

“The Residential Construction Industry  
is the engine  
that drives Ontario’s economy.”

# HOUSING ISSUES

STATUS REPORT  
SPRING 2010



**Ontario**  
Home Builders'  
Association

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 2009.

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](mailto:mikecw@ohba.ca).

*The Ontario Home Builders' Association is the voice of the residential construction industry in Ontario. Its 4,000 member companies are involved in all facets of the new home construction and residential renovation industries. It is a voluntary association whose primary goal is to positively impact provincial legislative, regulatory and tax policies that affect the industry.*

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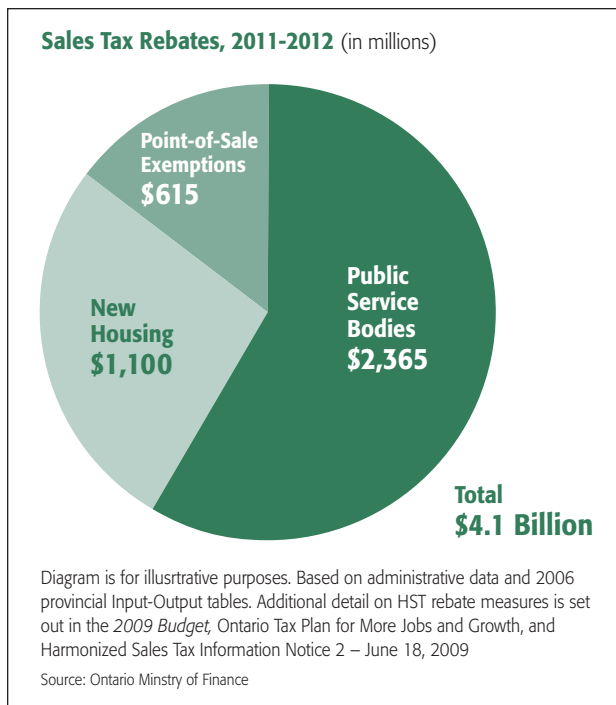
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The following issues are being handled by OHBA but do not fall under the specific mandate of a Standing Committee or may fall under the mandates of several Standing Committees.

## HARMONIZATION OF PST & GST

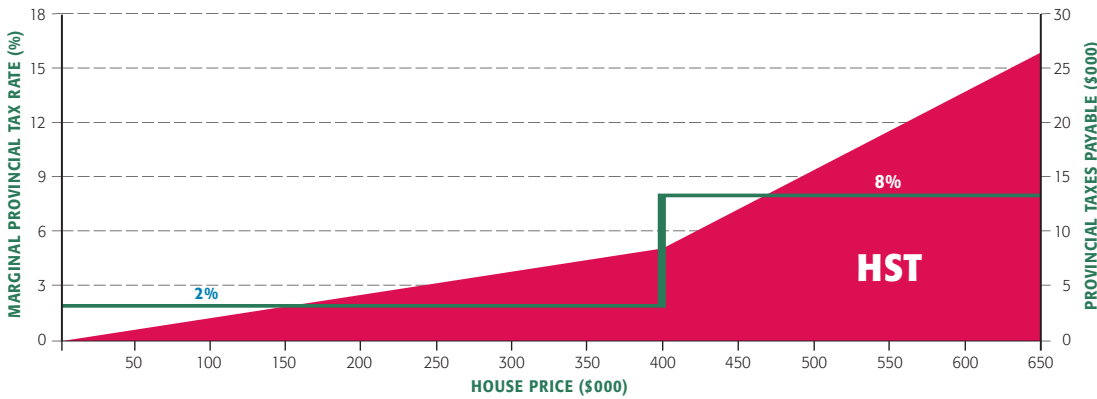
- OHBA, with the support of our 29 local associations, has spent a considerable amount of association resources in dedication to a public education and MPP advocacy campaign to ensure that the public and politicians understand the implications of the harmonized sales tax on new housing, rental and renovation consumers as well as the impact on jobs.
- OHBA and BILD undertook a high-level advocacy and information sharing operation with a number of senior cabinet ministers and the Ministry of Finance. Significant progress has been made to enhance the tax structure as well as outlining a transition to the new tax regime.



- The enhanced Ontario New Housing Rebate will provide \$1.1 billion in targeted HST relief to new home buyers in 2011-12.
- Updated Tax Structure
  - The provincial government implemented a progressive tax structure for the application of HST on new housing on June 19, 2009 that is a significant enhancement over the initially proposed tax structure;
  - A 2% flat tax (approximately the same amount of currently embedded PST in the price of a new home) would be applied to the sale price of a new home up to a \$400,000 threshold;
  - An 8% sales tax would apply to the incremental sale price of a new home above the \$400,000 threshold;
  - A maximum rebate of up to \$24,000 would be available to new home buyers;
  - The province has included a rebate for new residential rental properties in the updated tax structure;

- This provincial rebate for new housing would be provided for the same types of properties for which the GST new housing rebate is available including: substantially renovated housing, co-operative housing, owner-built housing, housing on leased land, mobile homes and modular homes for use as primary places of residence;
- Ontario's new housing rebate would be federally administered in a manner similar to the GST rebate for new housing.

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



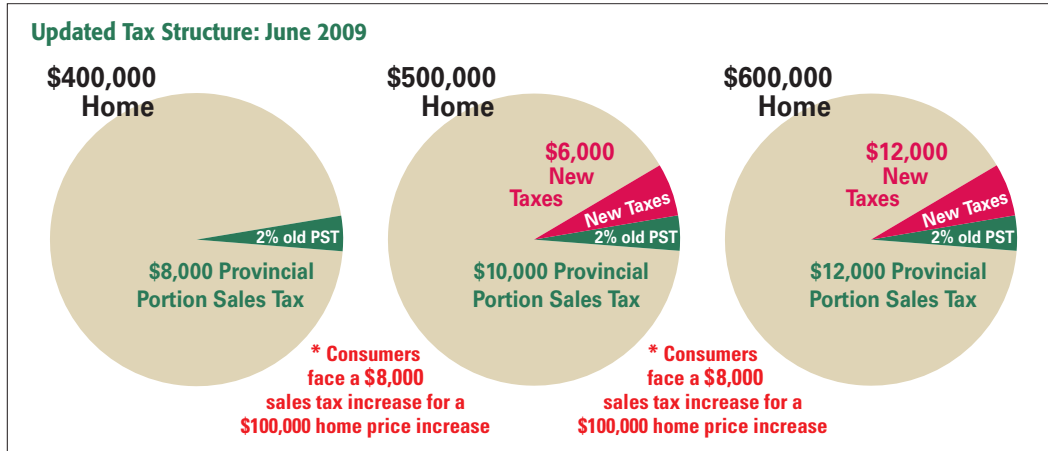
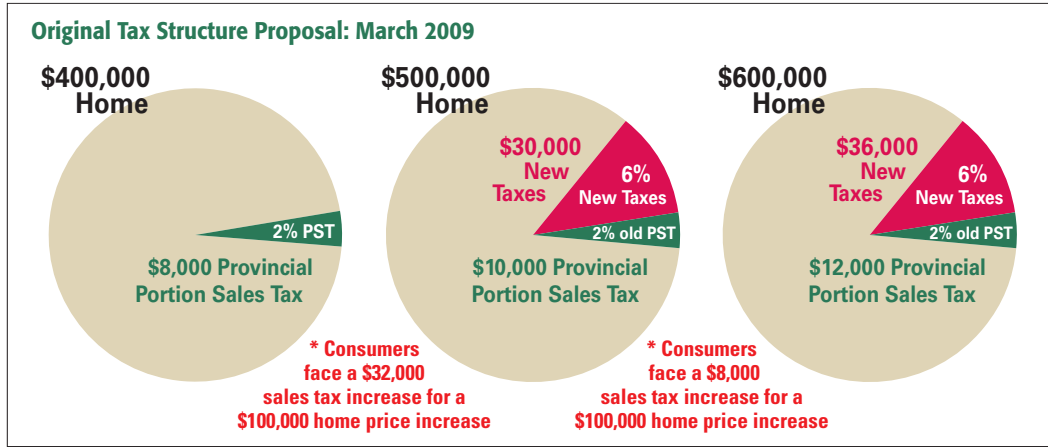
- Original Tax Structure
  - The initially proposed tax structure included two thresholds at \$400,000 and \$500,000;
  - New homes under \$400,000 would have been charged an approximately revenue neutral tax rate of 2% for the provincial share of the harmonized sales tax;
  - New homes priced between the \$400,000 and \$500,000 thresholds would have been taxed at a phased-in rate between 2% and 8%;
  - New homes over the \$500,000 would have been taxed at an 8% rate on the full quantum of the housing price, representing a regressive tax structure and significant barrier to housing affordability;
  - There were no exemptions or rebates provided for secondary residences, seniors housing, purpose built rental housing and residential renovations;

**Impact of Tax Structure on Housing Market**

Ontario Market				GTA Market				Ontario without the GTA Market			
Sale price	Number of enrollments	Total enrollments	% of market	Sale price	Number of enrollments	Total enrollments	% of market	Sale price	Number of enrollments	Total enrollments	% of market
< 400K	47,105	61,320	77%	< 400K	23,536	33,408	70%	< 400K	23,596	27,912	85%
> 400K	14,215	61,320	23%	> 400K	9,872	33,408	30%	> 400K	4,343	27,912	15%

Source: Taroni Warranty Corporation, 2008

**ORIGINAL VS. UPDATED TAX STRUCTURE**



**Impact of Improved Tax Structure on New Home Prices**

Sales Price	Initial 2009 Budget Proposal			Enhanced HST Structure			
	Budget Threshold Effective Rate	Embedded 2%	New HST Tax (minus 2% embedded)	Embedded 2%	Progressive Rate of 8% on Balance above 400K	New HST Tax (minus 2% embedded)	Total Progressive HST Tax Improvement to the New Homebuyer
400,000	2%	\$8,000	\$0	\$8,000	0	0	0
450,000	5%	\$9,000	\$13,500	\$9,000	\$50,000	\$3,000	\$10,500
500,000	8%	\$10,000	\$30,000	\$10,000	\$100,000	\$6,000	\$24,000
550,000	8%	\$11,000	\$33,000	\$11,000	\$150,000	\$9,000	\$24,000
600,000	8%	\$12,000	\$36,000	\$12,000	\$200,000	\$12,000	\$24,000
650,000	8%	\$13,000	\$39,000	\$13,000	\$250,000	\$15,000	\$24,000
700,000	8%	\$14,000	\$42,000	\$14,000	\$300,000	\$18,000	\$24,000
800,000	8%	\$16,000	\$48,000	\$16,000	\$400,000	\$24,000	\$24,000
900,000	8%	\$18,000	\$54,000	\$18,000	\$500,000	\$30,000	\$24,000
1,000,000	8%	\$20,000	\$60,000	\$20,000	\$600,000	\$36,000	\$24,000

- Transition Regulations
  - Sales of new homes under written agreements of purchase and sale entered into on or before **June 18, 2009** would not be subject to the provincial portion of the single sales tax, even if both ownership and possession are transferred on or after July 1, 2010;
  - The tax would also not apply to sales of new homes after June 18, 2009 where ownership or possession is transferred before July 1, 2010;
  - The transitional tax adjustment for homes or substantial renovations where the home is completed in full or in part after June 2010 would be calculated on the total purchase price of the home, as established for GST purposes, based on the extent of construction or substantial renovation completed as of July 1, 2010.
  - For grandparented sales of newly constructed or substantially renovated homes that are residential condominiums, the builder would be required to remit a transitional tax adjustment and may also be eligible for an RST transitional housing rebate. The transitional tax adjustment would be calculated at two per cent of the total purchase price, as established for GST purposes, of the condominium unit or building, as applicable. Taken together, the transitional tax adjustment and the RST transitional housing rebate would approximate the tax that would have otherwise been embedded in the condominium, on average, under the current RST regime.
  - Newly constructed or substantially renovated homes completed in full or in part prior to July 2010 would have RST embedded in the cost of the homes. For new homes that are subject to the provincial portion of the proposed single sales tax after June 2010, an RST transitional housing rebate will be available to provide relief in respect of the RST embedded in the home;
  - Buildings under construction regardless of sales status will receive transitional rebates based on the amount of the amount of the structure completed. This would reduce the exposure of the builder to the new tax;
  - For newly constructed or substantially renovated homes that are residential condominiums or traditional apartment buildings, the RST transitional housing rebate will be available to the builder rather than the purchaser.
  - Full Details from Ministry of Revenue:  
[www.rev.gov.on.ca/english/notices/str/02.html](http://www.rev.gov.on.ca/english/notices/str/02.html)
- Disclosure Requirements
  - Builders are required to disclose in the written purchase and sales agreement whether the provincial portion of the proposed single sales tax would apply to the sale for a newly constructed or substantially renovated home or rental home if entered into after June 18, 2009 and before July 1, 2010.
- An agreement between the province and the federal government reached in early March 2009 calls on the federal government to deliver \$4.3 billion over two years to the province “to help offset the transition costs associated” with the new harmonized sales tax. Furthermore in the summer of 2009 the federal government provided B.C. with \$1.6 billion to assist the B.C. government with harmonization of the PST & GST.



## HARMONIZATION AND RESIDENTIAL RENOVATIONS

- The residential renovation sector contributes approximately \$20.3 billion to the provincial economy and supports approximately 195,000 jobs.
- The harmonized sales tax will have a number of negative impacts on the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70% of all renovation investment across Ontario.
  - The Altus Group estimates that the HST will increase the annual tax burden on homeowners undertaking renovations by approximately \$757 million and triple the sales tax rate on contractor’s renovations in Ontario;
  - As a result, the HST will reduce the total volume of renovation activity due to the higher cost to homeowners. This will result in lower economic activity and reduced employment in this sector;
  - The HST may shift more renovation and repair jobs from contractor assignments to do-it-yourself projects. This could have long-term negative consequences for the quality of the existing housing stock in Ontario;
  - The HST is expected to significantly shift more activity into the ‘underground economy’ with implications on government tax revenue, renovation quality, risks to consumers and homeowner liability.
- For detailed information on the HST and residential renovations as well as the OHBA tax credit proposal to mitigate against the underground economy please refer to page 50 in the Renovators’ Council section.

## PROGRESSIVE GST

- In 1991 the federal government promised to index the GST rebate thresholds. It never happened and 19 years later housing affordability is suffering in Ontario and across the country.
- Currently a new home under \$350,000 receives a GST rebate of 36% of the GST. The rebate is phased out up to a \$450,000 threshold above which consumers pay the full 5% GST. This is a regressive tax structure that is harmful to housing affordability for new home buyers, renters and seniors and does not represent good public policy.
- Between 1991, when the GST was introduced, and 2008, the Statistic’s Canada New House Price Index has increased by about 55%. Had the GST New Housing Rebate thresholds been adjusted to take into account of this increase in new house prices, the thresholds in 2009 would be roughly \$550,000 and \$700,000.
- Due to the provincial enhancements to the HST structure the federal government should implement a progressive GST structure that is harmonized with the enhanced provincial structure. OHBA passed a resolution to this effect at its Annual General Meeting on September 21, 2009.

- On October 25, 2009, CHBA passed a resolution for the federal government to adopt a GST rebate modeled on the progressive HST tax structure in Ontario and B.C. A second resolution regarding GST was passed at the CHBA 2010 Annual General Meeting.

## LAND CLAIMS

- Aboriginal Land Claims have added a new dynamic to the land development and approvals process in Ontario. The protest in Caledonia has expanded to directly impact a number of member companies as well as the Hamilton-Halton HBA, the Waterloo-Region HBA and the Brantford HBA.
- OHBA has encouraged both the federal and provincial governments to take action and demonstrate leadership in resolving the complex land claims issue along the Grand River and elsewhere in Ontario. Home builders are suffering severe consequences through no fault of their own. The lack of progress and urgency by both the provincial and federal government is of concern.

