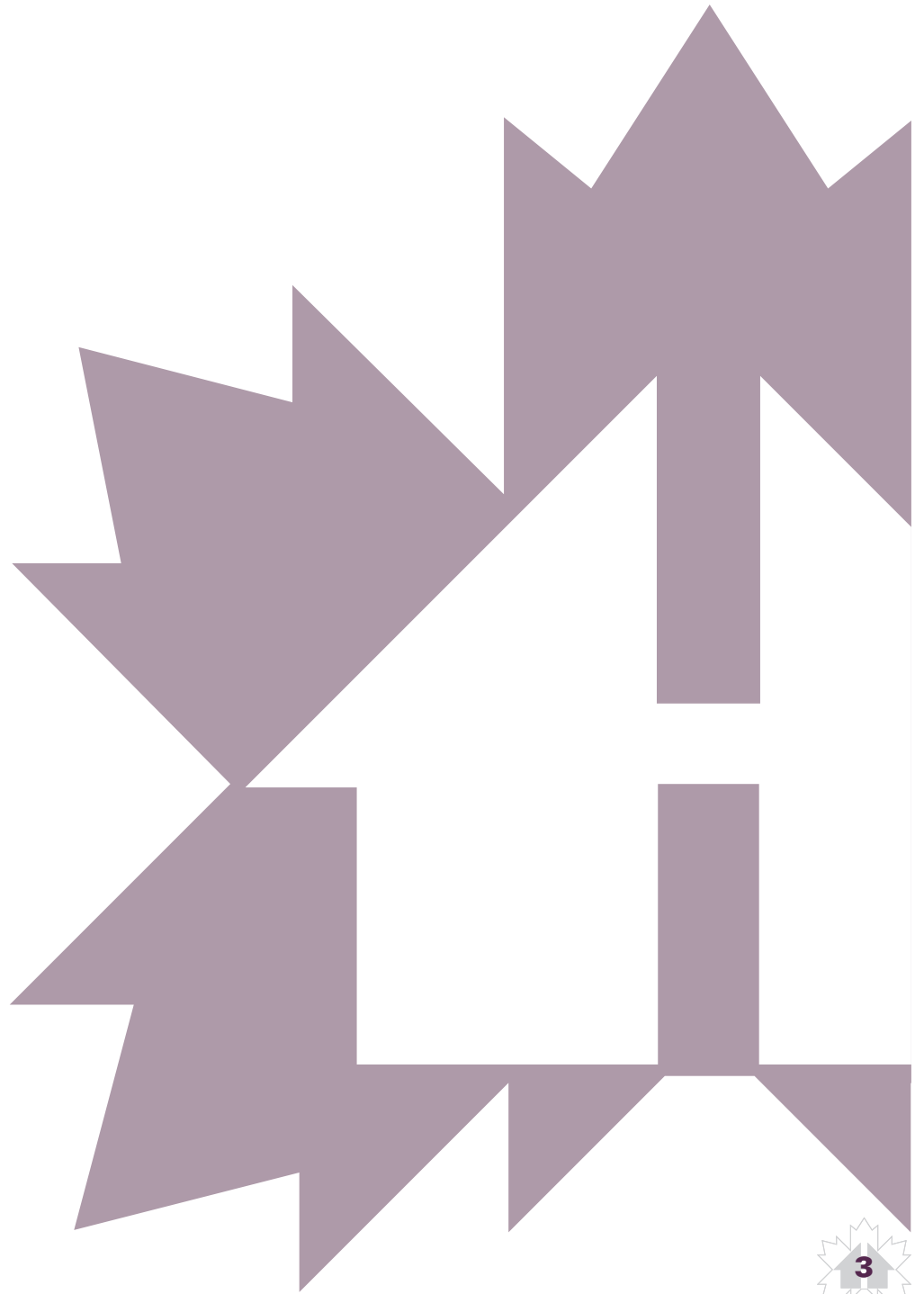
- Government announced in election platform they would review the *Construction Lien Act*.
- The Attorney General appointed Bruce Reynolds and Sharon Vogel to lead the review and table recommendations based on their expertise and outreach to stakeholders.
- The government has publically released the recommendations from Bruce Reynolds and Co-Counsel Sharon Vogel on updating the *Construction Lien Act*. Their report 'Striking the Balance: Expert Review of Ontario's Construction Lien Act' outlines significant changes to the Lien Act is over 400 pages and provides 100 recommendations.
- The government has signaled that they intend to introduce changes to the Lien Act based on the recommendations in early 2017.
- OHBA recognizes the need for modernization and improvements to the Act, but has concerns with many of the recommendations impact on contract law and views some as potentially increasing conflicts in the payment process.

2014 AMM RESOLUTION

- ***OHBA 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.***

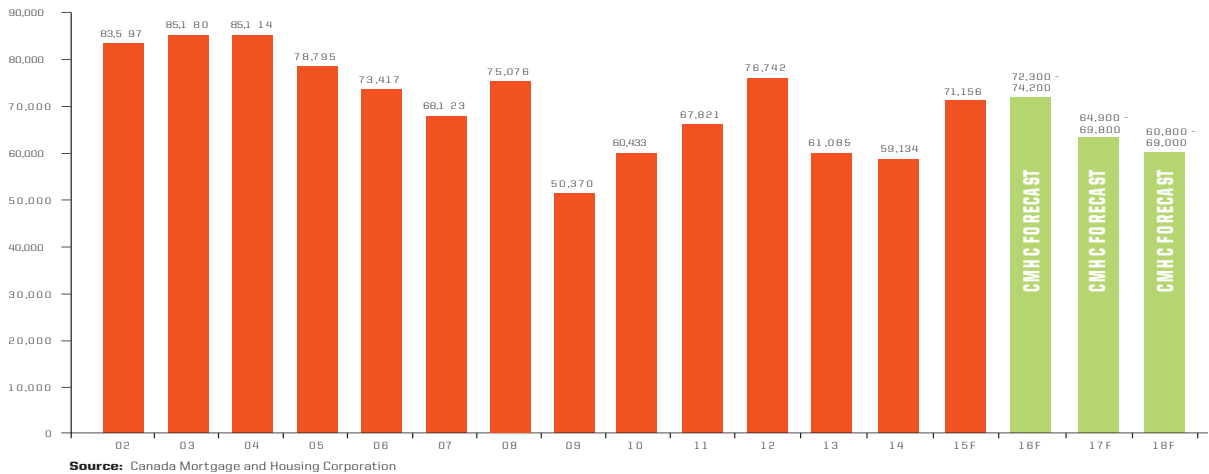


Economic Review Committee



MARKET CONDITIONS

ONTARIO HOUSING STARTS - 2002 - 2018 (F)



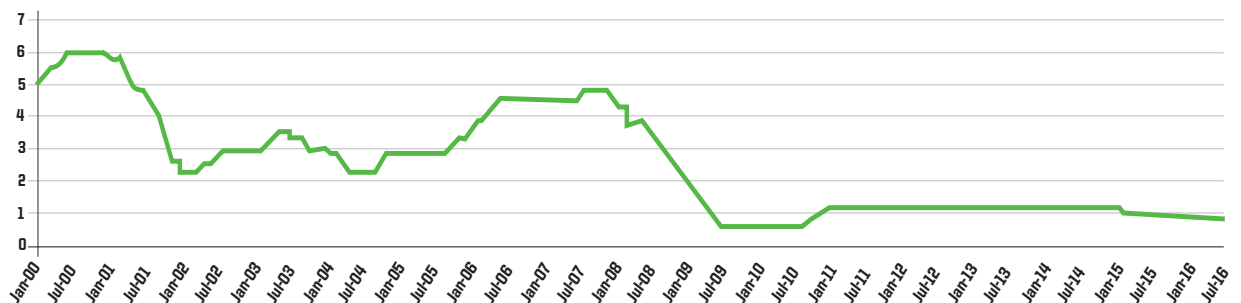
HOUSING MARKET

	2014	2015	2016F (high)	2016F (low)
Total Ontario Housing Starts	59,134	70,156	74,200	72,300
Single Detached Housing Starts	23,691	23,691	29,300	27,500
Multiple Unit Housing Starts	35,443	45,203	46,500	44,000
Total MLS Sales	205,972	223,828	243,000	234,000
MLS Average Price	\$430,984	\$465,556	\$526,000	\$515,300

Source: Canada Mortgage and Housing Corporation

BANK OF CANADA

BANK RATE



CONDOMINIUM MARKET

GTA CONDOMINIUM SALES

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
10,802	12,364	16,224	16,124	22,654	14,469	14,792	20,491	28,190	17,997	13,797	20,671	20,753

Source: Urbanation

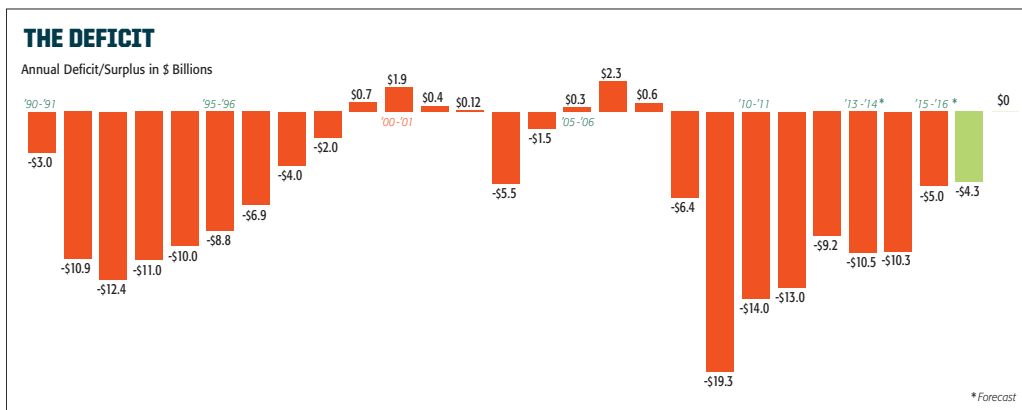


ONTARIO PROVINCIAL BUDGET 2016

ONTARIO'S ECONOMIC OUTLOOK AT A GLANCE

	2012	2013	2014	2015	2016(F)	2017(F)
Real GDP Growth (%)	1.3	1.3	2.7	2.5	2.2	2.4
Unemployment (%)	7.8	7.6	7.3	6.8	6.6	6.4
CPI Inflation (%)	1.4	1.0	2.4	1.2	1.8	2.0
Budget (\$ Billions)	2013-14	2014-15	2015-16	2016-17(F)	2017-18(F)	2018-19(F)
Provincial Expenses	126.4	128.9	133.4	133.9	136.6	140.7
Provincial Revenues	115.7	118.5	128.4	130.6	137.7	141.9
Reserve	-	-	-	1.0	1.1	1.2
Surplus/(Deficit)	-10.5	-10.3	-5.0	-4.3	0.0	0.0

Source: Ontario MFIN, 2016 Ontario Budget, CMHC



Source: Urbanation

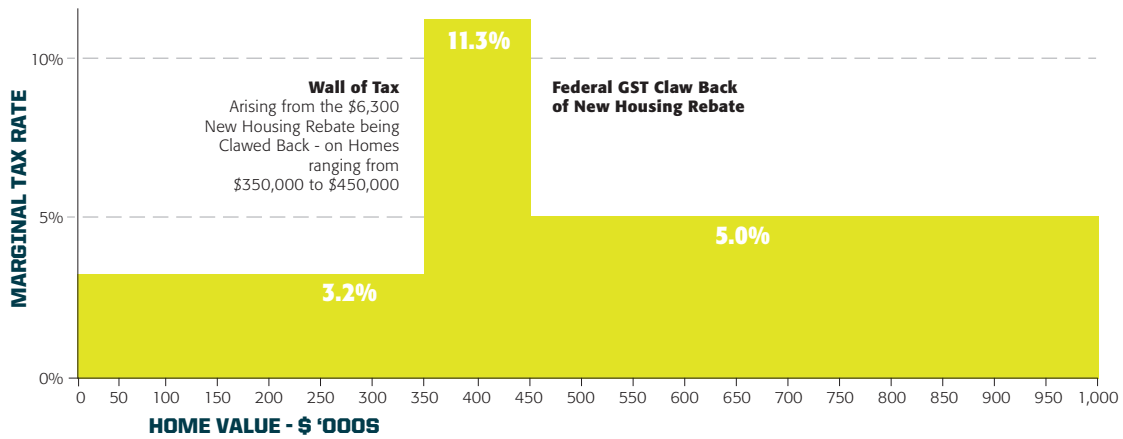
POPULATION GROWTH

- 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. The 2016 census population data will be released on February 8, 2017.
- During the 25-year period from 2016-2041, the population of the Greater Golden Horseshoe is expected to grow almost 50 per cent from nine million people to 13.5 million people.

PROGRESSIVE GST REBATE FOR NEW HOUSING

- In 1991 the federal government promised to index the GST rebate thresholds. It never happened and 22 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 five 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%

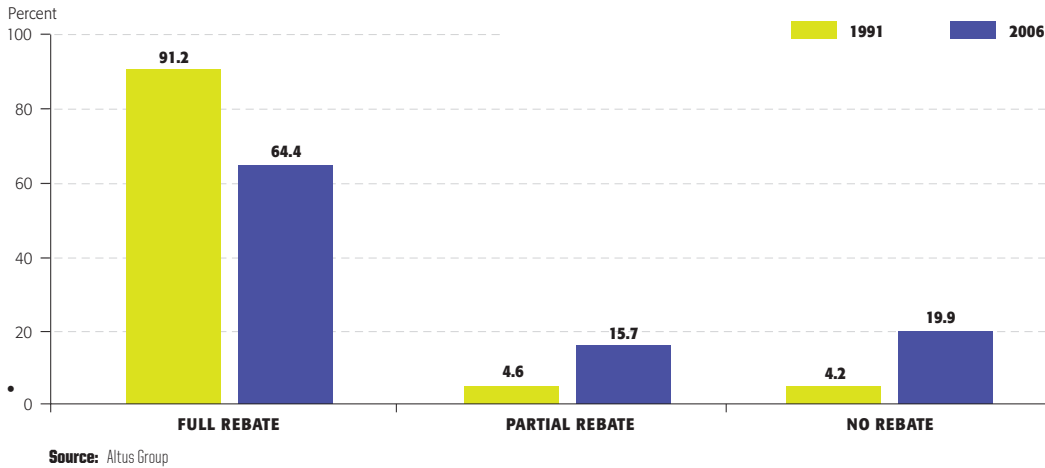
*Average annual units based on total newly-built, owner occupied housing units during the census period.

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



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

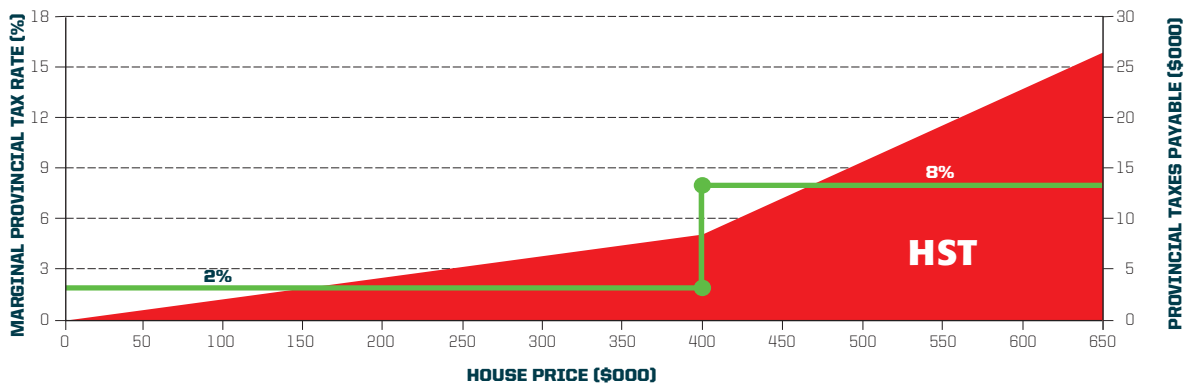
Source: Estimates by Will Dunning Inc.

SALES TAX HARMONIZATION

- The enhanced Ontario New Housing Rebate provided an estimated \$1.27 billion in targeted HST relief to new home buyers in 2016 according to the Ontario *Transparency in Taxation, 2016* report.
- Since the HST came into effect in July 2010, the **Ontario New Housing Rebate has provided approximately \$6 billion in targeted HST relief to new home buyers.**
- Tax Structure:
 - A two per cent flat tax is applied to the sale price of a new home up to a \$400,000 threshold;
 - An eight 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



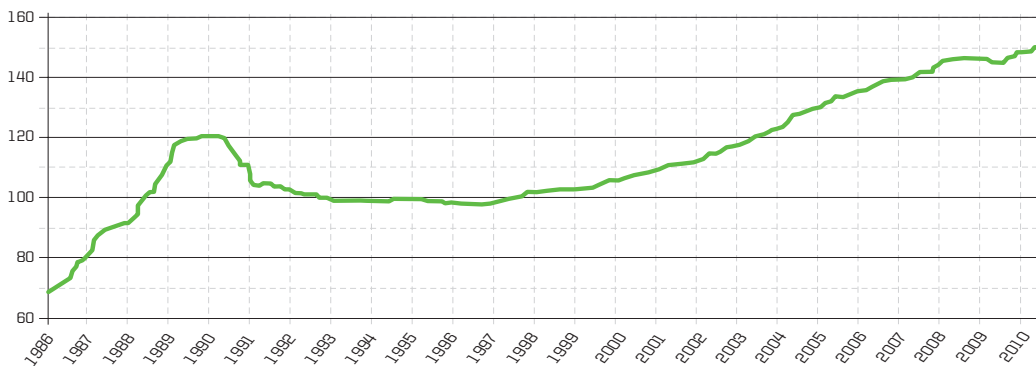
Source: Ontario Home Builders' Association

HST THRESHOLD REVIEW

- **OHBA is supportive of the progressive tax structure** that protects housing affordability by maintaining a two 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)

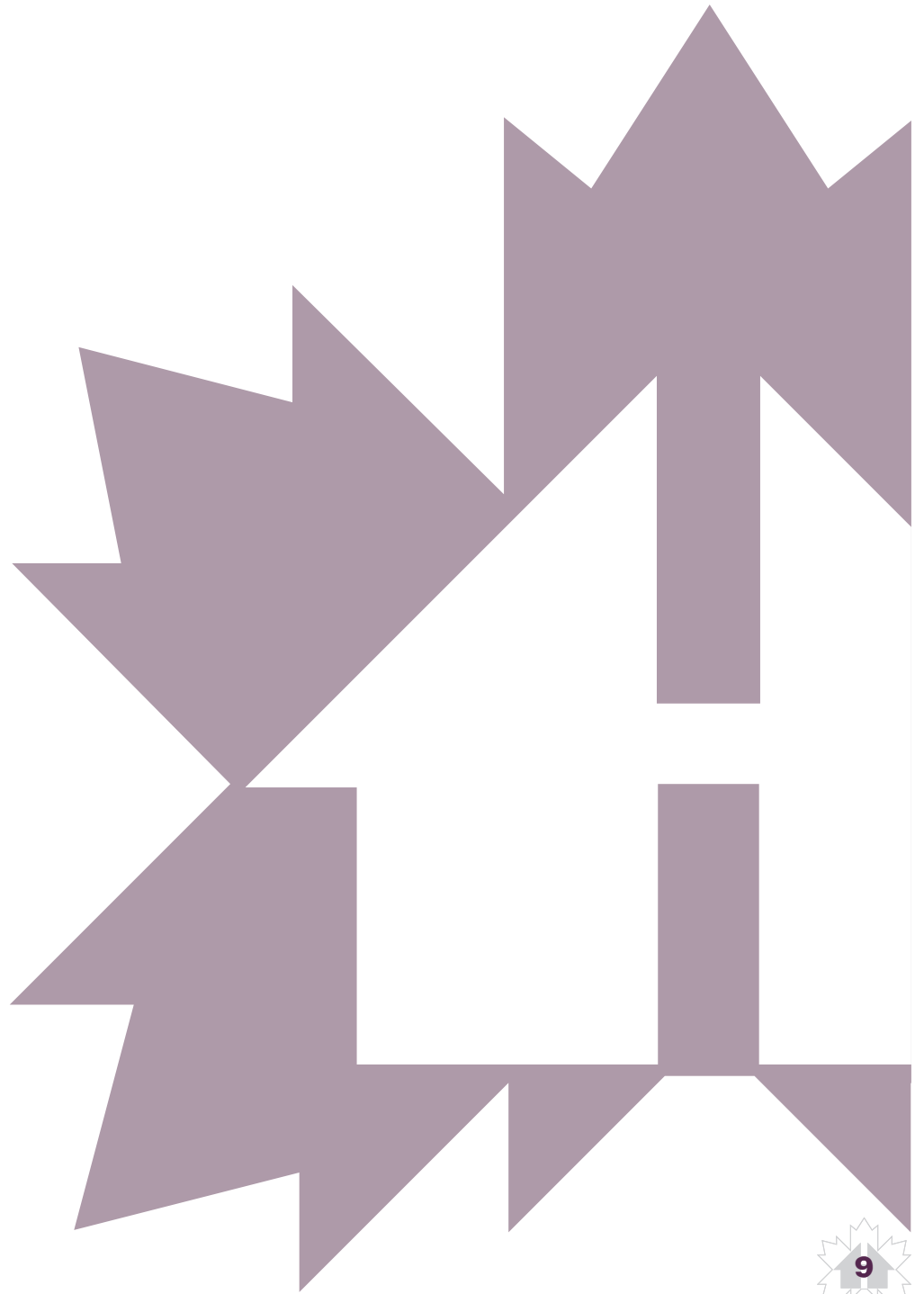


Source: Atlas Group

- 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.
- 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 for the majority of middle class Ontario new home buyers.
- This would substantially improve housing affordability for the middle class new home buyer.



EnerQuality Corporation



ENERQUALITY

- EnerQuality is Canada’s #1 Certifier of Energy Efficiency Homes and the market leader in residential green building programs.
- 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.
- As a leader in builder engagement and education, EnerQuality delivers workshops across Ontario on building science, building codes and standards like ENERGY STAR and Net Zero. EnerQuality’s annual Housing Innovation Forum and Awards (February 23, 2017) is the premier residential building performance conference that brings together the industry’s innovators and celebrates its leaders.
- On May 24, 2016, EnerQuality was recognized for our long-standing contribution to the high-performance housing in Canada with two 2016 ENERGY STAR Market Transformation Awards: Participant of the Year and Sustained Excellence.



CERTIFICATIONS

ENERGY STAR for New Homes

ENERGY STAR certified homes are 20 per cent more energy-efficient than Ontario Building Code requirements.

GreenHouse Certified Construction

GreenHouse certified homes meet high-performance standards in water efficiency, indoor air quality, and resource management on top of ENERGY STAR.

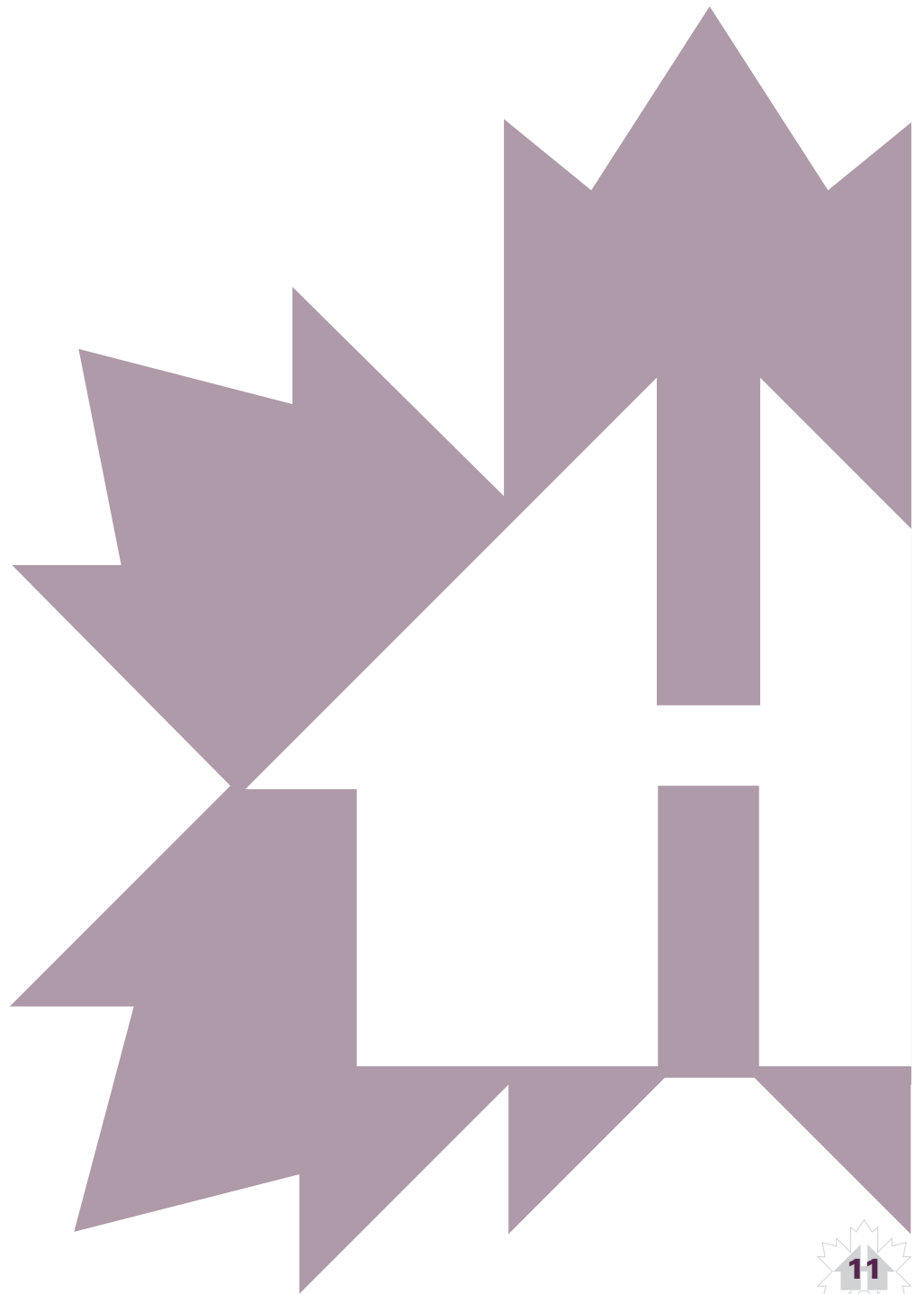
R-2000

R-2000 certified homes are 50 per cent more energy-efficient than Ontario Building Code requirements.

Net Zero / Net Zero Ready Homes

Net Zero certified homes are 50 per cent+ more energy-efficient than Ontario Building Code requirements and produce renewable energy.

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:
 - o Date the permit is issued; and
 - o 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 (MMAH) website: **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 2014 Ontario Budget, 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 to include an additional eight municipalities: Markham, Oakville, London, Wasaga Beach, Collingwood, Midland Penetanguishene, Stratford and Newmarket 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 MMAH with respect to the building permit application process to prevent illegal building before it starts.

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 Builder Bulletin #20. Consultation 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 Builder Bulletin 20. 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 Builder Bulletin #20, 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. OHBA members also recommended that Tarion review the risk categories thresholds for projects completed.
- Tarion will be seeking Tarion Board approval on the proposed BB28 and implementation plan.