## PROVINCIAL-MUNICIPAL FISCAL AND SERVICE DELIVERY REVIEW

- The Provincial Municipal Fiscal and Service Delivery Review released in fall 2008 is an agreement between the Province of Ontario, Association of Municipalities of Ontario and the City of Toronto.
- Key areas of reform include:
  - The province agreed in 2007, to fully fund the Ontario Disability Support Program and the Ontario Drug Benefit program by 2011.
  - In 2009 the province began uploading various services from municipalities alleviating the burden on municipal finances.
  - In 2010, the province began uploading the municipal costs of Ontario Works benefits income and employment assistance over a period of nine years.
  - Starting in 2012, the province will upload the costs of court security over seven years by providing funding to municipalities to a maximum of \$125 million annually at maturity.

## ILLEGAL BUILDING

- OHBA, Tarion and the Ministry of Municipal Affairs and Housing have worked together to develop a plan to require greater information sharing between municipalities and Tarion enforcement. Once established, the plan will provide Tarion enforcement representatives with municipal building permit application information to assist in tracking down illegal builders. It is believed that this alone will significantly reduce the frequency of illegal building activity in the province.

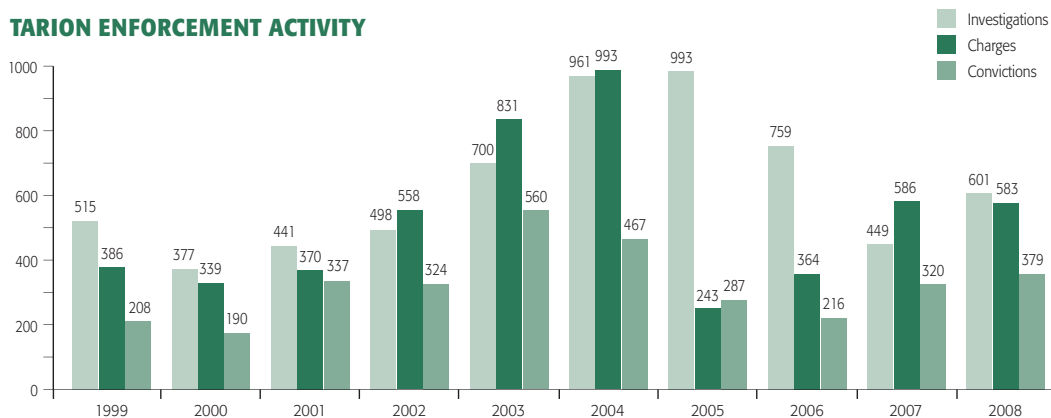
- The Minister of Municipal Affairs and Housing included criteria outlined in the **Good Government Act, 2009** that installed the information sharing process into the **Building Code Act**.
- Municipalities will be required to provide the following information about residential building permits to Tarion Warranty Corporation:
  - Dates the permits are issued;
  - Information contained in the application form, other than the information contained in the schedules or other attachments to the application forms;
  - Information excludes building plans and designer information;
  - Some exemptions (e.g., extension or alteration of existing buildings, hotels, boarding, lodging and rooming houses);
  - Municipalities have 45 days after a permit has been issued to provide the prescribed information to Tarion;
  - Anticipated to be in effect January 1, 2011 (subject to proclamation of the applicable provisions of the **Good Government Act, 2009**).
- The TARION Warranty Corporation has been active in enforcing registration of builders and enrollment of homes in the province.

**TARION Enforcement Activity**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010 Q1</b>
Charges Laid	364	586	583	353	50
Convictions	216	320	379	241	54
Fines Levied	\$674,000	\$616,000	\$851,000	\$1,040,000	\$129,000
Probation Orders	0	0	0	0	0
Jail Sentences	1	3	0	2	0
Fees Recovered	\$2.0 million	\$0.7 million	\$0.6 million	\$0.4 million	\$0.2 million

Source: Tarion Warranty Corporation

**TARION ENFORCEMENT ACTIVITY**



Source: Tarion Warranty Corporation

- Since 2003, the Tarion Enforcement Department along with cooperating municipalities has been utilizing the 'Declaration of Applicant for Building Permit' (referred to as a 'Permit Dec'). This form was designed by Tarion for use by building departments in assisting in the fight against illegal building. The program was rolled out to all 445 municipalities in the fall of 2002 but will be replaced by the new information sharing program between Tarion and municipalities.
- On average the total number of claims paid out by Tarion on a yearly basis due to illegal building activity is about 10.8% or \$1,232,377 per year.
- The Canada Revenue Agency and the Workplace Safety and Insurance Board signed a memorandum of understanding to exchange information about which businesses were registered with each agency. Further to this action, 17,500 businesses out of approximately 1.1 million registered businesses across Ontario were found to be registered with one agency or the other, but not both. An investigation found 524 companies should have been registered with WSIB and paying premiums and prompted another 422 companies to agree to begin paying premiums. Based on the results of the initial investigation, it is estimated about 8,000 Ontario employers are not paying approximately \$30 million in WSIB premiums annually.
- Efforts by OHBA have resulted in increased awareness of the prevalence of the underground economy in home construction. Both TARION (1-800-786-6497) and WSIB (1-888-745-3237) have established hotlines to anonymously report illegal activity.

## ADVISORY COUNCILS

- The Building Advisory Council (BAC) was established in 2006 by the Minister of Municipal Affairs and Housing to provide strategic advice on policy, technical and administrative issues related to the Building Code and the Act.
- The BAC is composed of members nominated from various stakeholder organizations representing the three sectors of the construction industry in Ontario: building and construction; design; and municipal and regulatory interests.
- 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 5-year intervals. The Council started meeting in February 2010 and plans to meet monthly as it develops and fine tunes its strategic plan. Topics outlined so far include improving energy efficiency in houses and large buildings as well as potential integration of renewable energy sources into the Building Code.
- The aim of the BCEAC is to provide advice to the Minister of Municipal Affairs and Housing on energy conservation measures that could be considered for future editions of the Ontario Building Code.
- There are 13 members on the Council: OHBA Second-Vice President Doug Tarry and BILD Vice President Paul Golini have been appointed to the BCEAC.

## GOOD GOVERNMENT ACT, 2009

- The **Good Government Act, 2009** received Royal Assent on December 15, 2009 and is a lengthy government omnibus piece of legislation which notably includes amendments to the Building Code Act, 1992(BCA), including the following:
  - **Complete Permit Application:**
    - Responds to recommendations submitted by BAC in March 2007
    - A complete application must meet certain threshold requirements:
      - > Including use of provincial building permit applicable form and payment of applicable fees
    - The Chief Building Official may consider an application incomplete if it is determined that:
      - > The application is not accompanied by the documents required by the municipal building by-law; or
      - > The proposal contravenes any applicable law
    - However, if one of these two circumstances apply, the applicant would need to be notified by the municipality in writing within two days regarding the reason for the determination that the application is not complete (otherwise the application is subject to a full review)
    - Municipalities, at their discretion, may review incomplete applications, although the timeframe requirements would not apply
    - The applicable provisions of the **Good Government Act, 2009** with respect to complete permit applications have been proclaimed
    - The Building Code Act (BCA) and related Code changes take effect January 1, 2011
  - **Discovery-based Limitation Period:**
    - The commencement of the limitation period for the prosecution of offences under the BCA has been changed from one year after the time when the subject-matter of the proceedings arose, to one year after the offence is discovered
    - This change responds to recommendations submitted by BAC in 2007 and was also advocated by the Large Municipalities Chief Building Officials
    - The amendments include the following transition provision:
      - > The current offence based limitation period continues to apply where the subject matter of the proceeding (offence) arose more than one year before the new provisions come into force – January 1, 2011
    - The applicable provisions of the **Good Government Act, 2009** with respect to a discovery-based limitation period have been proclaimed and take effect on July 1, 2010

- **Occupancy Permits (Residential)**
  - A new requirement for the issuance of an occupancy permit under the Building Code regulations clarifies criteria for the occupancy of detached, semi-detached and row houses (excluding buildings that have accommodation for tourists, dwellings with one unit above the other and those that share a common means of egress)
  - The new regulation requires that such a building cannot be occupied unless an occupancy permit has been issued indicating that key building components, systems and elements are substantially complete or operational
  - Issuance of an occupancy permit would follow an occupancy inspection requested by the builder as with all other mandatory inspection requests
  - Requirement for notification [BCA subsection 11(2)] on date of completion has been eliminated for buildings subject to the new occupancy permit
  - This is a Code change only and did not require a legislation change. The new inspection will become effective January 1, 2012.

## ONTARIO: OPEN FOR BUSINESS

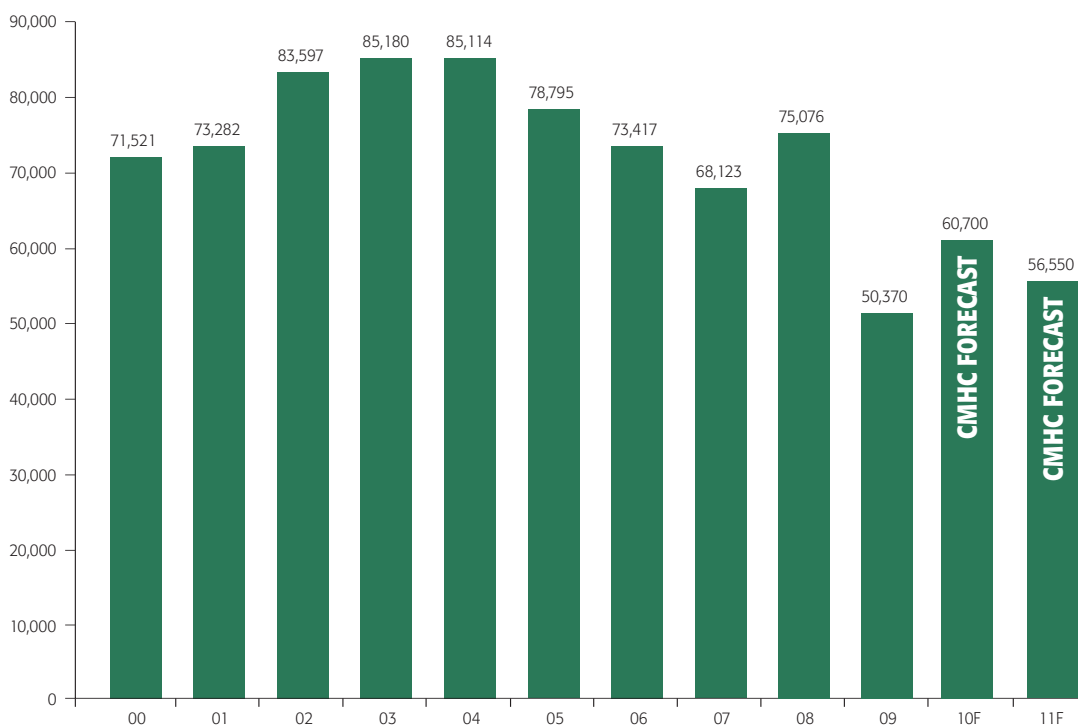
- Open for Business is a provincial program to create faster, smarter and streamlined government-to-business services and to establish a modern system of government. Working with all ministries, Open for Business has three key areas of focus:
  - Modern government: create a streamlined and focused regulatory environment;
  - Modern services: deliver better products and services, including service standards and guarantees that support the needs of business;
  - New relationship with business: create an open and responsive working relationship between businesses and government.
- Regulations affecting business now come into effect twice a year, on January 1st and July 1st. Introducing regulations on two routine dates per year gives business greater predictability and helps to plan ahead.
- As of November 1, 2009, ministries must post all proposed regulations that affect Ontario businesses on the regulatory registry website.
- OHBA met with the former Minister of Economic Development and Trade in 2009 when the Open for Business initiative was launched as well as the Assistant Deputy Minister of Economic Development and Trade responsible for Open for Business.
- BILD submitted five key priorities that impact the residential construction industry in the spring of 2010 for consideration under the Open for Business initiative. Ministries will have two months to address these priorities, explain if they can't be addressed and deliver alternative solutions.

## ECONOMIC IMPACT OF THE HOUSING SECTOR

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

## MARKET CONDITIONS

### ONTARIO HOUSING STARTS – 2000-2011(F)



Source: Canada Mortgage and Housing Corporation

## HOUSING MARKET

	2008	2009	2010F	2011F
Total Ontario Housing Starts	75,076	50,370	60,700	56,550
Single Detached Housing Starts	31,108	22,634	27,050	22,850
Multiple Unit Housing Starts	43,968	27,736	33,650	33,700
- Semi	3,415	3,007	8,440	3,190
- Row	11,212	7,121	8,640	8,800
- Apartment	29,341	17,608	21,570	21,710
Total MLS Sales	181,001	195,840	200,600	185,000
MLS Average Price	\$302,354	\$318,366	\$343,000	\$349,100

Source: Canada Mortgage and Housing Corporation



- CMHC is suggesting that improved affordability conditions will boost single-detached starts from near record low historical levels. Furthermore, improved credit conditions, tight rental markets and increasing home prices through 2010 will provide underlying support for multi-family home construction.

#### Average New and Resale Home Price Growth

Average Home Price/Yr	MLS	New Single	New Semi	Average Home Price/Yr	MLS	New Single	New Semi
1990	\$173,775	\$268,482	\$143,074	2000	\$183,841	\$244,513	\$199,263
1991	\$171,968	\$263,652	\$143,057	2001	\$193,357	\$259,770	\$207,821
1992	\$161,187	\$241,050	\$149,374	2002	\$210,901	\$267,009	\$216,316
1993	\$156,264	\$232,786	\$152,735	2003	\$226,824	\$287,792	\$226,394
1994	\$159,873	\$223,331	\$150,745	2004	\$245,230	\$311,166	\$248,251
1995	\$155,163	\$237,370	\$151,816	2005	\$262,949	\$348,211	\$283,139
1996	\$155,725	\$228,307	\$158,961	2006	\$278,364	\$384,153	\$293,936
1997	\$164,301	\$226,609	\$166,325	2007	\$299,544	\$416,795	\$313,290
1998	\$167,112	\$228,566	\$172,073	2008	\$302,354	\$439,444	\$332,938
1999	\$174,049	\$236,895	\$195,323	2009	\$318,366	\$462,998	\$367,310

Source: Canada Mortgage and Housing Corporation

## CONDOMINIUM MARKET

- Urbanation has forecasted 19,000 new condo sales in the GTA in 2010.

#### GTA Condominium Sales

2001	2002	2003	2004	2005	2006	2007	2008	2009
10,687	15,286	10,802	12,364	16,224	16,124	22,654	14,469	14,792

Source: Urbanation

## RENOVATION MARKET

#### Economic Impacts of Residential Renovation Activity in Ontario

Year	2008	2009	2010 F
Value of Construction (\$ Millions)	\$20,800	\$20,900	\$21,100
Jobs Created (Total Person Years)			
- Direct (Construction)	109,400	110,700	110,300
- Indirect	91,100	92,200	91,800
- Total	200,500	202,900	202,100
Total Wages Generated (\$ Millions)	\$9,970	\$10,290	\$10,250

Source: : Estimates by Will Dunning Inc



## RESALE MARKET

- According to CMHC, high levels of affordability will be supported by modest employment gains – helping keep sales at high levels in 2010. Sales over 2009/10 will move in line with levels earlier in the decade.
- Despite broader economic turmoil, average home prices in Ontario will grow by 7.7 per cent this year, prior to leveling off at 1.8 per cent in 2011.

## RENTAL HOUSING

- The cost gap between owning and renting has grown, explaining the increase in rental demand. Demand for rental housing in Canada increased due to high migration levels, youth employment growth, and a large gap between the cost of homeownership and renting.