BUILDER BULLETIN 50 (THE REPAIR WARRANTY AND REPAIR AGREEMENTS)

- 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 subcommittee to identify the issues related to repair warranties and repair agreements. With input from the OHBA Board, Executive and BILD's Builders' Council, this subcommittee prepared a submission containing a set of guiding principles and key recommendations for discussion with Tarion.
- On July 25, 2016, the Ministry of Government and Consumer Services (MGCS) posted the proposed regulation changes to the Repair Warranty on the Regulatory Registry. OHBA provided a formal submission to MGCS that identified key recommendations on the regulation changes on the Repair Warranty, and will continue to have dialogue with Tarion to supplement OHBA's submission.

BUILDER EDUCATION TASK FORCE (BETF)

- In February, 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) focused the discussion on how Tarion can better fulfill its mandate to inform and educate new builders. Consultation closed at end of June 2012.
- 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.
- 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:
 - o Phase One (Sept. 1, 2015): New builders registering on or after that date must attain the core competencies prior to their next renewal.
 - o Phase Two (Sept. 1, 2016): Achieving the core competencies will be a pre-requisite for registration.

CONDOMINIUM CONVERSIONS WARRANTY PROTECTION

- In April 2013, Tarion Warranty Corporation announced that it is studying the feasibility of providing warranty coverage for condominium conversions.
- As the Tarion warranty program was conceived as a new home protection plan, Tarion at present cannot provide warranty protection for such conversion projects.
- Bill 106, *Protecting Condominium Owners Act, 2016* was passed in late 2015 and made substantial changes to the *Condominium Act, 1997* with the goal to enhance consumer protection, strengthen financial management and improve how condos are run. Notably, the Act will create two new administrative authorities that will be self-funded through fees charged to condo owners and condo managers:
 - o The Condo Authority would be responsible for administering condo owner education, dispute resolution and a condo corporation registry; and
 - o A licensing authority to administer licensing of condo managers.
- Significant components of Bill 106 require regulations to be established before any changes can take effect. OHBA industry experts and staff are currently participating in consultations dealing with licensing of condominium managers. Future consultations will clarify rules around the prohibition for sale or leaseback of units and common elements as well as new disclosure requirements.
- OHBA has also been working with BILD for the past three years while this file has been under review with significant assistance from OHBA Past President Vince Molinaro and BILD Chair Steve Deveaux who led the BILD-OHBA Condo Act Review committee.

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.
- 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.

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 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 into which OHBA made additional comments in April 2012.
- The MSD liability shift came into effect on July 1, 2012.

PERFORMANCE-BASED PRICING

- A task-force was 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 publically disclosed on Tarion's website.
- The proposed rating system will be based on three components:
 - o Tenure
 - o Claims history
 - 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.
- Tarion plans on making the official builder ratings publically available, giving home buyers additional information to use in choosing the right builder.

REVIEW OF THE ONTARIO NEW HOME WARRANTIES PLAN ACT AND TARIION

- The government is conducting an independent review of the *Ontario New Home Warranties Plan Act* (ONHWP Act) and the Tarion Warranty Corporation. On November 5, 2015, the Honourable J. Douglas Cunningham, QC was appointed as a special advisor to review protections for owners of new homes and identify opportunities to improve consumer protection.
- Following the regional stakeholder consultations conducted from April to May 2016, the Honourable Justice Cunningham Q.C. released his Interim Progress Report on the review of the ONHWP Act and Tarion. The report summarizes what the Justice has heard and learned to date and outlines some preliminary thoughts on how to improve consumer protection, accountability, transparency, and board governance to help protect consumers buying new homes in Ontario.
- Justice Cunningham’s final report will provide recommendations on how to improve consumer protection, accountability, transparency and board governance to help protect consumers buying new homes in Ontario. OHBA has engaged directly with Justice Cunningham and will be submitting feedback to inform the Justice’s interim report and a formal response to the final report.

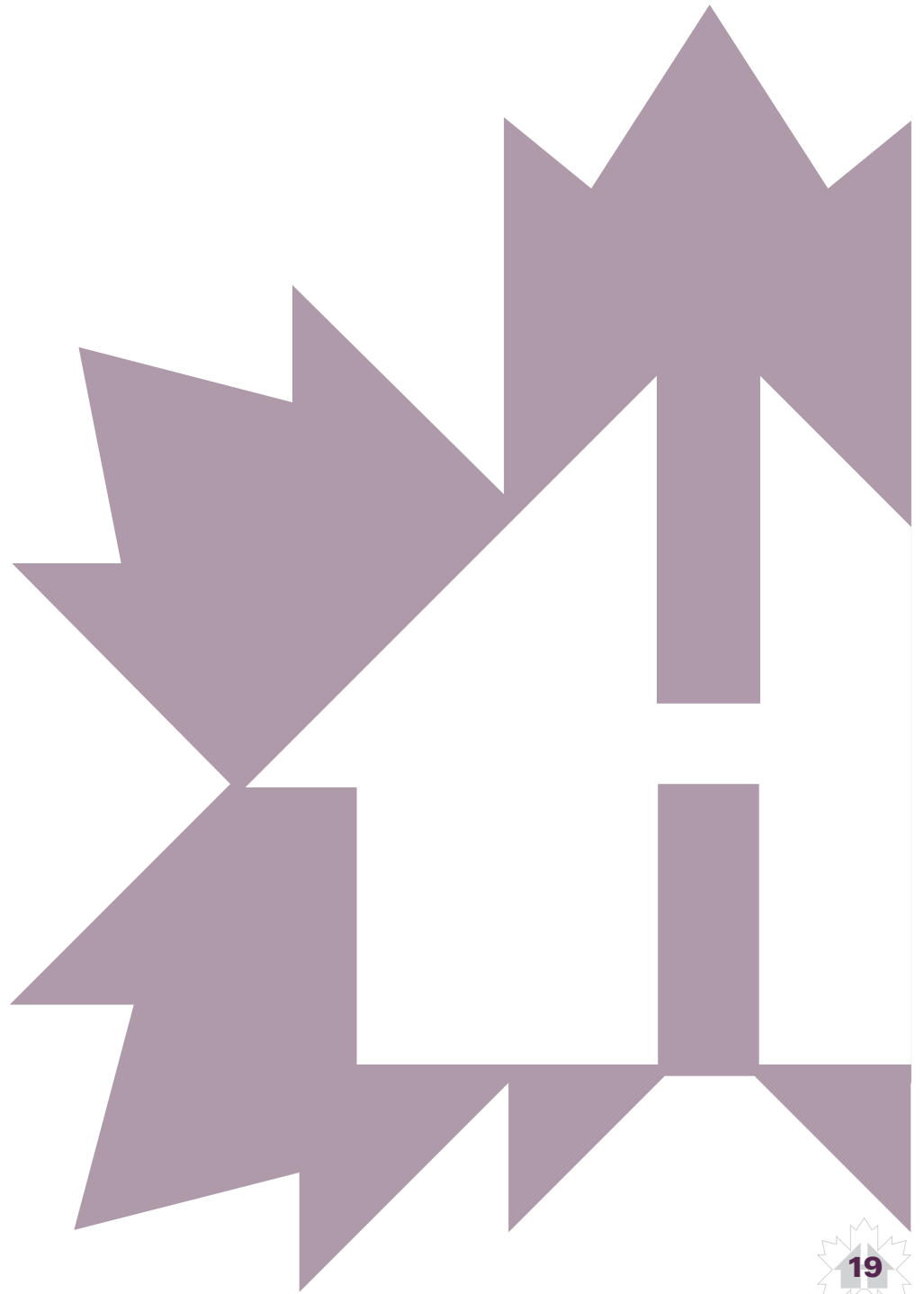
TARION Enforcement Activity

	2009	2010	2011	2012	2013	2014	2015
Investigations	419	354	157	324	388	339	241
Charges Laid	353	154	71	147	227	233	199
Convictions	241	184	84	69	83	193	105
Fines Levied	\$1,040,000	\$345,000	\$128,000	\$211,000	\$263,000	\$413,000	\$334,000
Probation Orders	0	0	0	0	0	0	0
Jail Sentences	2	0	0	0	0	0	2
Fees Recovered (b)	\$0.4 million	\$1.1 million	\$0.2 million	\$0.07 million	\$0.214 million	\$0.023 million	\$0.017 million

TARION INDUSTRY DATA

	2009 Dec YTD	2010 Dec YTD	2011 Dec YTD	2012 Dec YTD	2013 Dec YTD	2014 Dec. YTD	2015 Dec. YTD
New Home Enrolments	47,649	52,531	58,610	60,932	51,506	49,890	57,788
New Homes Under Warranty	434,297	418,020	399,517	382,580	371,402	366,430	366,264
Avg Sale Price – Freehold	\$376,828	\$380,414	\$415,619	\$436,953	\$446,322	\$463,318	\$519,819
Avg Sale Price – Low-rise Condo	\$274,489	\$260,961	\$268,190	\$279,368	\$301,015	\$347,520	\$337,346
Avg Sale Price – High-rise Condo	\$363,733	\$348,253	\$343,658	\$357,806	\$348,914	\$371,852	\$364,037
Registered builders/vendors	5,517	5,390	5,397	5,403	5,396	5,400	5,507
License refusal/revocations	94	48	29	28	37	28	15

Land Development Committee



BROWNFIELDS

- On September 22, 2014, at the OHBA AMM, two brownfields resolutions were passed requesting the Ministry of Environment and Climate Change (MOECC) to:
 - Provide an exemption to the *Environmental Protection Act* and Ontario Regulation 153/04 for temporary roads; and
 - 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.
- In late 2014, the Ministry consulted on Version two of a streamlined risk assessment process (Tier 2). A Decision Notice is anticipated in fall 2016 to bring Version Two into force.

CLIMATE CHANGE

- The MOECC 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 ratings and disclosures on resale and an energy-efficient targeted home renovation tax credit (available at ohba.ca).
- The MOECC passed the *Climate Change Mitigation and Low Carbon Economy Act, 2016* (Bill 172) in the spring of 2016. OHBA **submitted recommendations** to the Standing Committee on General Government in April, 2016, including:
 - Mandatory Home Energy Rating & Disclosure;
 - Energy-Efficient Home Renovation Tax Credit;
 - High-Performance Home Buyer Rebate (HPRH);
 - Pre-Zoning Transit Corridors and Growth Centres;
 - Wetland Conservation and Carbon Offsetting.
- OHBA is working with partners in the Home Energy Transparency Coalition homeenergytransparency.org to ensure greater transparency for consumers by ensuring that every resale home would require an audit that discloses energy consumption.

HOME ENERGY TRANSPARENCY COALITION
Combating Climate Change in the Residential Building Sector: Universal Home Energy Rating and Disclosure

Overview
The Home Energy Transparency Coalition is supportive of the Green Energy Act, 2009 provision for universal home efficiency disclosure at the time of property listing and believes the implementation of this practice will result in significant greenhouse gas (GHG) emission reductions in the residential building sector.

The Coalition is recommending that the Government of Ontario initiate the implementation of this provision using a phased-in approach.

Who we are
The Home Energy Transparency Coalition comprises the Canadian Energy Efficiency Alliance, Ontario Home Builders Association, Clean Economy Alliance, and NAIMA Canada representing more than 125 organizations.

Background
In order to achieve the emissions reduction targets set out by the Government of Ontario in the Climate Change Strategy and the Climate Change Mitigation and Low-carbon Economy Act, 2016 transformational changes are required, including those that will lead to Ontarians changing their current behaviour.

The residential building sector, which accounts for 10.9% of Ontario's carbon emissions, is a sector where substantial GHG reductions can be achieved with minimal effort and maximum results. Improving energy efficiency of residential buildings by implementing universal Home Energy Rating and Disclosure (HER&D) requirements will encourage Ontarians to contribute to the fight against climate change while simultaneously increasing the value of their homes.

As evidenced in other jurisdictions, the introduction of mandatory HER&D requirements create benefits for homeowners that go beyond the fight against climate change. An increase in home valuation, greater consumer protection, increased energy literacy, and improved comfort are just some examples.

Benefits of Universal Home Energy Rating & Disclosure

<p>HER&D increases the valuation of energy efficient homes</p> <ul style="list-style-type: none"> • A 2013 study of nine European Union jurisdictions found that a marginal HER&D rating improvement is likely to be interpreted by consumers as a significant improvement in energy efficiency, which translates into 25-6% appreciation in home value.¹ • In the Australian Capital Territory (ACT), sales data from 5,000 homes indicated that, on average, each additional HER&D program star-rating resulted in a 3% increase in the home sale price.² 	<p>HER&D encourages homeowners to implement energy efficiency upgrades</p> <ul style="list-style-type: none"> • Research in jurisdictions where HER&D exists demonstrates that between 13%-37% of homeowners conducted energy efficiency improvements, or included more improvements than originally planned, as a result of the HER&D report finding. • Energy efficiency upgrades to residential building reduce GHG emissions and carbon footprint.
<p>HER&D does not deter buyers from purchasing homes</p> <ul style="list-style-type: none"> • The intended behavioural shift is that buyers will be more inclined to place a great value on energy efficiency. 	<p>Improved consumer protection</p> <ul style="list-style-type: none"> • Leads to market transformation where buyers make informed choices based on energy performance.

Ontarians spend more than \$26 billion annually on home renovations. If a fraction of that money is shifted to spending on energy efficient renovations, not only will homeowners experience an increase in value to their homes through HER&D, the resulting GHG reductions will be substantial. Implementing universal HER&D requirements as per the Green Energy Act, 2009 will allow for the transformational change required in the residential building sector to fight climate change and assist Ontario in achieving its climate and energy targets. (please turn page for quotes of support)

NAIMA CANADA **CLEAN ECONOMY ALLIANCE** **CANADIAN Energy Efficiency Alliance** **Ontario Home Builders Association**

www.homeenergytransparency.org

- The MOECC released Ontario’s Climate Change Action Plan (CCAP) in June 2016. OHBA responded with a press release stating, “OHBA has been a long-time supporter of a home energy rating system for existing homes as well as a consumer rebate for newly-constructed homes that exceed the Ontario Building Code. We are encouraged that both these recommendations are included in Ontario’s.” The CCAP has specific actions that impact new housing and land-use planning, including:
 - **Home Energy Rating and Disclosure (HERD):** Energy audits would be required before a new or existing single-family home can be listed for sale, and the energy rating will be included in the real estate listing. These audits are intended to be provided free of charge under this plan.
 - **A rebate for high-performance:** Rebates will go to individuals who purchase or build their own near net zero carbon emission homes, with energy efficiency performance that sufficiently exceeds the requirements of the Building Code.
 - **Funding for new technologies for homes:** Assistance to homeowners to purchase and install low-carbon energy technologies such as geothermal heat pumps and air-source heat pumps, solar thermal and solar energy generation systems.
 - **Building Code Changes:** Update the Building Code with long-term energy efficiency targets for new net zero carbon emission small buildings by 2030.
 - **Retrofitting existing private apartments:** Incentives to install energy-efficient technologies, like boiler replacements, adaptive thermostats and lighting retrofits.
 - **Electric-Vehicle-Ready Homes:** Require all new homes with garages to be constructed with a 50-amp, 240-volt receptacle.