### Ontario Apartment Vacancy Rates

#### Privately Initiated Apartment Structures of Three Units and Over

	Vacancy Rates %		Average Rent 2 Bedroom (\$) (New and existing structures)	
	Oct-08	Oct-09	Oct-08	Oct-09
Barrie CMA	3.5	3.0	954	965
Brantford CMA	2.4	2.2	752	760
Greater Sudbury CMA	0.7	1.5	800	840
Guelph CMA	2.3	2.0	869	885
Hamilton CMA	3.2	2.9	836	850
Kingston CMA	1.3	1.2	880	905
Kitchener CMA	1.8	1.6	845	860
London CMA	3.9	4.4	834	840
Oshawa CMA	4.2	3.7	889	905
Ottawa-Gatineau CMA	1.4	1.0	995	1025
Peterborough CMA	2.4	2.2	850	870
St. Catharines-Niagara CMA	4.3	4.0	777	790
Thunder Bay CMA	2.2	1.6	719	730
Toronto CMA	2	1.8	1095	1120
Windsor CMA	14.6	17.0	772	750
<b>Ontario 10,000+</b>	<b>2.7</b>	<b>3.5</b>	<b>948</b>	<b>955</b>

Source: Canada Mortgage and Housing Corporation

## ONTARIO PROVINCIAL BUDGET 2010

### Ontario's Economic Outlook at a Glance

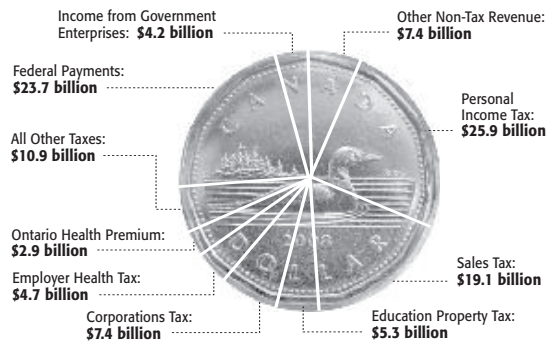
	2007	2008	2009 (E)	2010 F	2011 F	2012 F
Real GDP Growth (%)	2.2	- 0.5	- 3.4	2.7	3.2	3.2
Housing Starts (000s)	68.1	75.1	50.4	60.7	56.6	-
Retail Sales (%)	3.9	3.5	- 2.5	3.9	4.6	4.7
Personal Income (%)	5.0	3.8	- 0.4	3.3	4.3	4.8
Unemployment (%)	6.4	6.5	9.0	9.1	8.5	7.6
CPI Inflation (%)	1.8	2.3	0.4	1.9	2.1	2.0
<b>Budget (\$ Billions)</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11 F</b>	<b>2011-12 F</b>	<b>2012-13 F</b>
Provincial Expenses	96.6	96.9	117.7	125.9	124.1	126.9
Provincial Revenues	97.1	90.5	96.4	106.9	107.7	112
Reserve	-	-	-	0.7	1.0	1.0
Surplus/(Deficit)	0.6*	- 6.4	-21.3	-19.7	-17.3	-15.9

Source: Ontario Ministry of Finance, 2009 Ontario Budget, Statistics Canada and CMHC

\* After \$1.1 billion investment under **Investing in Ontario Act, 2008**

## Where the money comes from...

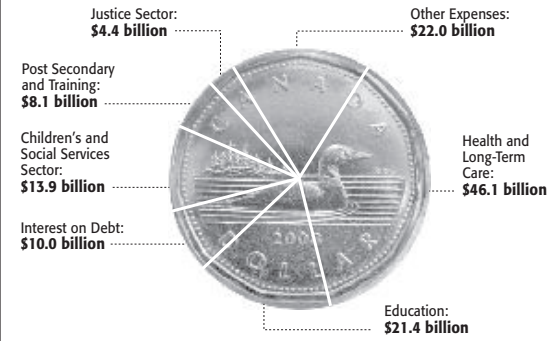
Revenue, fiscal year 2010-11: **\$106.9 billion**



Source: Spring Fiscal Update

## ...and where it goes

Expenses, fiscal year 2010-11: **\$125.9 billion**

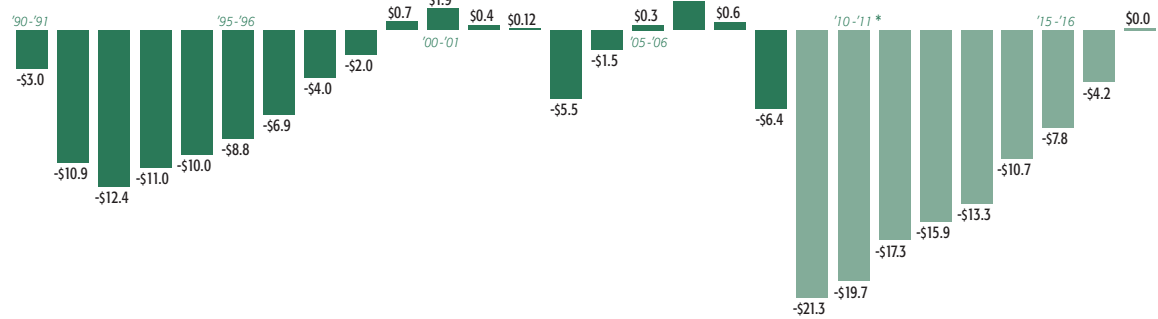


Note: Numbers may not add due to rounding

Source: Spring Fiscal Update

## The Deficit

Annual Deficit/Surplus in \$ Billions

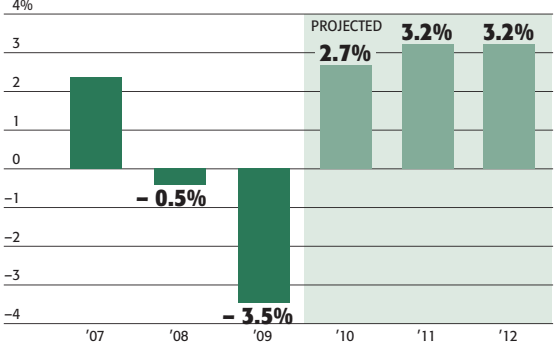


\* Forecast

Source: 2010 Ontario Budget & Spring Fiscal Update

## GDP

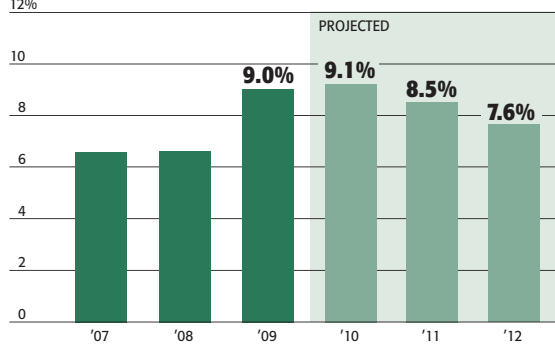
Annual Per Cent Change



Source: 2010 Ontario Budget & Spring Fiscal Update

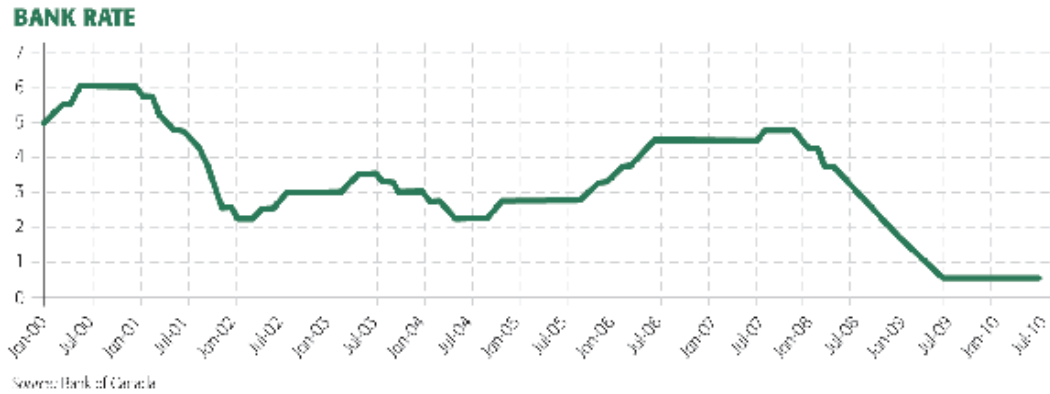
## Unemployment

Unemployment Rate / Per Cent



Source: 2010 Ontario Budget & Spring Fiscal Update

## BANK OF CANADA



### 2010 Schedule of Key Interest Rate Announcements

Date	Bank Rate (%)
June 1	0.50
July 20	0.50
Sept 8	0.50
Oct 19	0.50
Dec 7	0.50

## LAND TRANSFER TAX

- On May 2, 2000, the provincial government made the Land Transfer Tax Rebate for first-time buyers of newly-built homes permanent (was introduced in 1996).
- In the fall of 2007, the provincial government extended the Land Transfer Tax Rebate to all first-time home buyers, including resales.
- The City of Toronto Act allows the city to levy a municipal land transfer tax. The Toronto Land Transfer Tax came into effect on February 1, 2008.
  - There is a full exemption (rebate) for all first-time homebuyers for resale or new homes priced up to \$400,000;
  - On purchases other than first-time buyers, the tax is limited to 0.5% on the first \$55,000; 1% of the value between \$55,000 and \$400,000 and 2% over \$400,000.

## ONTARIO REGION ECONOMIC AND HOUSING INDICATORS

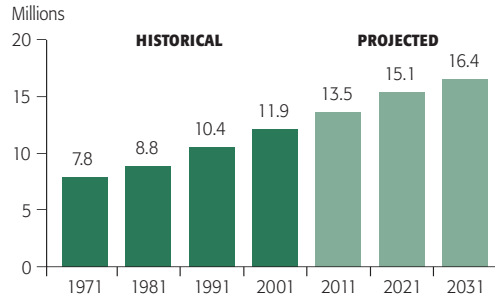
	<b>Housing Data</b>	<b>2008</b>	<b>2009</b>	<b>2010F</b>	<b>2011F</b>
<b>Barrie</b>	Single Starts	858	292	350	340
	Multiple Starts	558	135	170	155
	Total Starts	1,416	427	520	495
	MLS Sales	4,058	4,326	4,550	4,230
	MLS Avg Price	\$264,034	\$263,959	\$276,000	\$281,500
<b>Greater Sudbury</b>	Single Starts	469	224	210	26-
	Multiple Starts	74	226	160	150
	Total Starts	543	450	370	410
	MLS Sales	2,396	1,977	1,920	1,960
	MLS Avg Price	\$211,207	\$200,947	\$207,900	\$216,200
<b>Hamilton</b>	Single Starts	1,675	899	1,100	1,000
	Multiple Starts	1,854	961	1,125	1,220
	Total Starts	3,529	1,860	2,225	2,220
	MLS Sales	12,110	12,680	13,000	12,500
	MLS Avg Price	\$280,790	\$290,946	\$315,000	\$324,000
<b>Kingston</b>	Single Starts	546	432	470	450
	Multiple Starts	126	285	260	220
	Total Starts	672	717	730	670
	MLS Sales	3,473	3,377	3,430	3,320
	MLS Avg Price	\$235,047	\$242,729	\$252,000	\$260,000
<b>Kitchener</b>	Single Starts	1,446	1,161	1,400	1,350
	Multiple Starts	1,188	1,137	1,260	1,310
	Total Starts	2,634	2,298	2,660	2,660
	MLS Sales	6,269	6,580	6,700	6,660
	MLS Avg Price	\$271,222	\$269,552	\$278,000	\$283,000
<b>London</b>	Single Starts	1,369	1,056	1,300	1,400
	Multiple Starts	2,385	1,112	1,040	990
	Total Starts	2,634	2,168	2,340	2,390
	MLS Sales	8,620	8,314	8,600	8,500
	MLS Avg Price	\$212,092	\$214,510	\$219,000	\$221,000
<b>Oshawa</b>	Single Starts	1,500	836	1,260	1,100
	Multiple Starts	487	144	365	355
	Total Starts	1,987	980	1,625	1,455
	MLS Sales	8,797	9,330	9,550	8,750
	MLS Avg Price	\$273,984	\$278,984	\$292,000	\$298,000
<b>Ottawa</b>	Single Starts	2,956	2,471	2,550	2,320
	Multiple Starts	4,042	3,343	3,750	3,780
	Total Starts	6,998	5,814	6,300	6,100
	MLS Sales	13,908	14,923	15,400	14,650
	MLS Avg Price	\$290,656	\$304,801	\$325,000	\$337,000
<b>St. Catharines-Niagara</b>	Single Starts	680	574	610	540
	Multiple Starts	458	285	420	460
	Total Starts	1,138	859	1,030	1,000
	MLS Sales	5,896	5,808	6,200	6,000
	MLS Avg Price	\$203,648	\$209,563	\$218,000	\$222,000
<b>Toronto</b>	Single Starts	11,308	8,130	10,800	8,000
	Multiple Starts	30,904	17,819	22,900	22,300
	Total Starts	42,212	25,949	33,700	30,300
	MLS Sales	76,387	89,249	91,500	83,000
	MLS Avg Price	\$379,943	\$396,154	\$429,030	\$439,755
<b>Windsor</b>	Single Starts	328	303	350	380
	Multiple Starts	125	88	120	135
	Total Starts	453	391	470	515
	MLS Sales	4,546	4,661	4,800	4,650
	MLS Avg Price	\$159,709	\$153,691	\$161,000	\$165,000
<b>Ontario</b>	Single Starts	31,108	22,634	27,050	22,850
	Multiple Starts	43,698	27,736	33,360	33,700
	Total Starts	76,076	50,370	60,700	56,550
	MLS Sales	189,150	195,840	200,600	185,000
	MLS Avg Price	\$302,354	\$318,366	\$343,000	\$349,100

Source: Canada Mortgage and Housing Corporation

## POPULATION GROWTH

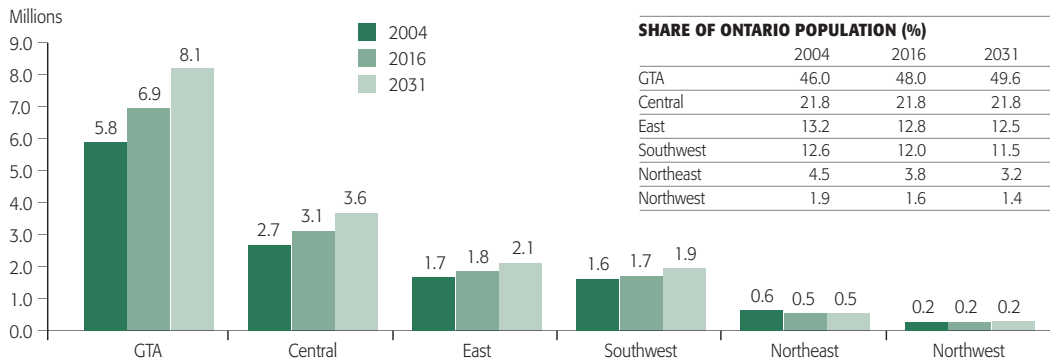
- Ontario’s population is expected to grow from an estimated 13.1 million (Oct 2009) to over 13.5 million in 2011, with the Golden Horseshoe area accounting for most of the growth.
- During the 30-year period from 2001-2031, the population of the Greater Golden Horseshoe is expected to grow by almost 3.7 million people, and its economy will grow by about 2 million jobs.
- More than 100,000 newcomers arrive in Ontario each year, which is almost half of all new immigrants to Canada. Approximately 84% of Ontario’s new immigrants settle in the GTA and about 50% in the City of Toronto.

### ONTARIO POPULATION – REFERENCE SCENARIO



Source: Statistics Canada, 1971-2001, and Ontario Ministry of Finance projections.