CONSERVATION AUTHORITIES

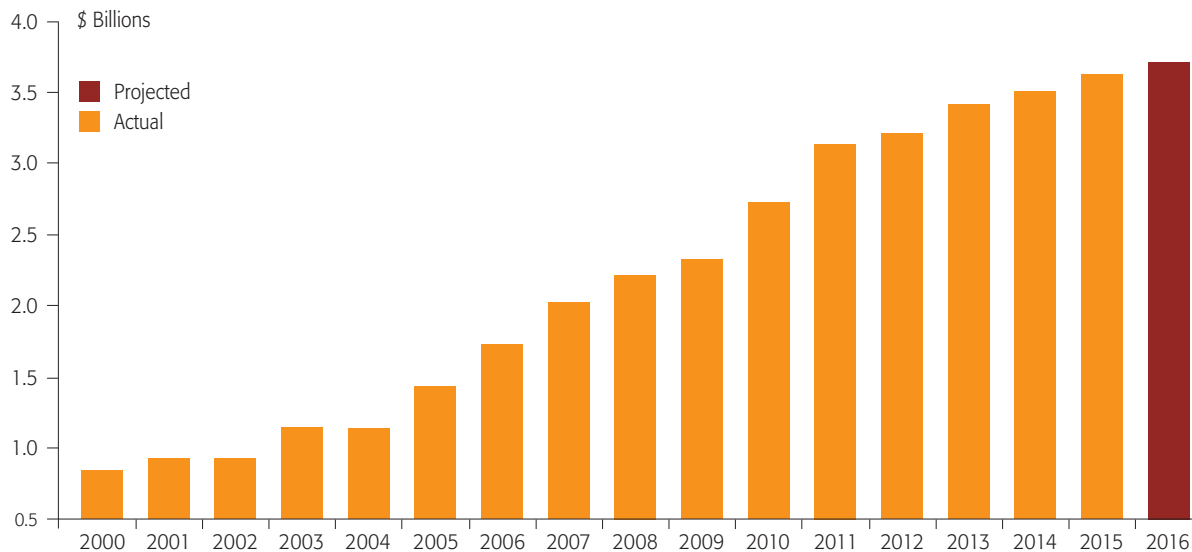
- OHBA supported the development of a **Policies and Procedures for Conservation Authority Plan Review and Permitting Activities** which was released in 2010 and facilitated streamlining of the Conservation Authority (CA) permit review by:
 - The establishment of complete application requirements;
 - The establishment of decision-making timelines; and
 - Granting applicants the right to appeal a non-decision of a CA.
- OHBA supported amendments in 2010 through Ontario Regulation 97/04 to simplify and streamline the CA 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) initiated a review of the *Conservation Authorities Act* and released a discussion paper. OHBA participated in and hosted a consultations.
- **OHBA passed a resolution in September 2015 at its AMM requesting** improvements to the inadequate appeals process for fees and permit decisions.

- OHBA responded to the consultation and **submitted recommendations** to the Ministry in October 2015 (EBR 012-4509). Key recommendations included 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.
- In May 2016, MNRF released a consultation document *Conserving Our Future* to the *Environmental Registry (012-7583)* representing the next stage of the legislative review. The consultation document identified five priorities for updating the legislation:
 - o Strengthen oversight and accountability in decision-making;
 - o Increase clarity and consistency in roles and responsibilities, processes and requirements;
 - o Improve collaboration and engagement among all parties involved in resource management;
 - o Modernize funding mechanisms to support conservation authority operations; and,
 - o Enhance flexibility for the province to update the *Conservation Authorities Act* in the future.
- **OHBA submitted recommendations** to the Ministry in September 2016 (available at ohba.ca)

DEVELOPMENT CHARGES ACT

- **OHBA is opposed** amendments to the *Development Charges Act* that would unequitably impose additional costs on new neighbours to create infrastructure assets that clearly benefit the whole community.
- 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 *Development Charges (DCs)*. DCs are creatively being utilized to maximize charges while artificially suppressing property tax rates.
- Over the past decade the provincial government has significantly increased support for municipalities through the **Provincial Municipal Fiscal Service Delivery Review** and by transferring two cents of existing gas for transportation infrastructure.
- OHBA notes that the province is providing municipalities with ongoing support of approximately \$3.8 billion in 2016. 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 A 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 2016

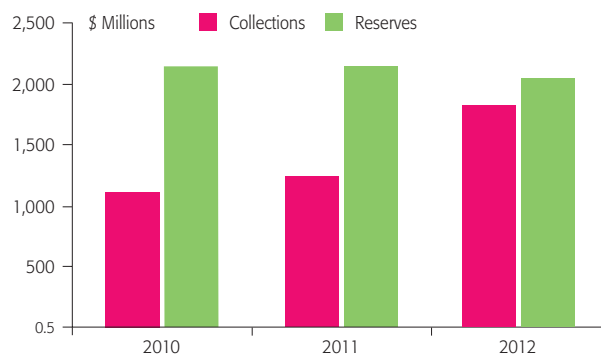
DEVELOPMENT CHARGES ACT AMENDMENTS (SMART GROWTH LEGISLATION)

- 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 Highlight 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, 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*.

- In January 2014, OHBA provided MMAH with detailed recommendations to reform the *Development Charges Act*, Parkland Dedication policies and Section 37 (Density Bonusing) of the *Planning Act* (available at ohba.ca).

- According to MMAH, in 2013

DEVELOPMENT CHARGES - COLLECTIONS AND RESERVES in the Greater Golden Horseshoe



Source: Ministry of Municipal Affairs and Housing

alone, DCs contributed approximately \$2 billion directly toward the construction of community infrastructure projects such as sewers, roads and transit.

- 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.
- The 2014 Liberal Party Platform included a number of campaign commitments related to DCs.
- 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 provided a comprehensive submission to the Ministry in May 2015 (available at ohba.ca).
- OHBA and BILD members were appointed to a Ministry Development Charges Steering Committee and three sub-committees in 2015 that addressed regulatory items needed in order to implement various development charges components of the proposed legislation.
- Over the summer of 2015, OHBA met directly with both the Premier and the Minister on DCs and **submitted two technical papers** to the Ministry regarding a new transit DC regulation.
- In November 2015, OHBA, BILD and WRHBA each appeared before the Standing Committee on Social Policy to **present industry concerns and recommendations** regarding the legislation.
- In November 2015, OHBA provided the Ministry with a **technical submission** specific to a proposed DC regulation.
- The *Smart Growth for Our Communities Act, 2015* (Bill 73) received Royal Assent on December 3, 2015.
- A regulation made under the *Development Charges Act* was filed on Friday December 17, 2015 and became effective January 1, 2016 that was based on input from the Ministry Development Charges Steering Committee and three DC subcommittees that contained a number of OHBA and BILD volunteer members. The regulation outlines ineligible/eligible services, ties DCs to municipal asset management planning and fulfills an election campaign pledge with a new DC formula for transit services.

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;
 - 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.
- OHBA was 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 a **transition policy, which OHBA supported**, 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.
- OHBA was represented on the 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, MNR 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** in February 2013 (available at www.ohba.ca).
- On May 31, 2013, MNRF made regulatory improvements, which OHBA supported, to the implementation of the ESA. The simplified rules include industry specific transition provisions and a rules-in-regulation approach, which includes registration and will apply a risk-based approach.
- 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 Species-at-Risk in Ontario (SARO) list.

- 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 a period of 14 months (EBR 012-1596). In September 2014, the regulation was amended to extend the agricultural exemption to December 31, 2015. A Government Response Statement was posted in October 2015 that extend the agricultural exemption for another 10-years.
- On November 4, 2016, MNRF proposed a draft policy that provided direction for *Safe Harbour* under the ESA (EBR 012-8234).

EXCESS SOILS

- The MOECC, along with a number of supporting Ministries, developed a proposed Excess Soil Management Policy Framework which was posted on the Environmental Registry (Registry # 012-6065) in January 2016.
- OHBA supports Ontario's objective to protect human health and the environment from the inappropriate relocation of excess soils while enhancing opportunities for the beneficial reuse of excess soil. However, OHBA is concerned that the overall package potentially brings in a range of new regulations and responsibilities onto source sites without addressing the transfer of liability as excess soils move through the chain of custody.
- OHBA has been consistent in outlining concerns that increased costs and complexity of soil management would be a barrier and constraint to opportunities for remediation, reuse and intensification. OHBA has attended consultations and **submitted industry comments and recommendations** to the Ministry in March 2016.

GOVERNMENT-IMPOSED CHARGES

- 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 - which represents **over 23 per cent** of the average price.

<ul style="list-style-type: none"> • Development Charges <ul style="list-style-type: none"> o Municipal Development Charges o Regional Development Charges o Education Development Charges o GO Transit Development Charges 	<ul style="list-style-type: none"> • Ministry of Environment Engineering Review • Land Registry Closing Fees (Title Registration) • Conservation Authority Fees • Electrical Permit - Electrical Safety Authority • Legal Fees
<ul style="list-style-type: none"> • Various Additional Municipal Charges <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> • Land Transfer Tax <ul style="list-style-type: none"> o Provincial LTT o Toronto LTT
<ul style="list-style-type: none"> • Planning Fees (Various Development Application & Processing Fees) <ul style="list-style-type: none"> o Plan of Subdivision (singles and row houses) o Plan of Subdivision Registration/Review o Site plan approval o Plan of Condominium 	<ul style="list-style-type: none"> • HST (Provincial portion + GST) • Costs associated with municipal by-laws • Additional costs due to building code changes
	<ul style="list-style-type: none"> • WSIB Premiums (Home Builder Rate Group) + WSIB Premiums passed on to builders by trades
	<ul style="list-style-type: none"> • Surcharges imposed by trades to cover potential Ministry of Labour safety fines
	<ul style="list-style-type: none"> • Tarion Registration Fees • Tarion Enrolment fees

GREAT LAKES PROTECTION PLAN

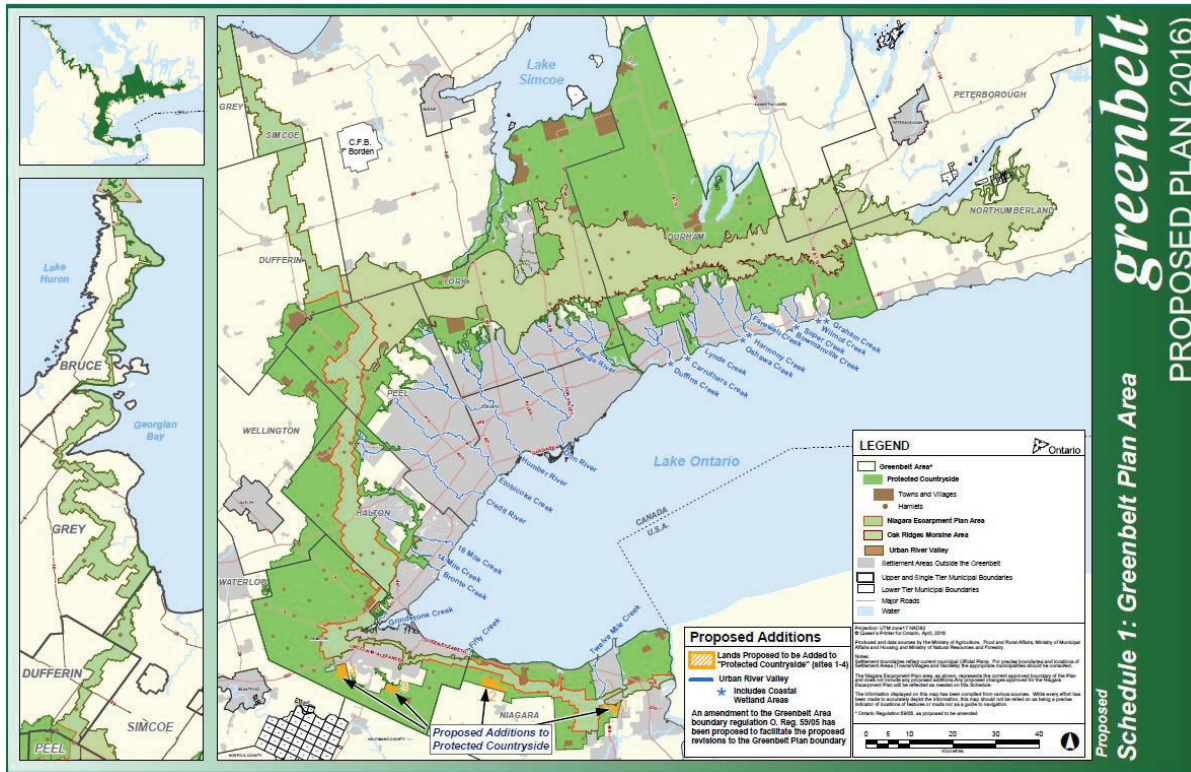
- In June 2012, the province introduced a proposed *Great Lakes Protection Act, 2012*, which did not proceed when the Legislature prorogued. The province reintroducing the proposed *Great Lakes Protection Act, 2013* (Bill 6) in February 2013, which did not proceed when the legislative assembly was dissolved for the General Election.
- A third *Great Lakes Protection Act* (Bill 6) was proposed in 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).
- The legislation was passed in October 2015.

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 have 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) to the Greenbelt;
 - o Added a new Urban River Valley designation to the *Greenbelt Plan* to facilitate adding publically-owned lands in urban river valleys.
 - In a January 2013 **submission**, OHBA noted that it is **not opposed** to growing the Greenbelt through the addition of existing publically-owned lands.
 - 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."
 - In September 2014 at the OHBA AMM a **resolution was passed** recommending:
 - o That the Urban River Valley designation only be extended to publically-owned lands and cannot be extended to cover privately-owned lands;
 - o Where there is a public Official Plan process that meet 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, 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.
 - An expert panel chaired by former Toronto Mayor David Crombie, which included OHBA Past President Leith Moore, were responsible for a report submitted to government.
 - OHBA made a **comprehensive submission** (EBR 012-3256) to the government on May 28, 2015 (available ohba.ca).
 - OHBA met directly with the Premier, Panel and Minister of Municipal Affairs and Housing on the *Co-ordinated Review*.

- In December 2015, the Crombie Panel released 87 recommendations in the *Planning for Health, Prosperity and Growth* report including:
 - o Establish a provincially-led process to grow the Greenbelt beyond its current boundary using a systems approach, based on areas of ecological and hydrological significance, where urbanization should not occur.
 - o Within the time period of this review, address designation and boundary concerns associated with the existing *Greenbelt Plan*, *Oak Ridges Moraine Conservation Plan* and *Niagara Escarpment Plan* through policy changes based on recommendations in this report related to such matters as settlement area expansion, complete communities, strategic employment lands, infrastructure and servicing, agricultural viability, protection of farmland, natural heritage systems, water resources, climate change and enhancing plan implementation.
- In May 2016 the provincial government **announced proposed amendments** to the four plans and released *Shaping Land Use in the Greater Golden Horseshoe*. The Ministry also noted that they were obtaining detailed technical information from municipalities, conservation authorities and landowners to **determine if further refinements are required** to achieve the natural heritage protection objectives on the Greenbelt. The Ministry noted this would help determine impacts on specific properties and that if any minor changes are considered necessary, the province would consult again.
- The province is proposing that 21 major river valleys and seven associated coastal wetlands would be added to the Urban River Valley designation (would apply only to publically-owned lands). The provincial government has NOT proposed Greenbelt expansion into the Whitebelt (except on publically-owned lands though the OHBA supported Urban River Valley designation) and has continued to utilize language that any Greenbelt expansion would only be considered “outward” from the existing Greenbelt.
- The September 2016 **Mandate letter** to the Minister of Municipal Affairs states: “Working with the Minister of Natural Resources and Forestry, Minister of Transportation, Minister of Agriculture, Food and Rural Affairs, and stakeholders, municipalities and the public, you will recommend opportunities to grow the Greenbelt on the outer edge, improve alignment across provincial plans and transit investments, and support more complete communities across the province. This includes continuing the work to protect prime agriculture lands and natural heritage systems by supporting the work of the relevant ministries in their efforts to complete the mapping of these areas in summer 2017.”
- **OHBA submitted recommendations on the proposed amendments** to the *Greenbelt Plan* on October 31, 2016 (available www.ohba.ca). Priority recommendations included:
 - o The province establish clear criteria and a transparent process including timelines for Greenbelt expansion. OHBA further recommends that affected communities and landowners must be directly consulted by the province and sufficient time allowed for reviewing proposed boundary changes if new Greenbelt expansions are proposed.



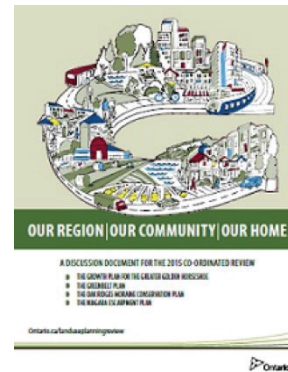
Source: Ministry of Municipal Affairs

- o Prior to finalizing any new land-use designations the province establish an appeal period where the municipality or landowner can appeal a Greenbelt expansion designation weighed against the expansion criteria established by the Province.
- o OHBA supports the Urban River Valley (URV) designation on publically-owned and protected URVs and the proposed expansion into 21 URV corridors and associated coastal wetlands to be added to the Greenbelt Area in the *Greenbelt Plan* as URV areas.
- o The province should consider Greenbelt amendments, greater partnership programs and strategic investments to enhance recreational opportunities throughout the existing Greenbelt Plan. The province should also consider creating new designations in the Greenbelt that would support specific provincial goals and objectives (i.e. recreational designation).
- o The *Greenbelt Plan* must be revised to specifically state that Greenbelt lands in the Protected Countryside may be permitted to be used for parkland dedication as required by the *Planning Act*.
- o Recognizing the province is sponsoring boundary adjustments and supporting the panel's recommendations, as many municipalities have recommended, OHBA recommends that an open and transparent process be established by the province to review designations and boundary refinement in the *Greenbelt Plan*. This process must include clear criteria and a timeframe to consider site specific requests for boundary adjustments to the *Greenbelt Plan*.

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

- The number of people living in the Greater Golden Horseshoe (GGH) is projected to grow by approximately 50 per cent, almost 13.5 million people, and employment by 40 per cent or 6.2 million jobs, by 2041.
- In 2011, the province released a Five-Year Progress Update of the *Growth Plan* which clarified the status of the 'Whitebelt' lands as an urban reserve by noting that it will be necessary to bring new lands into the urban envelop in the future;
- 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 at ohba.ca). Furthermore, OHBA noted that consideration must be given to the significant differences between 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* should officially designate and protect the Whitebelt 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 Whitebelt except in limited circumstances where that land is publically-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.
- An expert panel chaired by former Toronto Mayor David Crombie, which included OHBA Past President Leith Moore, was responsible for a report submitted to the government.
- OHBA made a **comprehensive submission** (EBR 012-3256) to the government on May 28, 2015 (available at ohba.ca).
- OHBA also supported two third-party reports to inform the consultation: **Review and Strategic Assessment of the Growth Plan for the Greater Golden Horseshoe** by Deloitte, and **Improving the Growth Plan: A Commentary** with areas of proposed action by former Assistant Deputy Minister of the Ontario Growth Secretariat Brad Graham and economist Tom McCormack.
- In December 2015, the Crombie Panel released 87 recommendations in the *Planning for Health, Prosperity and Growth* report including:
 - o Address barriers to intensification and the development of affordable housing by

encouraging use of tools such as up-to-date zoning, the development permit system, community improvement plans, and reduced residential parking requirements where transit and active transportation options exist.



- In May 2016 the provincial government announced proposed amendment to the four plans and released *Shaping Land Use in the Greater Golden Horseshoe*. Key proposed amendments include:
 - o Increase intensification target to a minimum of 60 per cent of all new residential development occurring annually in the built-up area (currently 40 per cent);
 - o Increasing the designated greenfield area density target in the *Growth Plan* to a minimum of 80 residents and jobs per hectare (currently 50);
 - o Establishing stronger environmental, agricultural and planning criteria in the *Growth Plan* for settlement area boundary expansions;
 - o Require the province in collaboration with municipalities to identify and map an agricultural system for the entire GGH;
 - o Identify a natural heritage system in the GGH outside the Greenbelt Area;
- Local Associations 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.
- Throughout the spring and summer of 2016 many of OHBA's local associations held numerous outreach meetings with local planning departments and elected officials to determine the local community impacts on the proposed provincial amendments to the *Growth Plan*.
- OHBA and the Brantford Home Builders' Association co-hosted an industry consultation on August 4th with the Ontario Growth Secretariat.
- On September 20, 2016 at the OHBA AMM, a **resolution was passed** raising the concern that the province is:
 - o Not proposing amendments to adjust the build boundary (established in 2008 based on the built-up area as of June 16, 2006).
 - o Therefore with a proposed policy framework in which the 80 persons and jobs per hectare is averaged across the entire Designated Greenfield Area, the effect is that the remaining Designated Greenfield Area that is not built or has received planning approvals or existing applications within the planning review process must now be planned for at an even higher density than the proposed 80 as an over-compensation to generate the overall average of 80 across the entire Designated Greenfield Area as required by the proposed plan.
 - o OHBA recommended in the resolution that the provincial government has the responsibility to confirm information with municipalities with respect to committed Designated Greenfield Areas.

WHAT DOES 80 P+J/HA LOOK LIKE?



Source: Malone Given Parsons

- o In order to make informed and evidence-based public policy decisions, the provincial government must provide real-time mapping of confirmed committed Designated Greenfield Areas to adequately understand what densities will be required on the remaining Designated Greenfield Areas within each municipality to achieve the average 80 persons and jobs per hectare density target.
- **OHBA submitted recommendations on the proposed amendments** to the Growth Plan on October 31, 2016 (available ohba.ca). Priority Recommendations included:
 1. OHBA does not support the approach taken to create the proposed density target, the provincial application of the target, and the proposed implementation of the density target. OHBA recommends that policy 2.2.7.2 of the Growth Plan be amended so that the density target remains at 50 PJH for the immediate planning horizon and that any proposal to increase the density target shall not apply to DGA areas which have already been developed, or to undeveloped land that has been “committed” through a Council-approved Secondary Plan or draft plan approvals.
 2. OHBA recommends that the current 40 per cent intensification target be maintained and that any intensification increase only be made possible through consultation with lower-tier municipalities that have existing and planned/funded higher-order transit infrastructure.
 3. OHBA supports the timeline to have a land needs assessment methodology by the end of 2017. OHBA is supportive of proposed amendments in 2.2.7.3 to exclude a number of features from the density calculation including: electricity transmission corridors, energy transmission pipeline corridors, provincial freeways and railways. OHBA further recommends that the province amend policy 2.2.7.3 of the *Growth Plan* to exclude the following features from the greenfield density calculation:
 - o Cemeteries
 - o Landfills
 - o Separate employment jobs from the density calculation
 - o SWM infrastructure
 - o Arterial Roads
 - o Public Parks / Public open space
 - o Schools
 - o Employment lands

4. OHBA supports formalizing the Whitebelt in Schedule #2 for long-term population and employment growth beyond the current planning horizon.
5. OHBA recommends the province update the Built Boundary to a current 2016 reality.
6. Transition policies must be implemented to ensure that plans in process and ongoing municipal conformity that has taken place over a significant amount of years, have involved very complex planning exercises and studies, and have come with substantial costs not be subject to new policies or major studies that have not yet commenced. OHBA recommends transition policies be consistently applied for both the intensification target and the minimum density targets, with both applying only through the application of the 2041 forecasts during the next Municipal Comprehensive Review (MCR). This would support and confirm ten years of 2031 implementation work completed or in progress.

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 ohba.ca).

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:
 - o Establishing a Northern Policy Institute;
 - o Developing a strategy to create an integrated transportation infrastructure system; and,
 - o Supporting regional economic planning, business innovation and entrepreneurship.

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
Countu 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 GTHA municipalities, GTHA Total and Outer Ring Total, and to nearest 1,000 for outer ring municipalities

INFRASTRUCTURE

- OHBA supports the provincial government's broad \$130 billion 10-year infrastructure plan for Ontario. In particular, our members support the two dedicated transportation infrastructure funds for the GTHA (\$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 and corridor management.
- In July 2016, the Ministry of Infrastructure launched a consultation on the proposal for *Municipal Asset Management Planning Regulation* (EBR 012-8153). OHBA and a number of local HBAs attended stakeholder consultation and **OHBA submitted recommendations**

on August 11, 2016 to the government supporting measures to establish mechanisms to encourage evidence-based and strategic long-term infrastructure planning.

INCLUSIONARY ZONING

- In March 2016 the Minister of Municipal Affairs and Housing announced the government's commitment to provide Inclusionary Zoning powers to municipalities as part of the province's *Long-Term Affordable Housing Strategy* (LTAHS).
- On May 18th the provincial government tabled legislation, *Promoting Affordable Housing Act, 2016* (Bill 204), that will allow municipalities to force the inclusion of government-defined affordable housing units in new residential projects. The province subsequently posted a proposed regulation under the *Planning Act* that would set the framework for Inclusionary Zoning as well as a consultation discussion guide. OHBA responded to the announcement with a media release, "Inclusionary Zoning Will Only Work through Partnerships."
- In advance of the legislation being introduced, OHBA and BILD created a *Statement of Intent* on Affordable Housing & Inclusionary Zoning. The **Statement of Intent** outlines our principles for creating legislation to permit Inclusionary Zoning.
- OHBA, BILD and the GOHBA participated in stakeholder consultations hosted by the Ministry of Housing in June and July. OHBA submitted recommendations supporting a partnership model for Inclusionary Zoning on August 16, 2016.
- Following the prorogation of the Legislature, the *Promoting Affordable Housing Act, 2016* (Bill 7) was reintroduced on September 14, 2016.
- On September 20, 2016 at the OHBA AMM a **resolution on Inclusionary Zoning** was passed that made a number of recommendations including:
 - **OHBA supports a partnership model for Inclusionary Zoning** in which the private sector takes responsibility for the design, construction, project financing of the community, administration, and delivery of affordable housing units, while the public sector takes responsibility for the costs of delivering the units via measures, incentives, offsets and supports as well as the long-term management, operations and administration of the units.

LAND-USE PLANNING AND APPEALS SYSTEM (SMART GROWTH)

- At the 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 as a core component of Ontario's land-use planning system.
- 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.
- 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.
- On January 10, 2014, OHBA provided the Ministry with **comprehensive and detailed recommendations** with respect to the Land-Use Planning and Appeals System (available at 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."
- In March 2015, the Minister 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 provided a comprehensive submission** to the Ministry in May 2015 (available at ohba.ca).
- MMAH 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 through the summer and fall of 2015.
- In November 2015, OHBA, BILD and WRHBA each appeared before the Standing Committee on Social Policy to present industry concerns and recommendations regarding the legislation.
- The *Smart Growth for Our Communities Act, 2015 (Bill 73)* received Royal Assent on December 3, 2015.
- In February, 2016 the provincial government posted five proposal notices to the Environmental Bill of Rights (EBR) with respect to the *Planning Act*. OHBA **provided a submission** to the province with recommendations on April 14, 2016 for five proposed regulations. The majority of changes to the *Planning Act* came into force on July 1, 2016, as specified by proclamation.