### PROJECTED POPULATIONS – ONTARIO REGIONS – 2004, 2016, 2031



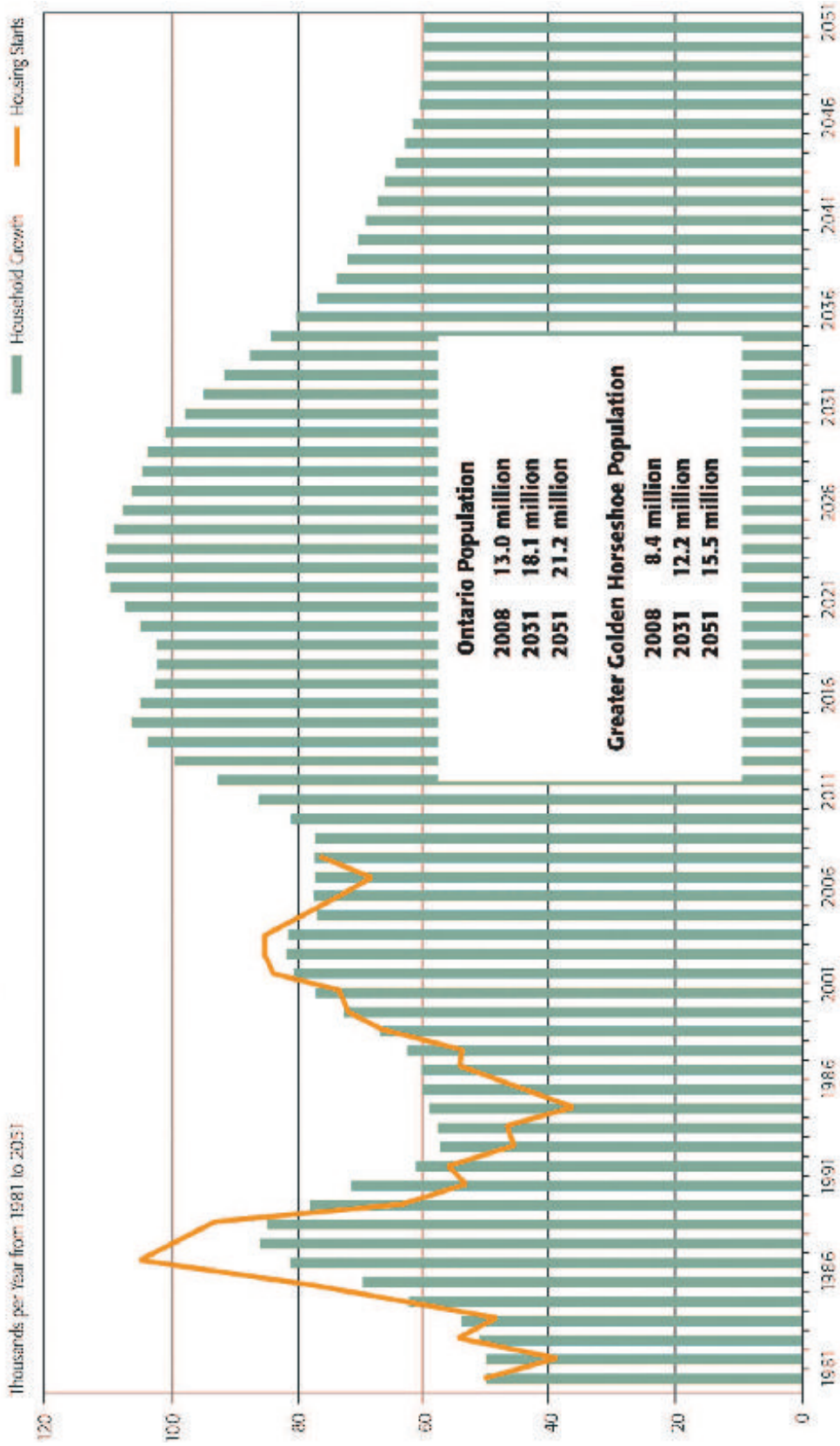
Source: Statistics Canada, 2004, and Ontario Ministry of Finance projections update (reference scenario), 2016 and 2031.

#### SHARE OF ONTARIO POPULATION (%)

	2004	2016	2031
GTA	46.0	48.0	49.6
Central	21.8	21.8	21.8
East	13.2	12.8	12.5
Southwest	12.6	12.0	11.5
Northeast	4.5	3.8	3.2
Northwest	1.9	1.6	1.4

- The Greater Golden Horseshoe generates nearly two-thirds of Ontario’s GDP and nearly one-third of Canada’s economic output. Over the past 10 years, the GTA posted the third strongest rate of population and job creation growth in North America.
- The 2006 census data from Statistics Canada indicates that the annual rate of household formation in Ontario slowed to approximately 67,000 households in 2001-2006.

### Ontario Household Growth and Housing Starts



Source: Tom McCormack, Centre for Spatial Economics

**RECENT POPULATION GROWTH TRENDS  
IN LARGER ONTARIO URBAN AREAS – 2005-2009**

	<b>Population in 2005</b>	<b>Population in 2009</b>	<b>Difference</b>	<b>Percentage Change</b>
Barrie	181,213	190,400	+ 9,187	+ 5.1
Brantford	134,359	137,663	+ 3,304	+ 2.5
Greater Sudbury	162,981	165,322	+ 2,341	+ 1.4
Guelph	130,957	135,863	+ 4,906	+ 3.7
Hamilton	713,545	739,415	+ 25,870	+ 3.6
Kingston	157,895	160,723	+ 2,828	+ 1.8
Kitchener-Waterloo	463,490	489,054	+ 25,564	+ 5.5
London	472,474	489,274	+ 16,800	+ 3.6
Oshawa	337,766	361,375	+ 23,609	+ 7.0
Ottawa	873,807	919,258	+ 45,451	+ 5.2
Peterborough	119,932	121,428	+ 1,496	+ 1.2
St. Catharines-Niagara	402,528	404,378	+ 1,850	+ 0.5
Thunder Bay	128,282	124,816	- 3,466	- 2.7
Toronto	5,250,163	5,623,450	+ 373,287	+ 7.1
Windsor	335,393	331,537	- 3,856	- 1.1
<b>ONTARIO</b>	<b>12,528,500</b>	<b>13,069,200</b>	<b>+ 540,700</b>	<b>+ 4.3</b>

Source: Statistics Canada, CANSIM Table 051-0001 (provinces and territories; 051-0046 Census Metropolitan Areas).



## ENERQUALITY CORPORATION

- Founded in 1998, EnerQuality is jointly owned by the OHBA and the Canadian Energy Efficiency Alliance (CEEA), two of Canada's leading non-profit organizations involved in energy efficiency and homebuilding. In 2009, OHBA increased its ownership share of EnerQuality.
- EnerQuality's mission is to transform Ontario's new housing into the most sustainable and energy efficient in the world. The vision is to label 25% of Ontario's new housing every year ENERGY STAR® qualified or better by 2012. EnerQuality provides consulting, training and certification to homebuilders, contractors, building trades, industry professionals, gas utilities, suppliers and manufacturers.

## ENERGY EFFICIENT PROGRAMS

- EnerQuality developed the Building Canada program in 2004 to reduce production builders' costs, enhance quality and increase customer satisfaction while improving the energy efficiency of new homes. Modeled on the Building America program, EnerQuality's initiative deploys teams of building science and process engineering consultants to deliver improved product and company performance.



- The ENERGY STAR for New Homes initiative, launched by EnerQuality and NRCan in 2005, is the largest green housing program in Canada. Performance tested, third-party verified and government-backed, ENERGY STAR qualified homes built to EnerQuality's ENERGY STAR for New Homes Technical Specifications reduce total energy consumption by approximately 25%, electricity consumption by approximately 2,570 kWh and CO2 emissions by 2-3 tonnes per year over a code built house.



- GreenHouse™ is a green housing program for the production builder. Developed in 2008 by EnerQuality and the building industry in response to the growing demand for green housing, GreenHouse integrates four key pillars of green building: energy efficiency, water conservation, resource efficiency and indoor air quality.



- LEED® for Homes is a national, voluntary rating system administered in Canada by the Canadian Green Building Council (CaGBC). As a licensed LEED for Homes Service Provider, EnerQuality offers this program to builders interested in the leading edge of green building.



- R-2000 was launched by NRCan and the Canadian Home Builders' Association in 1982. R-2000 is the original certification for builders who deliver the highest in energy efficiency and environmental features.



## ENERQUALITY'S PROGRAM STATUS

FY	ENERGY STAR®		ERS		R-2000		GreenHouse		Leed	
	Enrolled	Labeled	Enrolled	Labeled	Enrolled	Labeled	Enrolled	Labeled	Enrolled	Labeled
2006	96	96	606	606	102	86				
2007	5,431	1,246	2,431	878	113	70				
2008	4,897	3,300	603	938	100	40				
2009	13,730	5,848	2,072	701	138	63	16	33	1	0
2010	3,860	6,776	400	398	119	62	114	33	182	0
Total	27,997	17,266	6,267	3,676	823	571	130	66	183	0

Notes: EnerQuality's fiscal year is April 1 to March 31

Source: EnerQuality Corporation

EnerQuality is licensed by NRCan to deliver ENERGY STAR® for New Homes, the EnerGuide Rating Service and R-2000.

## BUILDER PARTICIPATION SUMMARY

FY	ESNH/EGNH	R-2000	Greenhouse	LEED
Registered Builders	510	14	15	7 projects

Source: EnerQuality Corporation

## ACCESSIBLE HOUSING COUNCIL

- In response to a resolution passed at the 2007 OHBA Annual General Meeting, OHBA formed an Accessible Housing Council made up of builder members as well as consultants specializing in barrier-free design. The aim of the Council is to draft best practices and make recommendations to improve housing accessibility for Ontarians with disabilities.
- Meeting over the summer of 2008, the Council prepared a report and recommendations regarding implementing the concepts of “visitability” as a standard in Ontario housing. The Council investigated other jurisdictions where these types of standards exist and used several as a model for the report. The report was provided to the Minister of Community and Social Services for review in September 2009.
- OHBA intends to continue the work of the Council through the development of an accessible housing best practices guide for builders.
- The Ministry of Community and Social Services opened a consultation on proposed accessible built environment standards from July to October 2009. The 300-page proposed standard examines how to reform buildings and designs in the built environment in preparation for the target date to make Ontario accessible set for 2025 in the Accessibility for Ontarians with Disabilities Act, 2005 (AODA). OHBA provided general policy comments as well as a more thorough technical analysis to the consultation. Available at: [www.ohba.ca](http://www.ohba.ca).
- Under the AODA, the standards development committee is developing the final proposed draft of the accessible built environment standard. This final proposed standard is likely to be submitted to government in late spring/early summer. The requirements related to buildings are likely to be considered for adoption in the next edition of the Building Code.
- It is not anticipated that the changes will apply to new low-rise residential homes or retrofits of existing homes. However, recommendations have been made that could affect high-rise housing depending on how the Minister and government receive the recommendations.

## MUNICIPAL PERFORMANCE MEASUREMENT PROGRAM

- The Ministry of Municipal Affairs and Housing’s Municipal Performance Measurement Program (MPMP) established a working group including OHBA participation in 2008 to develop performance measures related to building services.
- The MPMP program currently requires municipalities to collect data to measure municipal performance in 12 core service areas.

- A new Building Permits and Inspection Services section would focus primarily on effectiveness (permit review timelines for four categories of buildings) and efficiency (cost of building permit services).
- The Ministry will consider the advisory committee's recommendations in mid-to-late 2010.
- The new building services measures would be reported starting in 2012 for data collected in 2011.

## ONTARIO OFFICE OF THE FIRE MARSHAL – CONSUMER EDUCATION

- OHBA met with both the Office of the Fire Marshal (OFM) and the Minister of Community Safety and Correctional Services in March 2010 to discuss the development of a provincially funded consumer education piece. The Minister and OFM are both intrigued by the concept of the joint project. OHBA hopes to pursue this issue with the OFM and the Minister's office.

## WASTE MANAGEMENT

- A review of the **Waste Diversion Act** was launched in October 2008 with a discussion paper *Towards Zero Waste: Review of the Waste Diversion Act, 2002*. Key issues:
  - Entrenching 'extended producer responsibility' (EPR)
  - Increasing waste reduction and reuse through 3Rs hierarchy
  - Effective governance and administration
  - Increasing diversion of IC&I waste
- In October 2009 a Minister's Report on the review: *From Waste to Worth: The Role of Waste Diversion in the Green Economy* was posted on the Environmental Registry for public comment.
  - A key issue is EPR, which would hold producers responsible for waste management costs with the products they sell onto the marketplace. The responsibility for cost and management of waste diversion would be shifted onto those that are best able to influence and control decisions throughout the lifecycle of a product or package.
- OHBA participated in a stakeholder consultation in January 2010 and made a submission in response to the Minister's Report in February 2010. The report is available at [www.ohba.ca](http://www.ohba.ca)
- For more information visit the Ministry of the Environment: [www.ene.gov.on.ca](http://www.ene.gov.on.ca)

## TARION INDUSTRY DATA

	2006	2007	2008	2009	2010 Q1
New Home Enrollments	62,408	66,958	61,320	47,649	10,767
New Homes Under Warranty	457,118	458,290	454,575	431,981	425,574
Avg Sale Price – Freehold	\$331,710	\$353,135	\$365,084	\$376,828	\$375,368
Avg Sale Price – Low-rise Condo	\$241,799	\$252,232	\$280,746	\$274,489	\$249,359
Avg Sale Price – High-rise Condo	\$257,140	\$330,235	\$363,121	\$363,733	\$390,714
Registered builders/vendors	5,777	5,809	5,840	5,517	5,504
License refusal/revocations	79	99	113	94	19

Source: Tarion Warranty Corporation

## PROCESS FOR DESIGNATION OF TARION BOARD MEMBERS

- OHBA and the Ministry of Consumer Services presented an amended by-law to the TARION Warranty Corporation Board of Directors in 2004.
- The amended by-law was approved. OHBA continues to play a major role in the updated governance model nominating the builder Board members to the 15-member Board.

## MAJOR STRUCTURAL DEFECT (MSD) WARRANTY CONSULTATION

- Tarion advises that due to the a number of significant and costly MSD claims absorbed by the program in recent years, it is necessary to review and change the structure of the MSD warranty in order to protect the stability of the guarantee fund and the fiscal surety of the Corporation.
- The Tarion Board of Directors moved to change the MSD warranty coverage to place the onus and liability for the full 7-year MSD warranty to the vendor/builder (in the past, the vendor/builder was responsible for the MSD warranty up to the end of year 2, while Tarion was responsible for years 3 through 7). The change came into effect for all new homes enrolled after January 1, 2010.
- After a brief consultation with stakeholders and several Board of Directors meetings, Tarion decided to postpone the implementation of the MSD coverage shift for 2010 while more research could be done. A fee increase of \$200 was however implemented to help offset the current MSD liability burden to the corporation.
- The OHBA/Tarion Liaison will continue to discuss the issue through 2010.

## TARION CONSTRUCTION PERFORMANCE GUIDELINES REVIEW

- In the winter of 2009, Tarion established a working group to review and recommend changes to the 2003 Edition of the Construction Performance Guidelines. The working group is made up of OHBA builder members, a consumer representative, a building science professional from Ryerson University and members from the Ontario Building Officials' Association, and the Canadian Association of Home Inspectors.
- The working group is reviewing over 160 requests for revisions to existing CPG items as well as suggestions for new items not covered in the previous edition.
- The working group completed their review of all the suggested items and Tarion staff will be posting the items for public consultation over the summer of 2010.
- Tarion is hopeful that a revised Construction Performance Guidelines document will be available either by the end of 2010 or early 2011.

## TARION BUILDER BULLETIN 19 – REVIEW

- Through internal Tarion condo committee meetings as well as a general meeting with BILD's Toronto-area condominium builder members, Tarion will be revising their Builder Bulletin 19 as it relates to the condominium common elements claims process
- Tarion and the building industry have been concerned that Bulletin 19 did not provide sufficient closure for these types of buildings to Tarion, condominium boards and owners as well as condo builders.
- Revisions to the Bulletin are expected to include a more robust performance audit tracking summary and schedule of reporting deadlines that will ease the difficulty of communication experienced by the various parties when attempting to reconcile warranty issues stemming from a building's performance audit.
- Revisions are also expected to establish warranty related reporting procedures for common element items for condo corporations that were more ambiguous in the past.
- It is anticipated that work on Bulletin 19 revisions will be completed by the end of 2010.