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 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.
- In March 2016, the province announced an updated *Long-Term Affordable Housing Strategy* included the intension of introducing new legislative and regulatory changes to increase the supply of affordable housing. Key items include:
 - o Creating a framework for a portable housing benefit that would give people who receive housing assistance the flexibility to choose where they want to live.
 - o Proposing legislation for Inclusionary Zoning that would enable municipalities to mandate the inclusion of affordable housing units in new development projects.
 - o Developing a Supportive Housing Policy Framework, and providing more than \$100 million in funding for the construction of up to 1,500 new supportive housing units.
 - o Providing \$45 million to the Community Homelessness Prevention Initiative.
 - o Developing an Indigenous Housing Strategy.

METROLINX

- Metrolinx launched its 25-year transportation plan *The Big Move* for the GTHA in 2008.
- In April 2013, OHBA provided Metrolinx 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.
- 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.
- 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 (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.
- In August 2016, Metrolinx released a discussion paper for the next *Regional Transportation Plan* for the GTHA.
- In September 2016, the Mandate letter for the Minister of Transportation stated: "Completing consultations and report on the review of the *Metrolinx Act* by 2017. As part of the review, identify ways to ensure stronger links between transit investments and transit supportive development."

Figure 4: GTHA Rapid Transit Network in 2025 (Funded and Completed Projects) and Projects under Development



Source: Metrolinx

MINISTRY OF ENVIRONMENT & CLIMATE CHANGE MODERNIZATION

- The 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 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 or 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 MOECC 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 in April 2015 and in January 2016 supported the proposed technical amendments.
- The Ministry has listened to the concerns raised by the construction industry and has identified select water taking activities to be included in the Environmental Activity and Sector Registry (EASR) framework that came into force on March 29, 2016.

MUNICIPAL ACT / CITY OF TORONTO ACT

- In spring 2015, MMAH 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 in September, 2015.
- **OHBA made a submission** to respond to the EBR 012-4277 posting in October 2015.
- The September 2016 Mandate letter to the Minister of Municipal Affairs states that the Ministry will “introducing legislative changes to the *Municipal Act, City of Toronto Act* and *Municipal Conflict of Interest Act* in fall 2016.”

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 body;
 - 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;
 - 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 MMAH 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).
- The *Smart Growth For Our Communities Act* (Bill 73) made 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.
- Prior to the release of the consultation document, the province has requested to hear views from stakeholders on the following topics in summer 2016:
 - o Jurisdiction and powers;
 - o Meaningful citizen participation and local perspective;
 - o Clear/predictable decision making;
 - o Hearing procedures and practices;
 - o Alternative dispute resolution; and,
 - o Timely processes and decision making.
- **OHBA submitted preliminary recommendations** regarding the OMB Review on August 31 in a letter to the Attorney General and the Minister of Municipal Affairs.
- In September 2016, Mandate letters to the Ministry of Municipal Affairs as well as the Attorney General stated that they would work together to: "lead a review of the scope and effectiveness of the OMB by engaging municipalities, the public and all interested stakeholders, in order to recommend reforms to improve the OMB's role within the broader land-use planning system and introduce legislation by spring 2017."
- On October 5, 2016, the Minister of Municipal Affairs and the Attorney General of Ontario **announced significant proposed changes to the OMB** as part of the review. In the consultation document the province is looking at proposed changes within the themes of:
 - o the OMB's jurisdiction and powers;
 - o citizen participation and the local perspective;
 - o clear and predictable decision-making;
 - o modern procedures and faster decisions;
 - o alternative dispute resolution and fewer hearings.

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 1 ha per 500 dwelling units

(formerly 1 ha per 300 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:
 - o Reduce cash-in-lieu of parkland fees in urban growth centres and intensification corridors to promote intensification and affordability;
 - o Include a provision in the Planning Act to allow a credit towards parkland dedication for 'passive parks' in lands ceded to CA's, storm water drainage easements and passive recreational lands surrounding storm water management ponds.
- In September 2013, an **OHBA resolution was passed** requesting the province to:
 - o Amend sec 42(3) of the Planning Act to significantly reduce the maximum cash-in-lieu of parkland ratio from 1 ha for every 300 units; and
 - o 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 with comprehensive and detailed recommendations with respect to modernizing Parkland Dedication policies.
- The *Smart Growth For Our Communities Act* (Bill 73) included amendments to the *Planning Act* to alter the cash-in-lieu of parkland ration from 1 ha for every 300 units to 1 ha for every 500 units. OHBA supported this 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.

PROVINCIAL POLICY STATEMENT (PPS)

- In October 2010 **OHBA submitted recommendations** to MMAH 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 MMAH 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.
- In December 2014 a new *Protection of Public Participation Act (Bill 52)* was proposed and was passed in October 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.

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 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.
- In 2015, the MOECC re-engaged stakeholders and is in the process of developing Resource Recovery and Waste Reduction legislation.
- OHBA **submitted recommendations** to the Ministry in February 2016.
- The **Waste Free Ontario Act, 2016** was passed in June 2016.

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 made a submission** to the Ministry in October 2015.
- In August 2016, the Ministry of Natural Resources and Forestry released *A Wetland Conservation Strategy for Ontario 2016-2030* which was posted on Ontario's Environmental Registry (EBR 012-7675) and includes a clear vision, goals and outcomes for wetlands in Ontario and sets out a series of actions the government will incrementally undertake over the next 15 years to improve wetland conservation.

Health & Safety Committee



WSIB PREMIUM RATES 2017

- In 2017, for the first time in six years WSIB premiums will decrease for home building.
- Home builders will see premium rates decline from \$9.10 for every \$100 of a workers income to \$7.83 for every \$100 of income, a decrease of 14 per cent. This rate decrease is equivalent to a savings of up to \$1,123.55 per worker based on the 2017 maximum earnings ceiling of \$88,500. This rate decrease will save professional renovators and home builders in rate group 764 more than \$27 million across Ontario in 2017.
- OHBA builders and renovators have led the way in improvements in safety outcomes through changes in workplace practices and investments in safety training. Due to the renewed efforts on safety by local home building associations and our member companies over the past several years, the lost time injury rates in home building have decreased by 64.3 per cent since 2002.
- The maximum insurable earnings ceiling for 2016 is \$88,500.

Rate Group	Description	2016 Rate	2017 Rate	Percent Change
704	Electrical And Incidental Construction Services	3.69	3.69	-3.5%
707	Mechanical And Sheet Metal Work	4.16	4.16	0.0%
711	Roadbuilding And Excavating	4.95	5.29	-6.4%
719	Inside Finishing	6.65	7.51	-11.5%
723	Industrial, Commercial & Institutional Construction	4.55	4.55	0.0%
728	Roofing	13.71	14.80	-7.4%
732	Heavy Civil Construction	6.65	7.03	-5.4%
737	Millwrighting And Welding	6.72	6.90	-2.6%
741	Masonry	12.70	12.70	0.0%
748	Form Work And Demolition	15.75	18.31	-14.0%
751	Siding And Outside Finishing	8.82	10.25	-14.0%
755	Non-Exempt Partners and Executive Officers in Construction	0.21	0.21	0.0%
764	Homebuilding	7.83	9.10	-14.0%

Source: WSIB

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.
- 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 Q2 WSIB Report at the end of 2016 the WSIB unfunded liability was at \$5.63 billion. WSIB anticipates a funding ratio of 85 per cent by the end of 2016.

- **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 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. 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).

MANDATORY FALL PROTECTION TRAINING FOR WORKERS

- As of April 1, 2015, employers must ensure that certain workers complete a working at heights training program that has been approved by the Chief Prevention Officer and delivered by an approved training provider before they can work at heights.
- The training requirement is for workers on construction projects who use any of the following methods of fall protection: travel restraint systems, fall restricting systems, fall arrest systems, safety nets and work belts or safety belts.
- There is a two-year transition period for workers who, prior to April 1, 2015, met the fall protection training requirements set out in subsection 26.2(1) of the Construction Projects Regulation. These workers will have until April 1, 2017 to complete an approved working at heights training program. Only Ministry approved trainers are able to train workers.

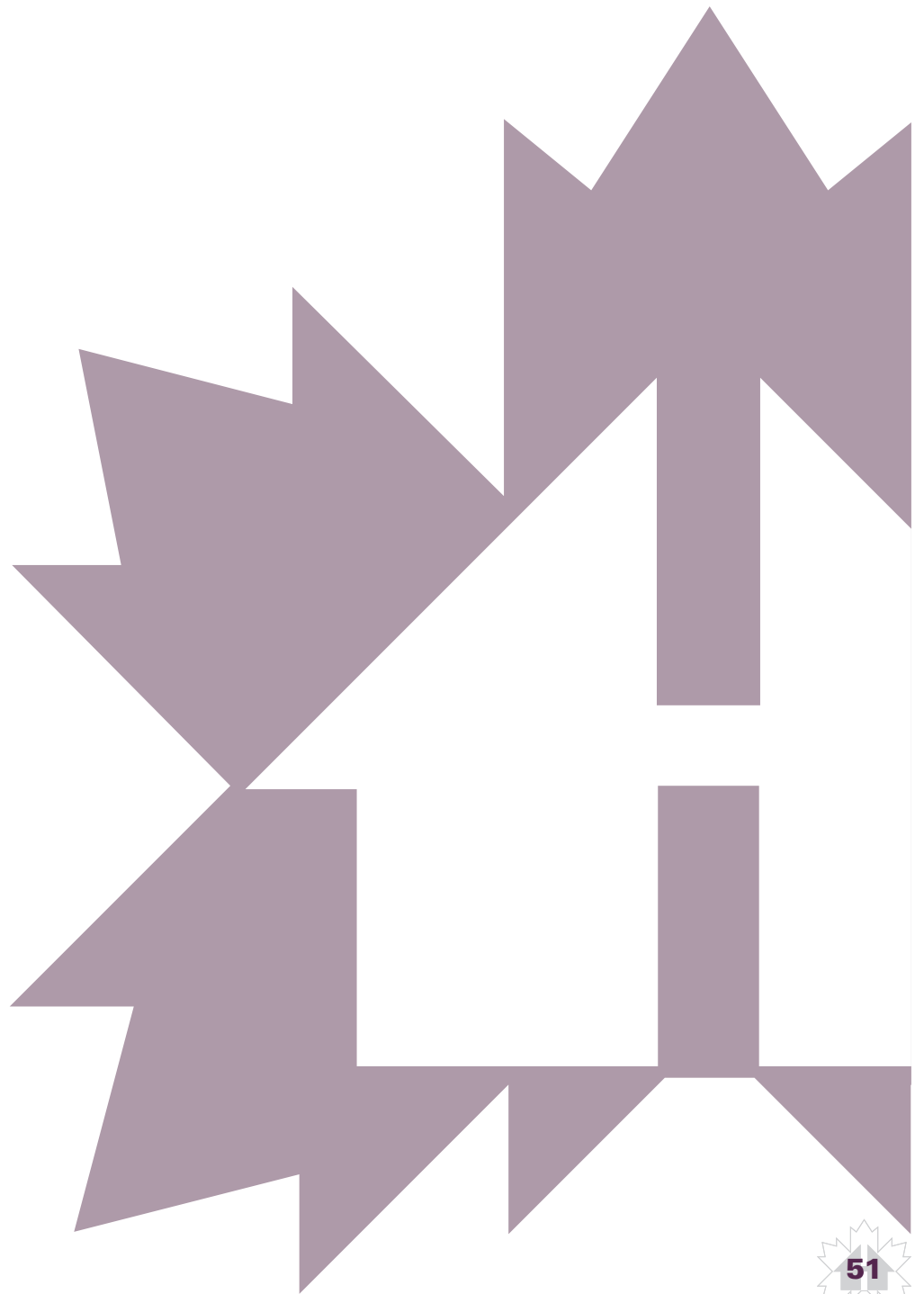
CONSTRUCTION HEALTH AND SAFETY AWARENESS TRAINING (CHSAT)

- The Ministry of Labour launched a consultation process in summer 2016 proposing a regulation that would mandate a minimum level of construction safety awareness training for all workers in construction. The proposal would require all workers to complete a mandatory one-day classroom training program from a Ministry of Labour approved training provider. Alternatively larger construction companies with 20 or more workers with joint health and safety committees would be able to develop their own training based on the subjects set out in regulation.
- OHBA provided a submission that agreed in principle to the recommendations, but have requested that supports be in place for small business to comply with the new training and recommended that OHBA could play a role in facilitating training opportunities.
- The proposal includes a two-year transition period to give employers time to ensure their workers have completed the training. Under the proposal a worker would not be required to take refresher training in future years if they took the training through a Ministry of Labour approved training provider. For more information: ontariocanada.com/registry/view.do?postingId=21622&language=en.