## LONG-TERM AFFORDABLE HOUSING STRATEGY

- In the summer of 2009, the provincial government launched a *Long-term Affordable Housing Strategy* consultation providing an opportunity to build on recent initiatives and investments, including the *Poverty Reduction Strategy*.
- The *Long-Term Affordable Housing Strategy* will provide a framework vision, principles and goals for affordable housing in Ontario over the next 10 years and will be scalable to adjust to fiscal realities and changing economic conditions.
- In December 2009 OHBA provided the province with a comprehensive submission (available at [www.ohba.ca](http://www.ohba.ca)) with six key recommendations:
  - Create a long-term portable housing allowance program to provide immediate assistance to low income households who have housing affordability problems;
  - Require municipalities to permit ‘as-of-right’ secondary suites across Ontario;
  - Stop the regressive taxation of tenants by equalizing residential and multi-residential property tax rates across Ontario;
  - Remove government imposed cost and regulatory barriers to the supply of land and new housing which constrain housing opportunities for lower income households;
  - Address homelessness by focusing on special needs housing and services for the hard-to-house and integrating enhanced support services within housing projects;
  - Make strategic investments to fix Ontario’s existing social housing stock;
- On September 21, 2009, OHBA passed a resolution supporting a portable housing allowance and a resolution recommending the province implement and expand a standard check list of affordable housing incentive programs.
- On September 22, 2008 OHBA passed a resolution requesting the province to prohibit municipalities from proceeding with inclusionary zoning policies and advocating for the province to implement the recommendations of the Joint Housing Industry Submission on Poverty Reduction and Affordable Housing (A May 2009 submission by OHBA in partnership with BILD, TREB, OREA, FRPO, RESCON and REALPAC).

## INCLUSIONARY ZONING

- Inclusionary zoning is a barrier to overall housing affordability and supply. As the term is used, “inclusionary zoning” would require private sector obligations towards subsidized housing through policies requiring land, housing units and/or cash-in-lieu. While some new affordable units are created, the effect is that the remaining ‘market’ units become less affordable.
- In a December 2009 OHBA submission on the *Long-Term Affordable Housing Strategy*, OHBA strongly cautioned against permitting municipalities to implement inclusionary zoning policies.
- On September 22, 2008, OHBA passed a resolution requesting the province to prohibit municipalities from proceeding with inclusionary zoning policies.
- In May, 2008 Altus Clayton released *The Potential Effects of Inclusionary Zoning in Canada*. Key findings of the study include:
  - Inclusionary zoning policies ask a small minority (new homebuyers and land owners in affected jurisdictions) to bear the cost of a social subsidy. The policy is inequitable as a narrow segment of society would bear the cost of a social initiative which should be spread across all taxpayers and preferably by provincial and federal governments that have the broadest and most progressive tax bases;
  - In most cases, it is necessary to provide incentives or compensation to developers to ensure that housing projects are financially feasible. Such municipal expenditures could be more effective if used in other ways to assist people with housing needs;
  - As a form of zoning restriction, inclusionary zoning ultimately worsens housing affordability rather than improving it.
- Inclusionary zoning proponents have advocated for incentive trade-offs such a density bonusing. OHBA has suggested that inclusionary zoning through density bonuses is problematic. The provincial planning regime through recent amendments to the Planning Act, Places to Grow, the Provincial Policy Statement (and municipal official plans and zoning by-laws following conformity to the growth plan in the Greater Golden Horseshoe) directs growth to achieve higher densities and a high-quality urban form on the basis of current urban planning principles. Exchanging a social good (subsidized units) as the currency to achieve the desired urban form currently planned in the provincial legislative framework will jeopardize intensification efforts..
- Appropriate zoning should reflect Official Plans, the PPS and the growth plan and therefore urban lands should not be under-zoned whereby the provision of subsidized units unlocks appropriate densities.

## PLACES TO GROW

- *Places to Grow* outlines a vision for the future of the Greater Golden Horseshoe and a strategy for how to get there. The number of people living in the Greater Golden Horseshoe is projected to grow by an additional 3.7 million people, bringing the region's population to over 11.5 million by 2031.
- The **Places to Grow Act, 2005** enables the government to plan for population growth, economic expansion, and the protection of environmental and agricultural assets.
- The goal of *Urban Growth Centres* (UGCs) and intensification corridors is to achieve a vibrant, compact, efficient urban form. UGCs will meet or exceed provincial intensification targets and transit supportive densities.

### Urban Growth Centre Density Summary Chart

Urban Growth Centres	Density Target	Density, 2001*	Density Ratio
	Residents & Jobs/ha	Residents & Jobs/ha	Residents : Jobs
Downtown Barrie	150	60	39:61
Downtown Brampton	200	65	50:50
Downtown Brantford	150	60	32:68
Downtown Burlington	200	75	57:43
Downtown Cambridge	150	70	26:74
Downtown Guelph	150	95	27:73
Downtown Hamilton	200	195	34:66
Downtown Kitchener	200	120	18:82
Markham Centre	200	20	19:81
Downtown Milton	200	35	47:53
Mississauga City Centre	200	100	62:38
Newmarket Centre	200	55	13:87
Midtown Oakville	200	30	12:88
Downtown Oshawa	200	100	27:73
Downtown Peterborough	150	100	24:76
Downtown Pickering	200	50	52:48
Richmond Hill/Langstaff	200	15	56:44
Downtown St. Catharines	150	100	27:73
Toronto: Downtown	400	380	19:81
Toronto: Etobicoke Centre	400	115	58:42
Toronto: North York Centre	400	210	45:55
Toronto: Scarborough Centre	400	90	24:76
Toronto: Yonge-Eglinton Centre	400	435	45:55
Vaughan Corporate Centre	200	15	0:100
Uptown Waterloo	200	75	25:75

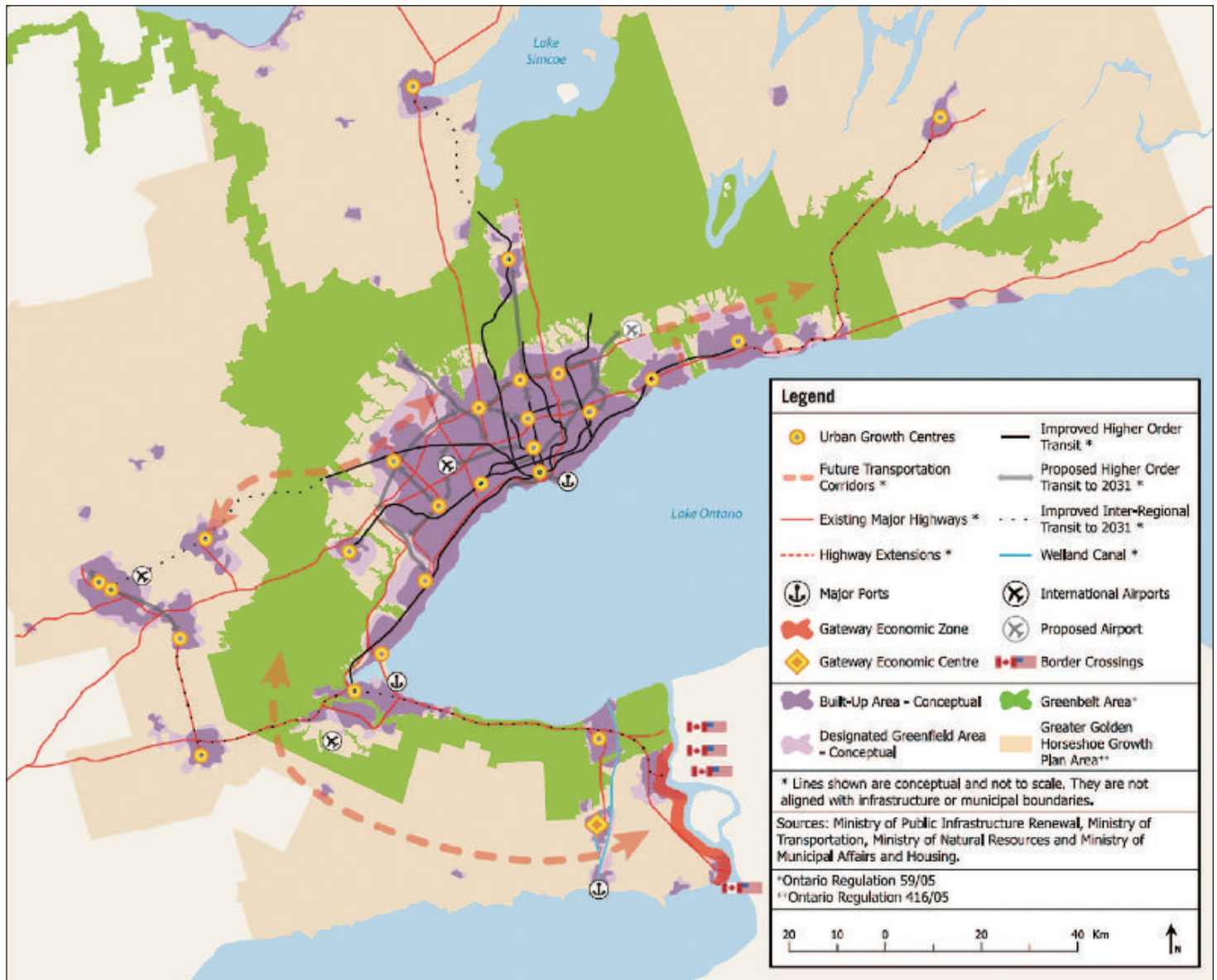
Source: Ontario Growth Secretariat

\*Based on Statistics Canada data on area closely corresponding to the proposed size and location



- Starting in 2010, the Ontario Growth Secretariat is undertaking the first review of the population and employment forecasts contained in the Growth Plan for the Greater Golden Horseshoe.
- Municipalities were required to have brought the Official Plans into conformity with the Growth Plan by June 2009. However, the province has allowed extensions to municipalities to complete their conformity exercises.
- The *Final Built Boundary* was released on April 2, 2008. A minimum 40% intensification target of new growth will occur inside the built boundary by 2015.
- All OHBA *Places to Grow* submissions are available by contacting OHBA or visit [www.placestogrow.ca](http://www.placestogrow.ca) for more information on *Places to Grow*.

**Places to Grow: Growth Plan for the Greater Golden Horseshoe Concept**



Source: Ontario Ministry of Energy and Infrastructure

## G-NORTH – GROWTH PLAN FOR NORTHERN ONTARIO

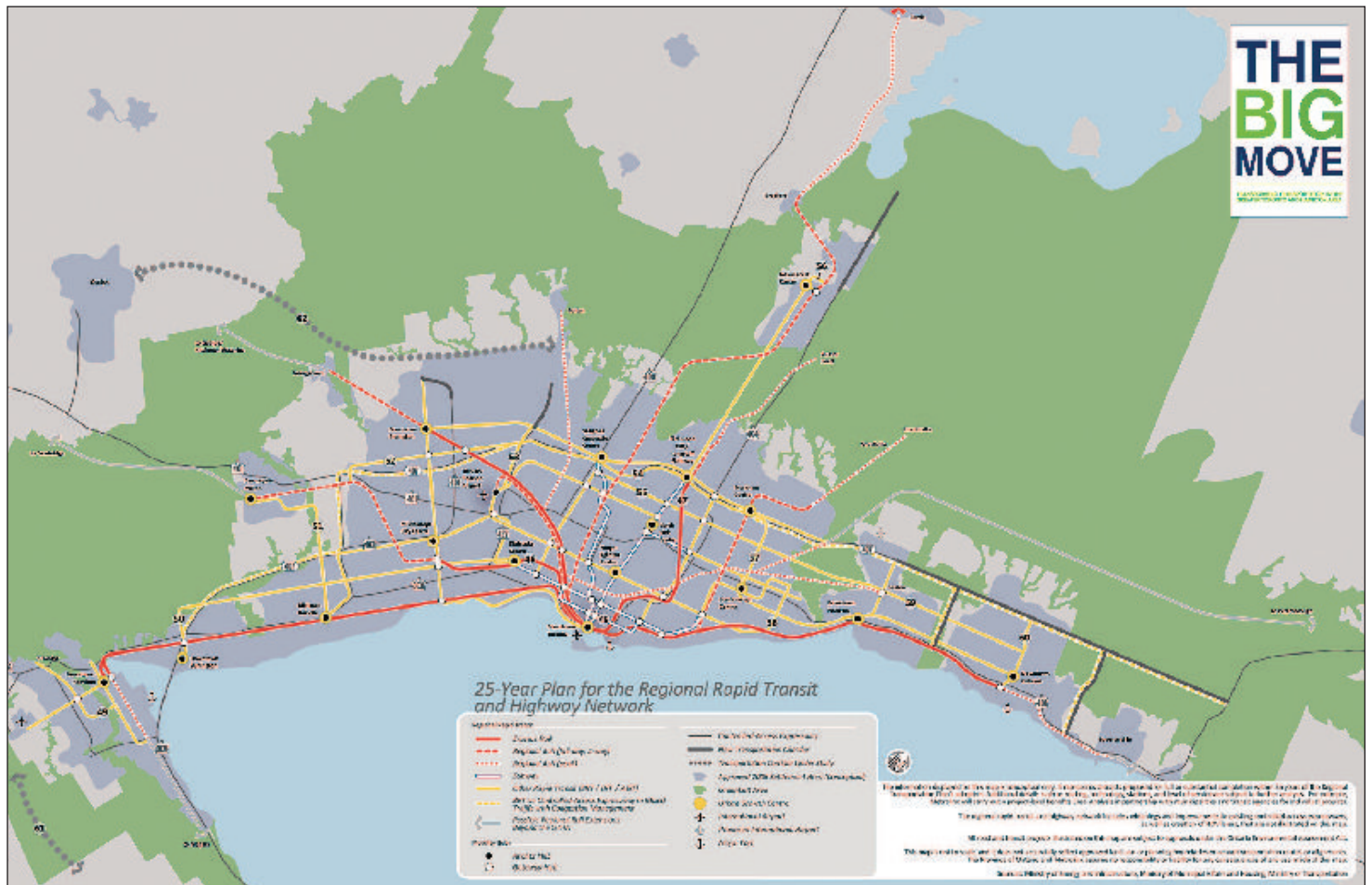
- On October 23, 2009 the Ontario Government released the Proposed Growth Plan for Northern Ontario, under the authority of the **Places to Grow Act, 2005**. The proposed 25-year plan brings together the building blocks needed to prepare the region for shifts in the economy by growing Northern opportunities, strengthening its workforce, and enhancing northerners' quality of life. Key actions include:
  - Maximizing the economic benefit of increased mineral exploration and production and strengthening the mineral industry cluster;
  - Strengthening partnerships among colleges, universities and industry;
  - Building a new relationship with Aboriginal people to increase participation in the economic growth of Northern Ontario and improve health status;
  - Developing improved complete networks such as an inter-regional transportation network, enhanced broadband service, and a broader transmission network to increase capacity for renewable energy development;
  - Creating regional economic zones to help communities plan for their economic, labour market, infrastructure, land-use, cultural and population needs;
  - Encouraging development and use of green technologies, green building, and water and energy conservation.

## METROLINX

- The **Greater Toronto and Hamilton Area Transit Implementation Act, 2009** created a single transit agency and a regional network for the Greater Toronto and Hamilton Area (GTHA). The legislation passed in May 2009 brings together the strategy and planning expertise of Metrolinx and GO Transit's expertise in the delivery of rapid transit projects and in managing GO bus and rail networks. The legislation also introduces a new board structure made up of 15 members drawing on private sector expertise.