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



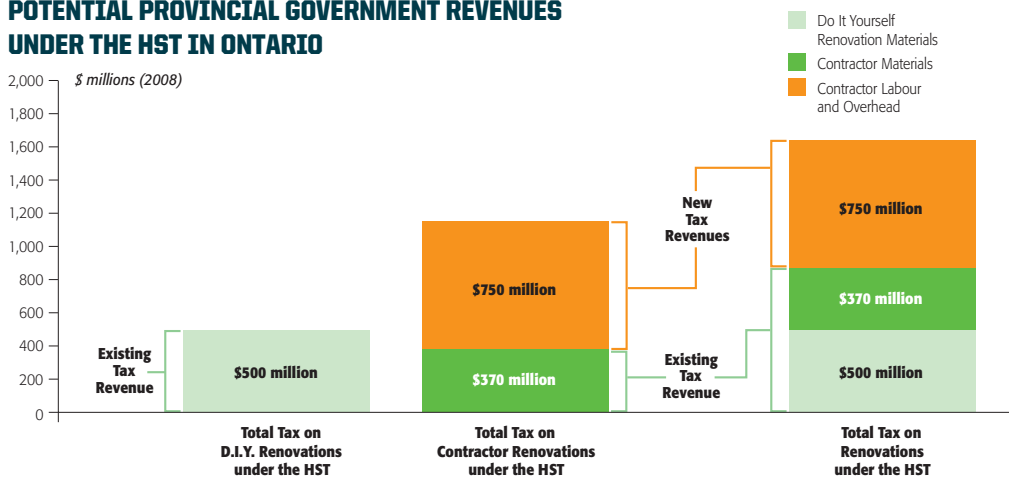
RESIDENTIAL RENOVATIONS AND THE UNDERGROUND ECONOMY

The residential renovation sector contributed:

- **\$27.1 billion** to the provincial economy in 2015
- Supported **174,873 jobs**.
- **\$10.2 billion** in wages
- Residential construction sector represents almost 30% of the underground 'cash' economy
- Approximately **\$4.5 billion in annual underground activity** in Ontario

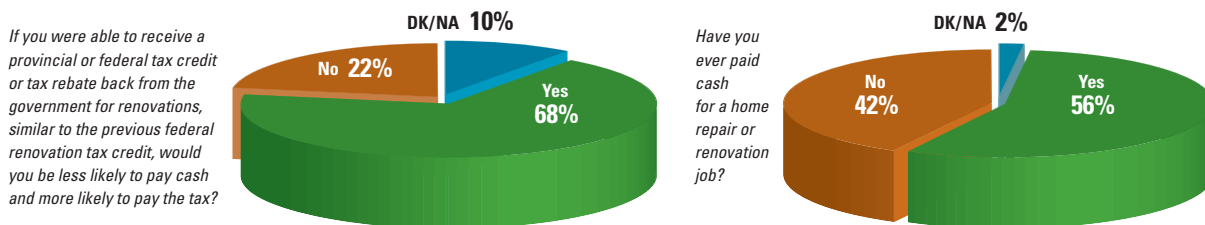
- The harmonized sales tax (HST) has had negative impacts on the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70 per cent of all renovation investment across Ontario.
 - o The Altus Group estimates that the HST - tripled the previous 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.

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 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.
- 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: Environics Research Group

- On September 19, 2016, **OHBA passed a resolution** on the underground economy in residential construction. **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 operate below the \$30,000 threshold for mandatory HST registration;
 - The Ontario government should embark on a public awareness campaign targeted towards consumers that explains the risks associated with participating in the underground economy;
 - Consumers should be required to inform their home insurance provider during major renovations, to insure they understand their home “work place requirements” and to protect their renovations from future issues;
 - Individuals need to be granted an exemption under the *New Home Warranty Plan Act* and

Ontario Building Code Act to build their own home, and if they sell before the two-year occupancy date, they must provide a private warranty to the new home owners; and

- Government departments such as the Canada Revenue Agency, local building departments, WSIB, and the Ministries of Finance and Labour should enhance information sharing to tackle underground economic activity.
- 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 January 11, 2016, MPP Albanese launched the first of a series of discussions at OHBA’s offices to engage and listen to key stakeholders in the residential construction sector. Following initial consultations, MPP Albanese released an interim report on addressing Ontario’s underground economy in the residential construction sector, containing key themes and recommendations.
- 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.
- 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.
- 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.
- In November 2014, the Honourable Kerry-Lynne D. Findlay, Minister of National Revenue and for the CRA, 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 CRA with unprecedented direct access to industry perspectives and input to help inform the Government of Canada’s strategy for tackling the underground economy.

RENOMARK

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

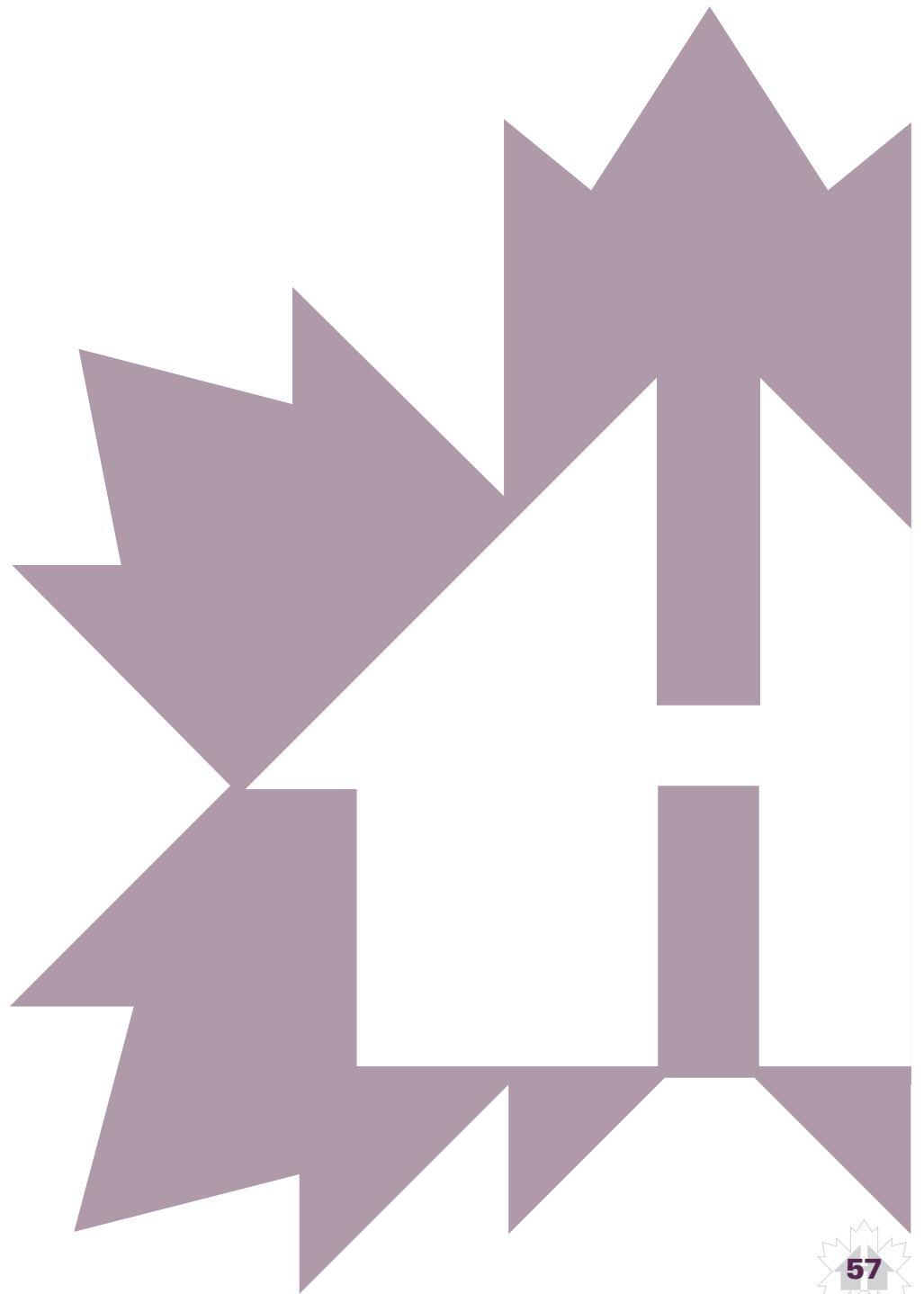
To date, 19 OHBA locals are participating in the RenoMark program:

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



- Visit **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 online 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.
- 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: **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 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. OHBA Past President Doug Tarry represents the residential construction industry.

NEXT EDITION OF THE ONTARIO BUILDING CODE (OBC)

- Most of the requirements of the *2012 Ontario Building Code* became effective on January 1, 2014, with certain requirements coming into force on January 1, 2015 and January 1, 2017 (refer to *SB-12 ENERGY EFFICIENCY REQUIREMENTS*).
- The Ministry of Municipal Affairs (MMA) is preparing for the development of the next edition of the OBC. Potential Code changes are generated through three main sources:
 - o Changes introduced through release of a new version of the model National Building and Plumbing Codes;
 - o Changes submitted to MMA by Building Code users; and
 - o Changes stemming from the government's policy priorities.
- The recently published National Building Code of Canada 2015 (NBC) incorporated over 360 technical changes in this new edition. Key changes for residential buildings included:
 - o Step Dimensions: Increasing the run dimension of stairs in housing and small buildings to 254 mm (10 in.) from the current minimum of 210 mm (8 1/4 in.). Research shows that steps with a larger run dimension provide better foot placement and greater stability, potentially reducing falls by up to 64 per cent.
 - o Apparent Sound Transmission Class (ASTC): A new rating (minimum ASTC 47) to address sound transmission (including flanking noises) between dwelling units.
- Over 450 Code Change proposals have been submitted to MMA by stakeholders since September 2010, including submissions supported by OHBA regarding water pipe-sizing and vapour retarders for thermally-insulated basement walls.
- In June 2016, the provincial government released its *Climate Change Action Plan (CCAP)* to describe commitments and actions it will take to carry out its Climate Change Strategy. A commitment to "set lower-carbon standards for new buildings" through updates to the Building Code was included in the CCAP for the buildings sector:

The government intends to update the Building Code with long-term energy efficiency targets for new net zero carbon emission small buildings that will come into effect by 2030 at the latest, and consult on initial changes that will be effective by 2020.
- It is anticipated that the next edition OBC will propose changes related to mitigating GHG emissions and encouraging the use of renewable technologies.
- OHBA intends to be actively engaged in stakeholder and public consultations on the next edition OBC, which is expected to commence in Fall 2016.

SB-12 / SB-10 ENERGY EFFICIENCY REQUIREMENTS

- Changes to Supplementary Standards SB-12 and SB-10, effective January 1, 2017, include important improvements to building components and assemblies that lay the groundwork necessary to help realize the provincial government's commitment to addressing climate change. 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.
- OHBA, the Ontario Building Officials' Association and the Large Municipalities Chief Building Officials **formed a joint working group**, with support from the Ministry of Municipal Affairs 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 to address what is required to demonstrate compliance with SB-12 energy efficiency requirements at www.oboa.on.ca. The key changes on the revised EEDS form incorporate amendments to SB-12 as of March 2013.
- The SB-12 Joint Working Group reviewed the proposed 2017 SB-12 amendments and submitted industry recommendations to MMA.
- On July 7, 2016, SB-12 was amended to include:
 - o new prescriptive compliance packages that provide minimum 15 per cent energy efficiency improvement over existing packages;
 - o drain water heat recovery units as a mandatory requirement for all prescriptive compliance packages;
 - o heat or energy recovery ventilators as a mandatory requirement in all packages in order to protect indoor air quality as homes get increasingly "air tight";
 - o thermal U and effective RSI values along with nominal RSI values to provide added flexibility in the choice of different assembly structures e.g. basement wall and roofs;
 - o credits for reducing air leakage to encourage better energy conservation;
 - o table to clarify requirements for developing a reference building;
 - o revised air-leakage rates for the reference building to encourage testing and improved air tightness;
 - o clarification to provide credits for renewables, dedicated ventilation systems and broader types of HVAC equipment; and
 - o other editorial changes, clarifications and new appendix notes.

MANDATORY HOME ENERGY RATING AND DISCLOSURE (HER&D)

- On October 3, 2013, 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 Queen's Park 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: *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).*
- **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.
- On June 8, 2016, the provincial government released a *Climate Change Action Plan*, which included a specific action regarding Home Energy Rating and Disclosure (HER&D):

Energy audits would be required before a new or existing single-family home can be listed for sale, and the energy rating will be included in the real estate listing. These audits are intended to be provided free of charge under this plan. The Home Energy Rating and Disclosure program will improve consumer awareness by allowing homebuyers to compare homes by energy rating. It will also encourage uptake of retrofit incentive programs. To meet the expected demand for home energy auditors, Ontario will support development of energy audit training programs and will further consult before launching this program in 2019.

- OHBA will continue to participate in stakeholder consultations and keep our members informed about the initiative.

SIX-STOREY WOOD-FRAME CONSTRUCTION

- OHBA advocated for the provincial government to amend the OBC 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* 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:
 - o 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;
 - o 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.
- 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 (O AFC) and the Ontario Professional Fire Fighter’s Association (OPFFA). The main discussion pertained to fire safety of the buildings during construction and as-built.
- In 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, **Ontario announced changes** to the Building Code allowing up to six-storey wood-frame buildings, effective Jan. 1, 2015.
- To support implementation of the new regulatory requirements, the MMA has worked in conjunction with the Ministry of Labour and the Office of the Fire Marshal and Emergency Management in developing guidance material to address fire safety during construction. OHBA and BILD participated in the stakeholder review of the draft guideline. A new Provincial Guideline to enhance fire safety within and around mid-rise wood buildings while they are under construction was released on May 6, 2016.
- 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.