- On April 1, 2009, the province announced \$9 billion in funding for several Metrolinx projects, however the 2010 provincial budget noted that \$4 billion in funding will be delayed by spreading the planning and construction of Metrolinx projects over a longer time period.
- Metrolinx launched its *Regional Transportation Plan* in November, 2008. It is a \$50 billion plan over 25 years, designed to help alleviate gridlock and improve transportation. It recommends new projects including: new subway lines, light rail lines, extending and improving existing GO Transit lines and high speed rail to Pearson Airport from Toronto.
- Metrolinx has committed to begin a discussion on the revenue tools that will be necessary to fund the long-term capital, operating and maintenance of the transportation system.
- For more information as well as updates, visit: [www.metrolinx.com](http://www.metrolinx.com)

**Metrolinx: The Big Move**



Source: Metrolinx



## Regional Rapid Transit\* and Highway Network

15-Year Plan	
<p><b>Express Rail</b></p> <p>Lakeshore (1): Hamilton - Oshawa GO Brampton (2): Downtown Brampton - Union Station</p> <p><b>Regional Rail</b></p> <p>Stoney Creek (3): James Street North Station - Stoney Creek Milton (4): Downtown Milton - Union Station/Summerhill Georgetown (5): Georgetown - Downtown Brampton Airport (6): Pearson Airport - Union Station Bolton (7): Bolton - Union Station Crosstown (8): Dundas West - Summerhill Station Barrie (9): Bradford - Union Station Richmond Hill (10): Richmond Hill GO - Union Station Richmond Hill (11): Aurora Rd. - Richmond Hill GO Stouffville (12): Mt Joy GO - Union Station Havelock (13): Locust Hill (Markham) - Union Station/Summerhill Seaton (14): Seaton - Union Station/Summerhill Lakeshore (15): Oshawa GO - Bowmanville</p> <p><b>Subway</b></p> <p>Spadina (16): Downsview Station - Vaughan Corporate Centre Yonge (17): Finch - Richmond Hill/Langstaff Gateway</p> <p><b>New Transportation Corridors</b></p> <p>Highway 410 Extension (42)    Highway 404 Extension (44) Highway 427 Extension (43)    Highway 407 East (45)</p>	<p><b>Other Rapid Transit (BRT / LRT / AGT)</b></p> <p>Hamilton James Street (18): Downtown Hamilton - Hamilton Airport Hamilton King/Main (19): McMaster University - Eastgate Mall Burlington Connector (20): Fairview GO - Downtown Burlington Dundas Street (21): Brant St - Kipling Station Trafalgar (22): Hwy 407 - Midtown Oakville 403 Transitway (23): Midtown Oakville - Renforth / Airport Hwy 10 (24): Mayfield West - Downtown Brampton Main Street AcceRide (25): Downtown Brampton - Hwy 407 Huronario (26): Hwy 407 - Port Credit GO Waterfront West (27): Port Credit GO - Union Station Queen Street AcceRide (28): Downtown Brampton - Peel-York Boundary VIVA Highway 7 (29): Peel-York Boundary - Locust Hill (Markham) Finch West (30): Pearson Airport - Finch Station Eglinton (31): Pearson Airport - Kennedy Station Hwy 427 South (32): Pearson Airport - Kipling Station Jane (33): Vaughan Corporate Centre - Bloor Street Don Mills (34): Hwy 7 - Bloor Street VIVA Yonge (35): Richmond Hill/Langstaff Gateway - Newmarket Centre Sheppard East (36): Don Mills Station - Meadowvale Road/ Scarborough Centre Scarborough RT (37): Kennedy Station - Malvern Hwy 2 (38): Scarborough Centre - Downtown Oshawa Brock Road (39): Downtown Pickering - Hwy 407 Oshawa Connector (40): Oshawa GO - Downtown Oshawa BRT on Controlled-Access Expressway in Mixed Traffic with Congestion Management Hwy 407 (41): Halton - Durham</p>
25-Year Plan	
<p><b>Express Rail</b></p> <p>Mississauga (46): Cookville - Union Station Richmond Hill (47): Richmond Hill/Langstaff Gateway - Union Station</p> <p><b>Subway</b></p> <p>Downtown Core (48): Bloor West - Downtown - Danforth</p> <p><b>Transportation Corridors Under Study</b></p> <p>Niagara-GTA (61)    GTA-West (62)</p>	<p><b>Other Rapid Transit (BRT / LRT / AGT)</b></p> <p>Hamilton Mohawk (49): Centre Mall - Ancaster Brant (50): Fairview GO - Dundas Street Trafalgar/Main (51): Downtown Milton - Hwy 407 Steeles AcceRide (52): Lisgar GO - Hwy 427 Hwy 427 North (53): Pearson Airport - Queen Street 407 Transitway (54): Hwy 427 - Markham Centre Steeles (55): York University - Milliken GO VIVA Yonge North (56): Newmarket Centre - Green Lane McCowan (57): Markham Centre - Scarborough Centre Scarborough - Malvern (58): Kennedy Station - Malvern Steeles/Taunton (59): Milliken GO - Downtown Oshawa Simcoe (60): Downtown Oshawa - Hwy 407</p>

\* Details such as routing, technology, stations, and level of service are subject to further analysis, such as the project-level Benefits Case Analysis that Metrolinx will carry out in partnership with municipalities and transit agencies.  
† Routing on either CNR or CPR corridor to be assessed through the environmental assessment process.

Source: Metrolinx

## GREENBELT PROTECTION / GROWTH MANAGEMENT

- The **Greenbelt Act, 2005** became law on February 24, 2005.
- There are three main policy areas in the Greenbelt Plan:
  - Agricultural System (Specialty Crop, Prime Agriculture & Rural Areas);
  - Natural System (Natural Heritage System, Water Resource System, Features);
  - Settlement Areas (Towns/Villages, Hamlets).
- 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.

- Municipalities are required to amend their official plans to conform to the Greenbelt;
- A plan review every 10 years (2015), coordinated with the NEP and ORMCP;
- A Greenbelt Council will advise on the development of performance measures, proposed amendments to the plan and provide input into the 10-year review.



Source: Ministry of Municipal Affairs and Housing

## GREENBELT EXPANSION

- The criteria for municipal requests to expand the Greenbelt was announced in August 2008. As part of this initiative, reductions to the Greenbelt will not be considered and land in the Greenbelt can not be swapped or traded for land outside the greenbelt.
- Greenbelt expansion requests must follow six criteria:
  1. Begins with a municipal request, passed by a council resolution;
  2. The request must identify 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.
- OHBA made a submission regarding the criteria to the government in April 2008. Criteria on Growing the Greenbelt including detailed maps of the existing Greenbelt can be accessed directly at [www.greenbelt.ontario.ca](http://www.greenbelt.ontario.ca).

## BROWNFIELDS

- A package of regulatory amendments to Brownfields Regulations (O. Reg 153/04) for Records of Site Condition (EBR posting #010-4642) was approved in December 2009. Several aspects of the package were revised and updated from earlier proposals following stakeholder consultations and the OHBA/BILD submission to the provincial government in 2009.

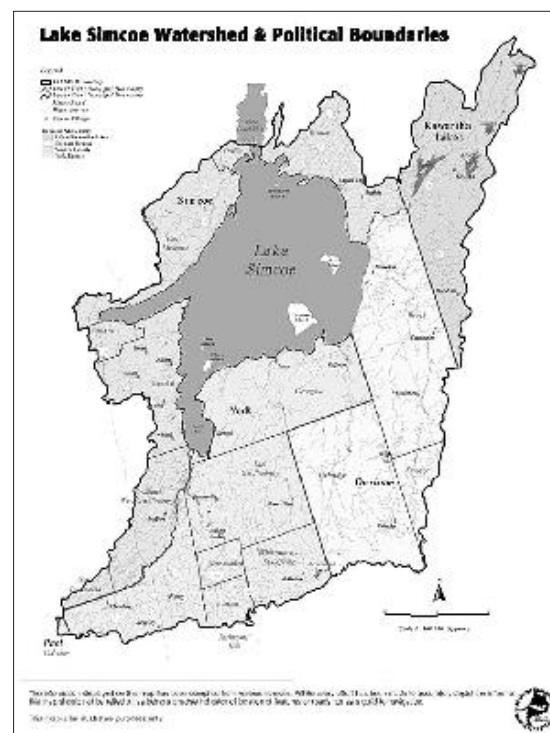
- Amendments to O.Reg 153/04 address the following areas:
  - Enhanced Record of Site Condition integrity;
  - A new ‘modified generic’ streamlined risk assessment;
  - Strengthened standards;
  - A number of other technical amendments;
  - Implementation and transition.
- Transition:
  - The amendments recognize projects currently underway;
  - 18 month implementation period (until July 1, 2011);
  - Projects that meet certain criteria can be grandfathered with a 3-year sunset date (January 1, 2013);
  - Transition provisions would only be for the soil, groundwater and sediment standards (not for new ESA requirements).
- OHBA and BILD provided the province with a Joint Brownfields Submission (available at [www.ohba.ca](http://www.ohba.ca)) in February 2009 with the following key recommendations:
  - The Government of Ontario should undertake a full economic impact analysis of the implications of this regulatory package;
  - The Ministry of the Environment (MOE) should continue to work in partnership with MMAH and the MEI to refine the proposed regulatory package;
  - MOE should continue to streamline the Record of Site Conditions process, the development of a functional Tier II model, and improvements to the Tier III risk assessment process;
  - MOE should complete a sensitivity analysis, including identifying policy-driven parameters to identify key site data that will have the greatest potential to streamline the approvals process for sites managed using the Tier II model;
- In October, 2008, the province announced a consultation for proposed regulatory amendments to Brownfields Regulations for Records of Site Condition (RSC) including:
  - Additional off-site liability protection;
  - A new proposed modified generic or streamlined risk assessment would be created to provide an alternative to meeting generic standards where appropriate;
- OHBA has expressed a concern that increased standards will impact the viability of redeveloping many brownfields sites.
- The provincial government amended Ontario Regulation 153/04 in March, 2008 setting out new requirements for Qualified Persons and an expanded purpose for the Brownfield Environmental Site Registry.

## SIMCOE AREA: A STRATEGIC VISION FOR GROWTH

- On June 4, 2009, the province released *Simcoe Area: A Strategic Vision for Growth* which lays out a strategy to plan for growth in Simcoe. Based on provincial principles and policies, including the Growth Plan for the Greater Golden Horseshoe and the Lake Simcoe Protection Plan, the strategy supports:
  - Curbing urban sprawl and focusing development into existing cities and towns that can accommodate new growth;
  - Building on Simcoe’s diverse economic base to create new jobs;
  - Protecting greenspaces and agricultural areas and creating a cleaner Lake Simcoe;
  - Outlining a clear future for the City of Barrie as the area’s largest urban centre.
- The provincial government also passed the **Barrie-Innisfil Boundary Adjustment Act, 2009** that expands Barrie’s municipal boundary by approximately 2,293 hectares (5,666 acres) effective January 1, 2010, ending a longstanding boundary dispute. OHBA made a presentation to the Standing Committee on Justice Policy in November, 2009 supporting the legislation.

## PROTECTING LAKE SIMCOE

- The *Lake Simcoe Protection Plan* which came into effect on June 2, 2009, is the first of its kind in Ontario to address environmental protection of a watershed. The plan to be reviewed at least every 10 years provides a roadmap to help restore and protect the health of Lake Simcoe by:
  - promoting immediate action to address threats to the ecosystem, such as excessive phosphorus in the lake;
  - targeting new and emerging causes of stress to Lake Simcoe such as invasive species and climate change.
- The *Draft Lake Simcoe Protection Plan* was released for consultation in January 2009. OHBA made a submission in March, 2009 supporting the long-term objective to improve water quality by reducing phosphorus loadings and other pollutants. OHBA outlined a number of concerns including: transition policies, aggressive phosphorus loading reduction targets, financing of the plan and the costs of capital upgrades required for sewage treatment plants and for communities without Storm Water Management facilities, as well as the ongoing Barrie/Innisfil servicing dispute.



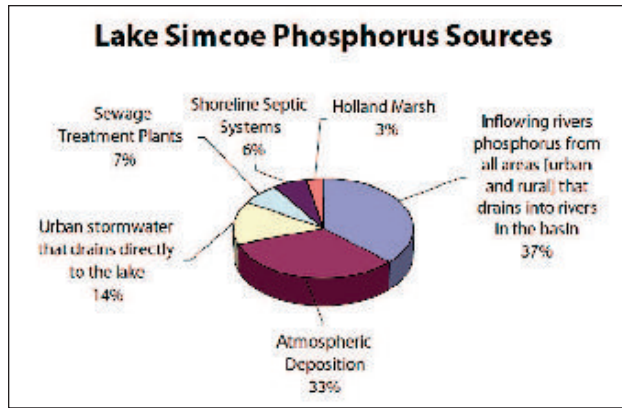
Source: Ministry of the Environment



- For a copy of both OHBA submissions on Lake Simcoe Protection please visit [www.ohba.ca](http://www.ohba.ca), or for more information on Lake Simcoe visit: [www.ene.gov.on.ca/en/water/lakesimcoe/](http://www.ene.gov.on.ca/en/water/lakesimcoe/)

## CONSERVATION AUTHORITIES

- A new *Policies and Procedures for Conservation Authority Plan Review and Permitting Activities* was posted on the Environmental Bill of Rights (EBR #: 010-8243) for public consultation in November 2009. OHBA provided the Ministry of Natural Resources comments and recommendations in a January 2010 submission.
- The CALC has reviewed options that could potentially be incorporated into the framework within which CAs operate to facilitate streamlining of the CA permit application review processes, including:
  - the establishment of complete application requirements;
  - the establishment of decision-making timelines;
  - granting applicants the right to appeal a non-decision of a CA.
- The CALC was initially formed in early 2007 by the Ministry of Natural Resources in conjunction with the Ministry of Municipal Affairs and Housing, and Ministry of Public Infrastructure Renewal. OHBA, BILD and HHHBA previously submitted joint recommendations to the Conservation Authority Liaison Committee (CALC) in both 2007 and 2009. The CALC was created to discuss conservation authority involvement in the development process with a variety of stakeholders.
- As part of the *Open for Business* initiative, BILD has recommended that new policies for review timelines be entrenched into legislation, that a regulation be added to the **Conservation Authorities Act** similar to those included in the **Planning Act** and that appeals be moved under the jurisdiction of the OMB.



Source: Ministry of the Environment

## ARCHAEOLOGICAL CLEARANCES

- The Ministry of Culture is revising the *Standards and Guidelines for Consultant Archaeologists* (S&G) for release in mid 2010. The new S&G will be posted on the Ministry website for 60 days prior to coming into effect. OHBA has expressed strong concerns regarding proposed timelines and has recommended a longer transition period that will not include the 2010 fieldwork season.

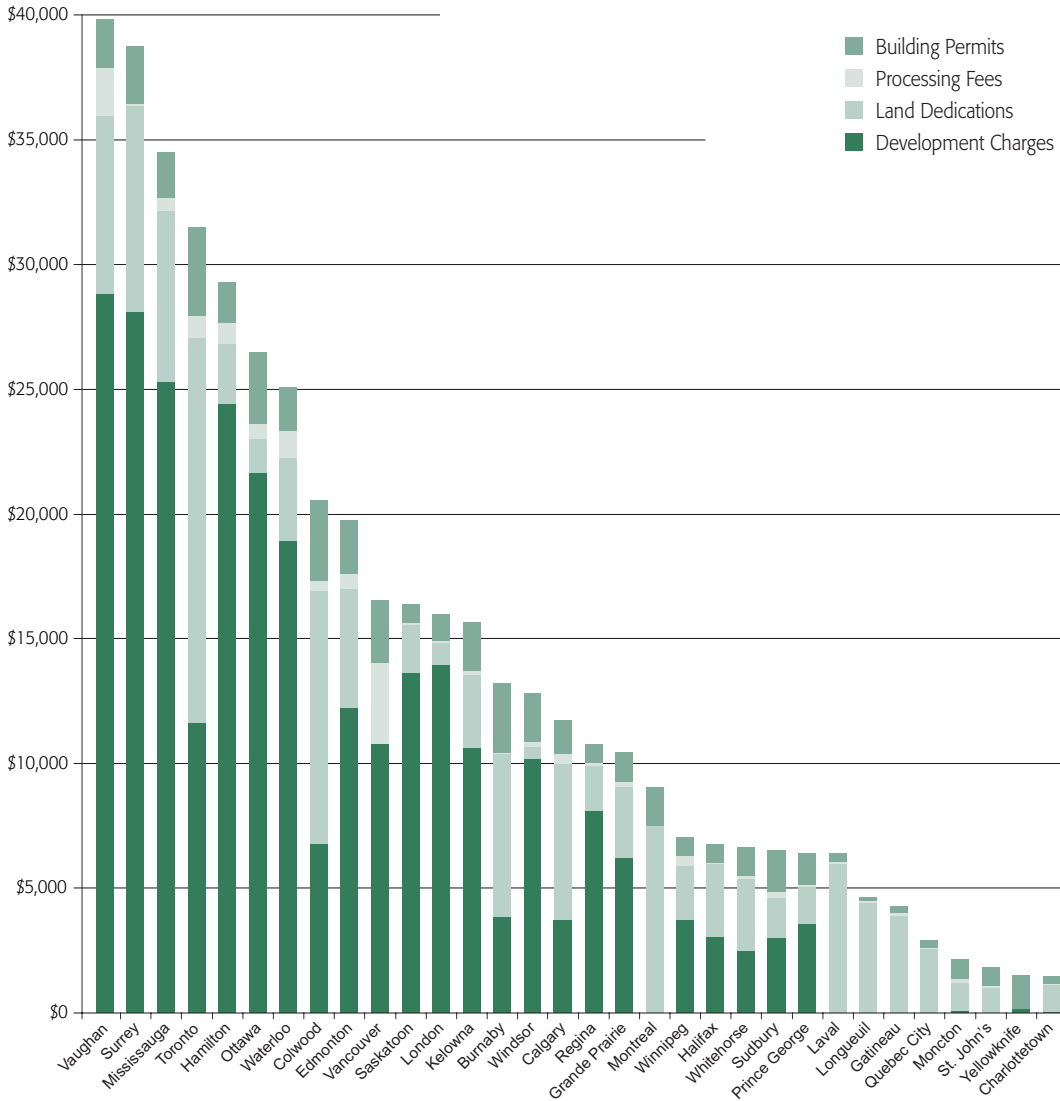


- During the summer of 2009, the Ministry of Culture undertook a time/cost impact study relating to the 2009 draft *Standards and Guidelines for Consultant Archaeologists* (S&G). The study was conducted concurrent with the pilot period for the draft S&G which a few OHBA members participated in.
- The study found that there will be some increases in work (and therefore time) required of consultant archaeologists in order for them to comply with the proposed S&G, leading to some increased costs for developers. The study did not however estimate either the time required for additional aboriginal engagement or the time savings derived from proactive engagement.
- The proposed S&G will ensure consultant archaeologists work to a predictable minimum standard, which should result in greater consistency in the quality of archaeological fieldwork reports submitted to the Ministry. OHBA has, however, expressed concerns to the Ministry of Culture related to potential cost increases as well as uncertainties with respect to aboriginal engagement requirements.
- In a 2007 OHBA resolution, OHBA requested the Ministry of Culture streamline the archaeological clearance process and for the Ministry to expedite the processing of the clearances. OHBA members have ongoing concerns with the large backlog of unprocessed archaeological reports.

## DEVELOPMENT CHARGES ACT

- OHBA has made a strong case for the province to not exacerbate the problem of increasing development charges by submitting to municipal pressure to reopen the legislation to allow for additional infrastructure items and further increases. Premier Dalton McGuinty has since assured the industry that the province would not be making changes to the **Development Charges Act, 1997**.
- OHBA recognizes the poor fiscal situation that municipalities are faced with due to social service costs downloading and aging infrastructure. Therefore OHBA is supportive of provincial uploading through the Provincial Municipal Fiscal and Service Delivery Review as well as the Cities Now campaign to increase federal support for infrastructure.
- In May 2008, out of concern for increasing municipal development charges and for a potential legislative review of the **Development Charges Act, 1997**, BILD released a report entitled *Over the Top* pulling together development charges data collected from GTA municipalities. The report found that since 2001 the average development charge in the GTA increased by more than 6.5 times the rate of inflation and DCs increased by 342% in the City of Toronto.

**Total Municipal Development Charges and other Municipal Charges on Median-Priced Single Detached Dwellings across Canada, 2006**



Source: Canada Mortgage and Housing Corporation

**DEVELOPMENT CHARGES, GO TRANSIT**

- Provincial legislation allows municipalities to impose GO Transit development charges through the regions of Halton, Peel, York and Durham as well as the cities of Hamilton and Toronto. These charges fund capital costs related to expansion and are as follows:

**Current Residential GO Transit Development Charges**

Region	Single	Multiple	Apt. (lrg)	Apt. (sml)
Hamilton	\$229	\$183	\$150	\$89
Durham	\$625	\$553	\$392	\$233
York	\$306	\$241	\$177	\$111
Peel	\$457	\$457	\$327	\$169
Halton	\$1,012	\$846	\$582	\$396

Source: Regions of Durham, York, Peel and Halton

## DEVELOPMENT CHARGES, GTA

### Summary of Development Charges in the GTA Single Family Dwelling Units – January 2010

Municipality	Region	TOTAL	Region DC	Municipal DC	GO Transit DC	EDC
Oakville	Halton	\$54,801	\$29,531	\$21,682	\$1,012	\$2,576
Halton Hills	Halton	\$47,080	\$29,531	\$13,961	\$1,012	\$2,576
Markham	York	\$44,521	\$23,875	\$18,320	\$305	\$2,020
Milton	Halton	\$43,854	\$29,531	\$10,735	\$1,012	\$2,576
Brampton	Peel	\$43,650	\$17,109	\$24,325	\$457	\$1,759
Aurora	York	\$41,004	\$23,875	\$14,803	\$306	\$2,020
Burlington	Halton	\$40,657	\$29,531	\$7,538	\$1,012	\$2,576
Newmarket	York	\$39,078	\$23,875	\$12,877	\$306	\$2,020
Vaughan	York	\$38,681	\$23,875	\$12,480	\$306	\$2,020
Caledon	Peel	\$38,016	\$17,109	\$18,691	\$457	\$1,759
Richmond Hill	York	\$37,855	\$23,875	\$11,654	\$306	\$2,020
Whitchurch-Stouffville	York	\$37,750	\$23,875	\$11,549	\$306	\$2,020
King	York	\$37,592	\$23,875	\$11,391	\$306	\$2,020
East Gwillimbury	York	\$37,120	\$23,875	\$10,919	\$306	\$2,020
Mississauga	Peel	\$35,090	\$17,109	\$15,765	\$457	\$1,759
Clarington	Durham	\$34,270	\$17,896	\$13,785	\$625	\$1,964
Scugog	Durham	\$32,390	\$17,896	\$11,905	\$625	\$1,964
Ajax	Durham	\$31,825	\$17,896	\$11,340	\$625	\$1,964
Uxbridge	Durham	\$31,440	\$17,896	\$10,955	\$625	\$1,964
Brock	Durham	\$31,242	\$17,896	\$10,757	\$625	\$1,964
Whitby	Durham	\$30,693	\$17,896	\$10,208	\$625	\$1,964
Georgina	York	\$30,571	\$23,875	\$4,370	\$306	\$2,020
Pickering	Durham	\$30,179	\$17,879	\$9,694	\$625	\$1,964
Oshawa	Durham	\$27,260	\$17,879	\$6,775	\$625	\$1,964
Toronto		\$12,910		\$12,366		\$544

Source: Building Industry and Land Development Association

## DEVELOPMENT CHARGES, VARIOUS ONTARIO MUNICIPALITIES

### Summary of Development Charges in the Ontario Single Family Dwelling Units – April 2010

Municipality	Region/ County	TOTAL	Region DC	Municipal DC	EDC Public	EDC Separate
Barrie	Simcoe	\$32,315	\$3,861	\$27,366	\$718	\$370
Waterloo	Waterloo	\$26,530	\$12,254	\$13,527	\$637	\$112
Binbrook (Hamilton)		\$23,983	\$3,571 *	\$19,573	\$610	\$229**
London (inside growth area)		\$23,300		\$22,921	\$379	
Cambridge	Waterloo	\$22,929	\$12,254	\$10,926	\$637	\$112
Innisfil	Simcoe	\$22,825	\$3,861	\$17,976	\$718	\$370
Kitchener	Waterloo	\$22,396	\$12,254	\$9,393	\$637	\$112
Ottawa (outside greenbelt)		\$22,090		\$20,464	\$1,626	
Orillia	Simcoe	\$22,070	\$3,861	\$17,121	\$718	\$370
Lincoln	Niagara	\$22,055	\$8,000	\$14,055		
Dundas (Hamilton)		\$21,975	\$1,573 *	\$19,673	\$610	\$229**
Hamilton		\$20,412		\$19,573	\$610	\$229**
Midland	Simcoe	\$19,951	\$3,861	\$15,002	\$718	\$370
Pelham	Niagara	\$19,417	\$8,000	\$11,417		
Collingwood	Simcoe	\$18,044	\$3,861	\$13,095	\$718	\$370
Niagara Falls	Niagara	\$18,000	\$8,000	\$10,000		
Wasaga Beach	Simcoe	\$16,670	\$3,861	\$11,721	\$718	\$370
Niagara on the Lake	Niagara	\$16,616	\$8,000	\$8,616		
Grimsby	Niagara	\$15,522	\$8,000	\$7,332		
Port Colborne	Niagara	\$15,480	\$8,000	\$7,480		
Welland	Niagara	\$14,425	\$8,000	\$6,425		
Ottawa (inside greenbelt)		\$13,901		\$12,275	\$1,626	
LaSalle	Essex	\$13,176		\$13,176		
Lakeshore	Essex	\$13,047		\$13,047		
Peterborough (Average)		\$12,703		\$12,703		
Windsor	Essex	\$12,258		\$11,667	\$591	
Leamington	Essex	\$11,908		\$11,908		
St. Catharines	Niagara	\$9,985	\$8,000	\$1,985		
Sudbury		\$8,198		\$8,198		

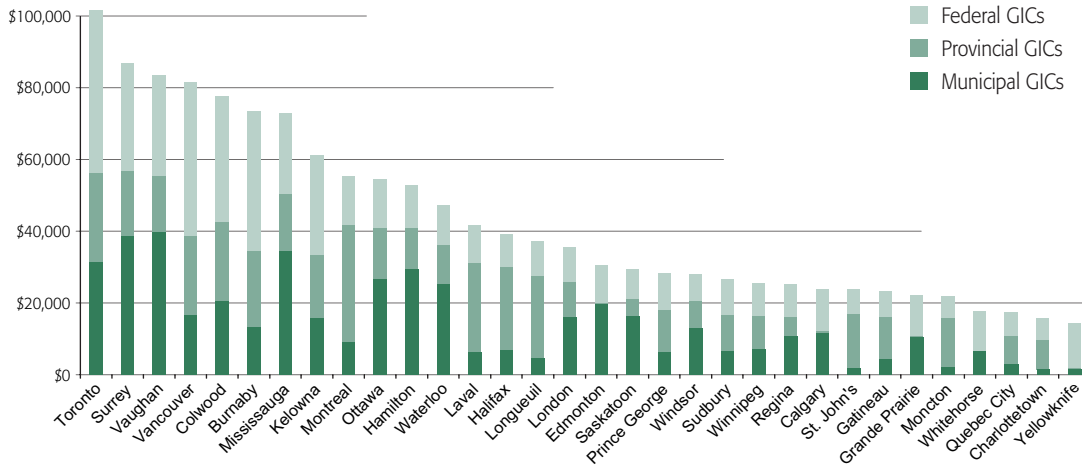
Source: Ontario Home Builders' Association

\* Special Area Charge \*\* GO Transit

## GOVERNMENT IMPOSED CHARGES

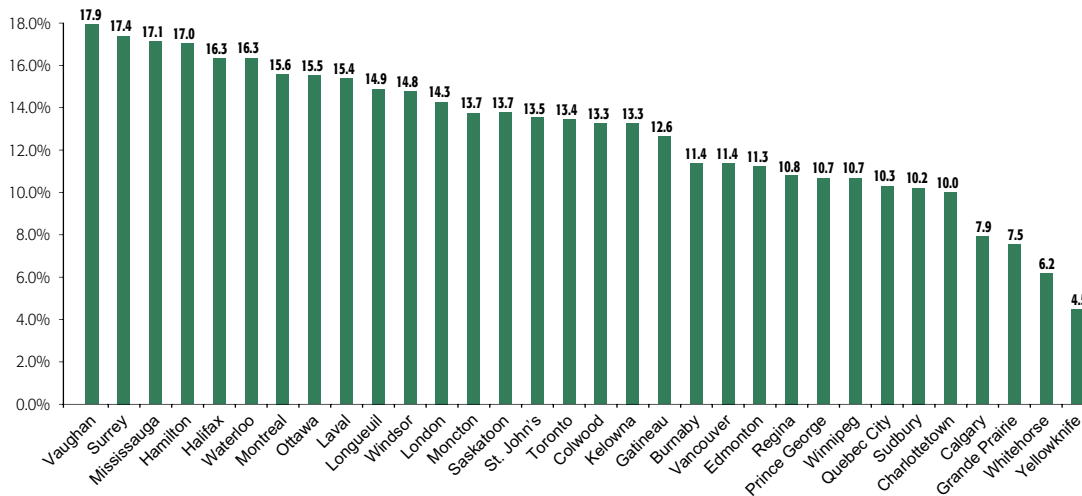
- In January 2009, CMHC released a report entitled *Government Imposed Charges on New Housing in Canada*, based on research undertaken in 2006. Costs include levies, fees, charges and taxes imposed by government due to the development of housing.

### Total GICs by Type on Single-Detached Dwellings, 2006



Source: Canada Mortgage and Housing Corporation

### Total GICs as Percent of Price on Single-Detached Dwellings, 2006



Source: Canada Mortgage and Housing Corporation

## ADDITIONAL FEES AFFECTING THE COST OF HOUSING

- Development Charges
  - Municipal Development Charges
  - Regional Development Charges
  - Education Development Charges
  - GO Transit Development Charges
- Various Additional Municipal Charges
  - Storm Water Management
  - Topsoil Removal Fee
  - Regional Water Meter Fee
  - Engineering Design Review and Inspection fee
  - Public Art Charges
  - Parkland Dedication Fees
  - Building Permit Fees
- Conservation Authority Fees
- Planning Fees
  - Plan of Subdivision
  - Site plan approval
  - Plan of Condominium
- Ministry of Environment Engineering Review
- Land Registry Closing Fees
- Electrical Permit
- Legal Fees
- Land Transfer Tax
  - (Toronto and Ontario)
- HST / GST
- Costs associated with municipal by-laws
- WSIB Premiums
- Tarion Registration Fees
- Tarion Enrolment Fees

## ONTARIO MUNICIPAL BOARD REFORM / PLANNING REFORM

- 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.
- On September 8, 2009, OHBA and BILD made a joint presentation to the Standing Committee on Government Agencies regarding a regular review of the operation of the OMB and supporting the critical role of the OMB in the land-use planning approvals process.

## PROVINCIAL POLICY STATEMENT (PPS)

- The Provincial Policy Statement came into effect March 1, 2005 and applies to all applications submitted on or after this date. The province intends to consult with stakeholders with respect to a five year review of the PPS in 2010.

## PARKLAND DEDICATION

- As required by the Planning Act any development must provide 5% of the land for parkland dedication at the time of development, or up to 1 ha per 300 dwelling units. If the development does not have a park site, the developer is required to pay cash-in-lieu for the value of the land.
- On September 21, 2009 at the OHBA AGM a resolution was passed requesting the province to:
  - Reduce cash-in-lieu of parkland fees in urban growth centres and intensification corridors to promote intensification and affordability;
  - Include a provision in the Planning Act to allow a credit towards parkland dedication for ‘passive parks’ in lands ceded to Conservation Authorities, storm water drainage easements, and passive recreations lands surrounding storm water management ponds;
  - Encourage pedestrian and bicycle connections through policy changes to parkland dedication policy. The 5% of land for park dedication could, as an option to builders, be split with 4% of lands allocated to parkland and 1% allocated towards trails.

## RESIDENTIAL TENANCIES ACT, 2006

- The **Residential Tenancies Act, 2006** came into force on January 31, 2007. This act replaces the **Tenant Protection Act, 1997**. The new legislation gives tenants additional protection and attempts to maintain a strong rental housing market.
- The system of vacancy decontrol was maintained under the new Act, which gives greater incentives for landlords to do capital work and investors are also more likely to build new rental housing properties.
- The 2010 rent increase guideline is 2.1% (2009 guideline was 1.8%).