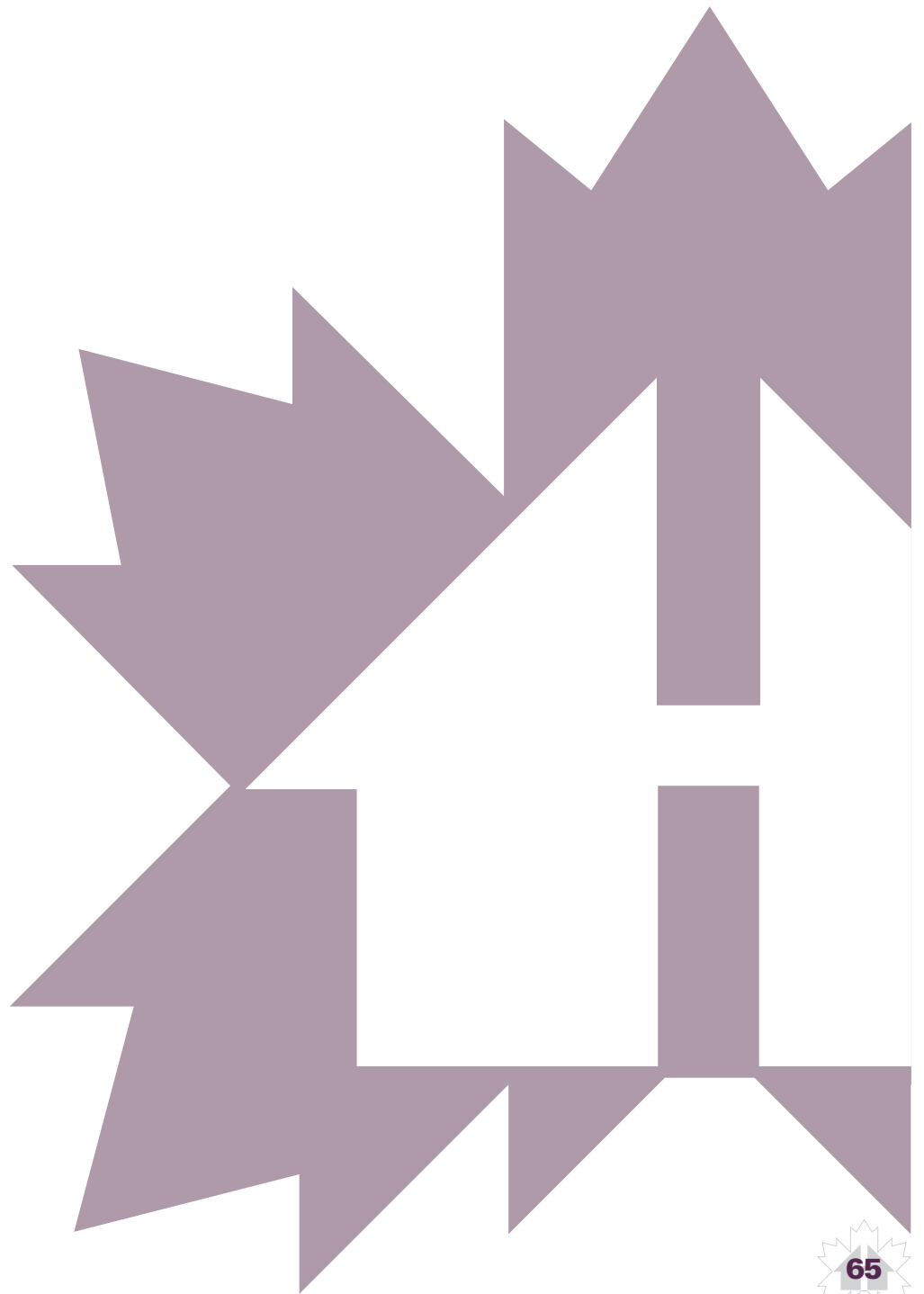
RADON GAS

- 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.
- The City of Guelph and the Municipality of Central Elgin implemented a Soil Gas Mitigation Program for certain building permits applied for after August 31, 2015 and May 31, 2016, respectively. 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 their jurisdiction.

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 3 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 per cent there was no smoke alarm, and in 18 per cent the smoke alarm did not operate.)
- On June 23, 2016, the Ontario Association of Fire Chiefs held a Home Fire Sprinkler Summit in Toronto to increase public awareness about residential fire sprinkler systems for low-rise homes.
- OHBA continues to support the development and adoption process of the OBC as the most effective way of ensuring an adequate standard of health and safety in buildings. The code development process sets out proven requirements to protect health and safety in buildings – incorporated only after full consideration of their impact on the industry and on consumers.

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:
 - o Establishing apprenticeship programs and other training programs;
 - o Maintaining a public registry of its members;
 - o The process for determining appropriate apprentice-to-journeyman ratios;
 - o The process for trade classification reviews; and
 - o 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 journeyman-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:
 - o Increase the underground economy as home owners and contractors try to escape increased regulation;
 - o Limit job opportunities in construction through high apprenticeship ratios;
 - o Restrict labour mobility through limited worker skill sets;
 - o Be used by certain labour unions to increase unionization in regions with little union activity and assert jurisdictional claims against other unions;
 - o Increase costs for home purchasers and home owners due to increased costs and red tape.

TONY DEAN REVIEW OF OCOT

- The government announced a review of OCOT in October 2014 and appointed Tony Dean to lead the review.
- OHBA and our network of local associations were active in the review and over 50 OHBA members representing 15 local HBA's met with Dean across Ontario.
- The tour engaged our local network and demonstrated to Dean and government the importance of our sector in training and apprenticeship.
- Based on Dean's consultation and outreach he provided recommendations to government that included:
 - o A robust system for future trade classification reviews that take place outside of OCOT
 - o A new criteria for journeyman-to-apprentice ratio reviews which incorporates data related to demographic and labour market information, economic impact and the

demand for skilled trades in different regions across the provinces.

- o New options for employers and workers to appeal OCOT enforcement actions so that enforcement targets underground economy and high risk activities.
- New legislation will be required to bring these recommendations into force.

COLLEGE OF TRADES MEMBERSHIPS

- Certificate of Qualification holders in Voluntary Trades, this includes: carpenters, painters, roofers, and bricklayers:
 - o 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.
 - o If you receive your Certificate of Qualification in a voluntary trade after April 8, 2013 you must join the College of Trades in order to maintain your C of Q.
- Certificate of Qualification holders in compulsory trades, this includes: electricians, plumbers and sheet metal workers:
 - o If you are working in a compulsory trade (such as electricians and plumbers) you still must join the College in order to maintain your Certificate of Qualification.
- Construction Employers:
 - o 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. In addition, you will not be part of the disciplinary and complaints.

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.



- The province made a regulation which will change the classification for the Sprinkler and Fire Protection Installer trade from voluntary to compulsory following a two year transition period.
- Prior to the pause in certification reviews, the Sprinkler and Fire Protection Installer trade made a successful application through the OCOT certification process to become a compulsory trade. OHBA and other employer groups opposed certification for that trade.
- OHBA has requested that if the installation of fire sprinklers does become a compulsory trade that plumbers and steamfitters should also be able to install sprinklers as this currently is part of their OCOT Apprenticeship Training Standard.
- The regulation creates a two-year implementation approach. During the full two-year period the trade will remain voluntary. Starting on February 2, 2017 the trade will become compulsory.

TRADE	Ratio
Floor covering installer	2:1
*Crane Operator	1:1
Concrete Erector	1:1, 3:1
Cement Mason	1:1, 2:2, 3:2, 4:2, 5:3, 6:3,
Roofer	1:1, 2:1
Terazzo, tile and Marble setter	1:1, 2:1
Architectural Glass and Metal Technician	1:1, 2:1
Construction Boilermaker	1:1, 3:1
Heat and Frost insulator	1:1, 3:1
Brick and Stone Mason	1:1, 2:1
Construction Millwright	1:1, 3:1
Ironworker	1:1, 2:1
Painter and Decorator	1:1, 2:2, 3:2, 4:2, 5:3, 6:3,...
*Plumber	1:1, 2:1
*Refrigeration and air conditioning systems mechanic	1:1, 2:1
*Residential Air Conditioning Systems Mechanic	1:1, 2:1
*Residential low rise sheet metal installer	1:1, 3:1
*Sheet Metal Worker	1:1, 2:1
Drywall, acoustic & lathing applicator	1:1, 4:1
*Electrician	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, 3:1
Powerline technician	1:1
Sprinkler and fire protection installer	1:1

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.

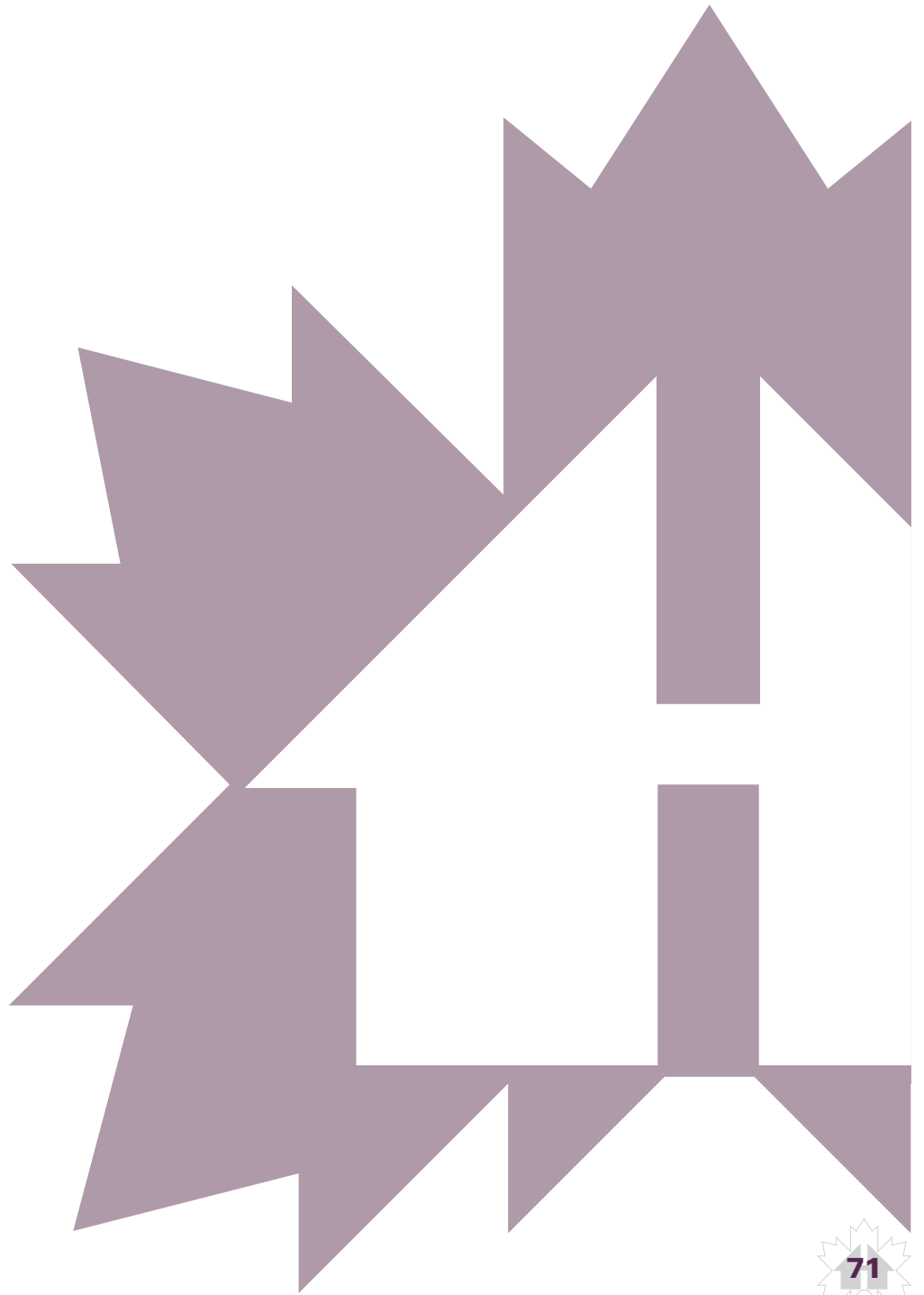
SPECIALIST HIGH SKILLS MAJORS (SHSM) PROGRAM

- 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:
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 tcu.gov.on.ca/eng/eopg/cojg

Index



Accessibility for Ontarians with Disabilities Act	58	Housing Starts	4
Apprenticeship Information	68	HST – Threshold Review	8
Apprenticeship Ratios	68	Illegal Building	16
Bank of Canada	4	Inclusionary Zoning	41
Bobolink	26	Infrastructure For Jobs and Prosperity Act	36
Brownfields	20	Land-Use Planning and Appeals System	37
Builder Bulletin 20	13	Long-Term Affordable Housing Strategy	41
Builder Bulletin 28	13	Major Structural Defect (MSD)	20
Builder Bulletin 50	14	Mandatory Home Energy Labelling	65
Builder Education Task Force (BETF)	14	Mandatory WSIB Coverage	53
Building Code Conservation Advisory Council	58	Metrolinx	44
Canada Job Grant	69	Municipal Act	46
Climate Change Action Plan	20	Ontario Building Code	63
College of Trades	66	Ontario Municipal Board (OMB)	42
Co-ordinated Review	28	Ontario Provincial Budget	9
Compulsory Certification	67	Parkland Dedication	43
Condo Conversions – Warranty	19	Permits to take Water (PTTW)	41
Condominium Act	2	Population Growth	9
Conservation Authorities Act	21	Provincial Policy Statement	48
Construction Lien Act	2	R-2000/NetZero Energy Homes	10
Development Charges Act	22	Radon Gas	67
Eastern Meadowlark	26	Renomark	59
Economic and Housing Indicators	4	Renovation Tax Credit	57
Economic Impact	6	Sales Tax Harmonization	7
Endangered Species Act	26	SB-12	64
ENERGY STAR for New Homes	10	Six-Storey Wood-Frame Construction	66
EnerQuality Corporation	10	Smart Growth Legislation	27
Environmental Activity and Sector Registry (EASR)	46	Specialist Program - SHSM	73
Fall Protection Training	49	Strategic Lawsuits Against Public Participation	49
Government-Imposed Charges	28	Tarion Performance-Based Pricing	19
Great Lakes Protection Act	28	Tarion Industry Data	17
Greenbelt	28	(City of) Toronto Act Review	46
Greenhouse Certified Construction	10	Tony Dean	66
Green Energy and Economy Act	58	Underground Economy	56
Growth Plan – Greater Golden Horseshoe	36	Waste Diversion/Reduction	49
Growth Plan – Northern Ontario	35	Wetland Conservation Strategy	45
GST – New Housing Rebate	5	WSIB Premium Rates	52
Housing Market	4	WSIB Mandatory Coverage (Bill 119)	53



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