## RENTAL HOUSING / AFFORDABLE HOUSING / NON PROFIT HOUSING

### **Social Housing Renovation and Retrofit Program (SHRRP)**

- As part of the 2009 Ontario Budget, the provincial government is investing \$704 million for the *Social Housing Renovation and Retrofit Program (SHRRP)*.
- SHRRP will fund the repair and rehabilitation of existing social housing units to make them more energy efficient and improve the health and safety of residents living in social housing communities. SHRRP is a two-year program that ends on March 31, 2011.

**AHP Extension (2009)**

- On June 9, 2009, the provincial and federal governments signed an *Affordable Housing Agreement* extending the *Affordable Housing Program* (AHP).
- The AHP Extension (2009) will invest \$540 million to create new units of affordable housing, which includes dedicated funding to create new rental units for seniors and persons with disabilities.
- The AHP Extension (2009) is comprised of three components: New Rental Housing, Homeownership, and Northern Housing.
- As of March 26, 2010, over \$388 million in funding for construction-ready projects has been approved under the AHP Extension (2009).

**Canada-Ontario Affordable Housing Program (AHP)**

- On April 29, 2005, the provincial and federal governments signed a Canada-Ontario Affordable Housing Program (AHP) Agreement committing \$602 million to increase the supply of affordable housing in the province.
- The AHP is comprised of four distinct components: Rental and Supportive, Homeownership, Northern and Housing Allowances.
- The AHP targets people on, or eligible to be on, social housing waiting lists, including, but not limited to, the working poor, Aboriginal peoples, recent immigrants, people with disabilities, low-income seniors, persons living with mental illness and victims of domestic violence.
- The federal government committed to offer zero-premium mortgage insurance for AHP projects.
- Progress to date (as of March 26, 2010): 15,129 units approved under the Rental and Supportive, Homeownership, and Northern components.
  - 10,296 units are occupied
  - 3,937 units are under construction
  - 896 units are in the planning approval stage.

**Status of AHP Approved Projects****Highlights since last OHBA Housing Issues Report**

<b>Status</b>	<b>September 25, 2009</b>	<b>March 26, 2010</b>
Occupied	9,270 units	10,296 units
Under construction	3,483 units	3,937 units
Planning Approval	1,947 units	896 units
<b>Total</b>	<b>14,700 units</b>	<b>15,129 units</b>

Source: Ministry of Municipal Affairs and Housing

- OHBA continues to stress that while short-term measures are required to address the immediate situation and one time grants etc. can achieve this goal, the systemic barriers federally, provincially and municipally need to be addressed for the long term. OHBA considers Development Charges to be an impediment to rental housing construction. It is suggested that elimination or lowering of DCs would be beneficial to increasing the economic viability of private rental construction.

## CANADA-ONTARIO AFFORDABLE HOUSING PROGRAM (AHP)

## RENTAL AND SUPPORTIVE HOUSING

Service Manager	Projects	Units	F/ P Funding
<b>EASTERN</b>			
Cornwall	3	55	\$ 3.85 M
Hastings	7	44	\$ 3.08 M
Kawartha Lakes	1	25	\$ 1.75 M
Kingston	8	219	\$ 10.08 M
Lanark	1	15	\$ 1.05 M
Leeds and Grenville	1	2	\$ 0.14 M
Northumberland	4	33	\$ 2.31 M
Ottawa	17	775	\$ 42.81 M
Peterborough	15	416	\$ 19.18 M
Prescott and Russell	4	40	\$ 2.66 M
Renfrew	1	24	\$ 1.68 M
<b>CENTRAL</b>			
Toronto	33	2,930	\$ 141.51 M
Durham	5	160	\$ 11.20 M
Halton	2	120	\$ 8.40 M
Muskoka	6	59	\$ 4.13 M
Peel	8	849	\$ 40.01 M
Simcoe	12	275	\$ 14.56 M
York	9	532	\$ 31.88 M
<b>WESTERN</b>			
Brantford	11	273	\$ 12.42 M
Bruce	6	35	\$ 2.10 M
Chatham-Kent	3	17	\$ 1.15 M
Dufferin	3	25	\$ 1.75 M
Grey	1	37	\$ 2.32 M
Hamilton	10	545	\$ 30.84 M
Huron	4	32	\$ 2.10 M
Lambton	7	53	\$ 3.71 M
London	16	456	\$ 20.93 M
Niagara	15	343	\$ 16.60 M
Norfolk	7	34	\$ 1.72 M
Oxford	6	123	\$ 6.84 M
Stratford	1	30	\$ 1.05 M
St. Thomas	4	81	\$ 5.60 M
Waterloo	28	1,028	\$ 27.34 M
Wellington	5	149	\$ 6.54 M
Windsor	28	156	\$ 10.79 M
<b>NORTH-EAST</b>			
Parry Sound	3	26	\$ 1.47 M
Nipissing	2	39	\$ 2.59 M
Algoma	12	30	\$ 2.10 M
<b>TOTAL</b>	<b>309</b>	<b>10,085</b>	<b>\$ 500.25 M</b>

Source: Ministry of Municipal Affairs and Housing – Approved Projects as of March 26, 2010.

## AHP HOMEOWNERSHIP

Units	F/ P Funding
3,185	\$29.80 million

## AHP NORTHERN

Units	F/ P Funding
1,859	\$35.46 million

## AHP APPROVED UNITS

Units	F/ P Funding
15,129	\$565.52 million

As of March 26, 2010



## CONSTRUCTION FATALITIES

- From January 1st to March 31st 2010 there were four fatalities in the construction sector in Ontario, there was one fatality in the same period in 2009. There were nine critical injuries in this same period in construction in 2010.
- None of the four construction related fatalities are attributed to the Residential Construction Sector.

### Construction Fatalities 2010

Cause	Month	Age	Description
Fall	January	69	Worker fell approximately 10 feet off a scaffold
Fall	February	43	Worker fell from a 6th floor balcony
Fall	March	45	Worker fell while installing formwork for concrete curb
Fall	March	n/a	Worker fell while repairing garage door spring

Source: Ministry of Labour Statistics from January 1 to March 31, 2010

## UPCOMING MINISTRY OF LABOUR BLITZES

- Young Workers: May
- Construction Equipment: June and July
- Fall Protection: September or October

## 2010 WSIB PRELIMINARY PREMIUM RATES

- For 2010, WSIB premium rates were frozen for rate groups with good health and safety performance, while rate increases were calculated for poor-performing rate groups in the usual way.
- The WSIB maximum insurable earnings ceiling for 2010 is \$77,600. This is an increase of 4 per cent from \$74,600 in 2009. Changes to the Maximum Insurable Earnings Ceiling are directly linked to changes in average earnings in Ontario as measured by Statistics Canada, and provisions under the Workplace Safety and Insurance Act.

### 2010 WSIB Preliminary Rates Table

Rate Group	Description	2010 Preliminary Premium Rate (\$)	2009 Premium Rate (\$)	Percent Increase
704	Electrical And Incidental Construction Services	3.25	3.25	0.0%
707	Mechanical And Sheet Metal Work	3.98	3.98	0.0%
711	Roadbuilding And Excavating	4.68	4.68	0.0%
719	Inside Finishing	6.75	6.75	0.0%
723	Industrial, Commercial & Institutional Construction	4.35	4.35	0.0%
728	Roofing	13.30	12.98	2.5%
732	Heavy Civil Construction	6.34	6.34	0.0%
737	Millwrighting And Welding	6.25	6.25	0.0%
741	Masonry	11.15	11.15	0.0%
748	Form Work And Demolition	16.50	15.86	4.0%
751	Siding And Outside Finishing	9.25	9.14	1.2%
764	Homebuilding	8.71	8.71	0.0%

Source: WSIB

## 2010 WSIB ANNUAL PREMIUMS BILLED

- The estimated total value of the annual WSIB premiums billed to the Homebuilder rate group in 2009 was \$128,865,786.00.

## MANDATORY WSIB COVERAGE

- The WSIB requested comments from the public on four draft operational policies related to implementing mandatory coverage for the construction industry.
  - Expanded Compulsory Coverage in Construction;
  - Insurable Earnings – Construction;
  - Offences and Penalties – For Compulsory Coverage in Construction (effective January 1, 2012 to December 31, 2012); and
  - Certificate of Clearance.
- There are also proposed changes to the Certificate of Clearance policy to be implemented in 2010 affecting all employers in any industry who use clearance certificates.
- WSIB will also be introducing a new eService concept for Clearance Certificates.
- WSIB developed the draft policies to help provide a platform for fair and consistent application of the requirements under **Bill 119, an amendment to the Workplace Safety and Insurance Act**. These policies provide details on how this legislation will be administered.
- The draft operational policy provides key definitions, status declaration requirements, requirements to register for commercial work, declaration of exemption requirements, reporting obligations a separate classification for premium reporting for those non-exempt EOs or partners not engaging in construction work.
  - Insurable Earnings - Construction Policy Draft operational policy provides key definitions, methods for determining the insurable earnings of workers, individuals retained as a contractor or subcontractor and deemed worker, verifying and auditing the insurable earnings provided.
  - Offences and Penalties – For Compulsory Coverage in Construction (effective January 1, 2012 to December 31, 2012) Draft operational policy provides for a specific time period, when an employer or individual is non-compliant with the new Compulsory Coverage in Construction registration and certificate of clearance requirements where the WSIB will waive penalties and/or refrain from investigating and/or laying applicable provincial offences charges.
- OHBA continues to advocate against mandatory coverage. The Leader of the Official Opposition, Tim Hudak has stated that if elected Premier, he will cancel the regulations.
- According the Auditor General, the WSIB is expected to receive \$72 million annually from the newly captured workers.

- The Certificate of Clearance policy has been broken into two parts because the WSIB plans to roll out an eClearance system in 2010.
  - Certificate of Clearance Policy 2010 (eClearance) for all employers. Principals, contractors and subcontractors for all industries will be able to obtain and verify the authenticity of certificates of clearance online through the WSIB website using the new online eClearance system. The policy proposes to extend the validity period from 60 days up to 90 days.
  - Certificates of Clearance in Construction 2012 Draft operational policy provides key definitions, exemptions and exceptions for releasing clearance certificates, obligations and liability, authentication, validity and retention periods.
- OHBA has submitted comments to the draft policies. OHBA is supportive of the one-year implementation amnesty for 2012 as well as the separate rate for Executive Officers not directly engaged in construction work. However, there are concerns regarding the renovation exemption and OHBA has requested clarity around these policies.

## HEIGHTENING AWARENESS AROUND WORKPLACE HAZARDS

- Ministry of Labour inspectors started an enforcement blitz in mid-January for hazards involving suspended platforms at construction sites while reminding industry parties to protect workers from hazards that cause workers to fall.
- The ministry issued a *hazard alert* on the fundamental safety procedures for suspended platforms and inspectors are targeting fall hazards in the construction sector. As part of regular inspections, they will look for compliance with fall protection requirements, including appropriate fall-related equipment and adequate worker training.
- This initiative is part of the province's *Safe At Work Ontario* strategy. The strategy takes a broad approach to improve workplace health and safety practices through education, training, and enforcement of provincial legislation and regulations.

## EXPERT ADVISORY PANEL ON OCCUPATIONAL HEALTH AND SAFETY

- The Expert Advisory Panel, under the direction of Tony Dean, has been established to conduct a comprehensive review of the province's occupational health and safety system.
- The panel will research best practices which improve workplace safety in national and international jurisdictions and will look at a range of issues including:
  - Safety practices in a workplace and entry-level safety training
  - Impact of the underground economy on health and safety practices
  - Legislation and how it serves worker safety
- The Expert Advisory Panel will report back to the Minister of Labour in fall 2010 with recommendations and options for operational, policy and structural improvements for consideration.

## MINISTRY OF LABOUR ENFORCEMENT STATISTICS

### Work-Related Deaths as Reported by Ministry of Labour (MOL) and WSIB

Deaths	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Ministry of Labour	63	68	71	63	71	45	54	62	50	46
WSIB	85	93	93	103	98	89	74	77	91	63
Both	(48)	(50)	(56)	(52)	(47)	(34)	(44)	(38)	(41)	(31)
Total deaths from traumatic injuries and other immediate causes	100	111	108	114	122	100	84	101	100	78

Source: Ministry of Labour and WSIB

- The MOL and the WSIB have updated the method of reporting injury rates to more accurately reflect the true lost-time injury rate in Ontario workplaces. The size of the estimated workforce, which is used to calculate the injury rate, has been adjusted. Previously, the MOL used the total estimated number of workers in Ontario to calculate the lost-time injury rate. The estimated number of workers covered by the WSIB is now used for this calculation.

### Injury Rates per 100 Workers

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Allowed lost-time injuries	100,726	104,154	98,359	95,568	93,234	90,397	89,734	83,179	80,863	78,256
Estimated number of workers (millions) covered by the WSIB	3.9	4.0	4.0	4.1	4.2	4.3	4.4	4.5	4.5	4.6
Lost-time injury rate	2.6	2.6	2.5	2.3	2.2	2.1	2.0	1.9	1.8	1.7

Source: Ministry of Labour

## WORKPLACE VIOLENCE AND WORKPLACE HARASSMENT

- Changes to Ontario's **Occupational Health and Safety Act** (OHSA) that will strengthen protections for workers from workplace violence and address workplace harassment come into effect on June 15, 2010.
- Workplace violence includes:
  - Physical force by a person against a worker, in a workplace, that causes or could cause physical injury to the worker;
  - An attempt to exercise physical force against a worker, in a workplace, that could cause physical injury to the worker;
  - A statement or behaviour that it is reasonable for a worker to interpret as a threat to exercise physical force against the worker, in a workplace.
- Workplace harassment includes:
  - Engaging in a course of vexatious comment or conduct against a worker, bullying, intimidating or offensive jokes or innuendos, displaying or circulating offensive pictures or materials, or offensive or intimidating phone calls.

- Employers must:
  - Prepare policies with respect to workplace violence and workplace harassment,
  - Develop and maintain programs to implement their policies, and
  - Provide information and instruction to workers on the contents of these policies.
- Workplace violence programs must include measures and procedures for:
  - Summoning immediate assistance when workplace violence occurs or is likely to occur, and
  - Controlling risks identified in the assessment of risks.
- Workplace violence and workplace harassment programs must include procedures for workers to report incidents of workplace violence/harassment and set out how the employer will investigate and deal with incidents or complaints.
- Employers and supervisors must provide information to a worker about a risk of workplace violence from a person with a history of violent behaviour if the worker can expect to encounter that person in the course of work, and if the worker may be at risk of physical injury. Personal information may be disclosed, but only what is reasonably necessary to protect the worker from physical injury.
- Ministry of Labour health and safety inspectors will enforce the new OHS provisions for workplace violence and workplace harassment and determine if employers are complying with their new duties.
- *Workplace Violence and Harassment: Understanding the Law* is available on the Ministry of Labour website.

## STILTS REGULATION

- The province amended the Construction Regulation under the **Occupational Health and Safety Act** to allow stilts to be used in residential construction beginning January 1, 2010. Stilts are permitted for use by workers installing insulation and vapour barriers and finishing drywall. Workers may use stilts only after they have completed special training and only with specific safety measures in place.
- Other amendments to the Construction Regulation under the **Occupational Health and Safety Act** provide stakeholders with more flexibility regarding wooden guardrail systems while maintaining fall protection for workers.

## RENOMARK – OHBA SUPPORT FOR LOCAL HBA'S

- The Ontario Home Builders' Association has purchased the RenoMark licenses for all Ontario 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 the following OHBA locals are participating in the RenoMark program:
 

– BILD	– Niagara HBA
– London HBA	– Quinte HBA
– St. Thomas-Elgin HBA	– Chatham-Kent HBA
– Greater Windsor HBA	– Durham Region HBA
– Simcoe County HBA	– Greater Dufferin HBA
– Haliburton County HBA	– Peterborough & The Kawarthas HBA
– Hamilton-Halton HBA	– Waterloo Region HBA
– Greater Ottawa HBA	

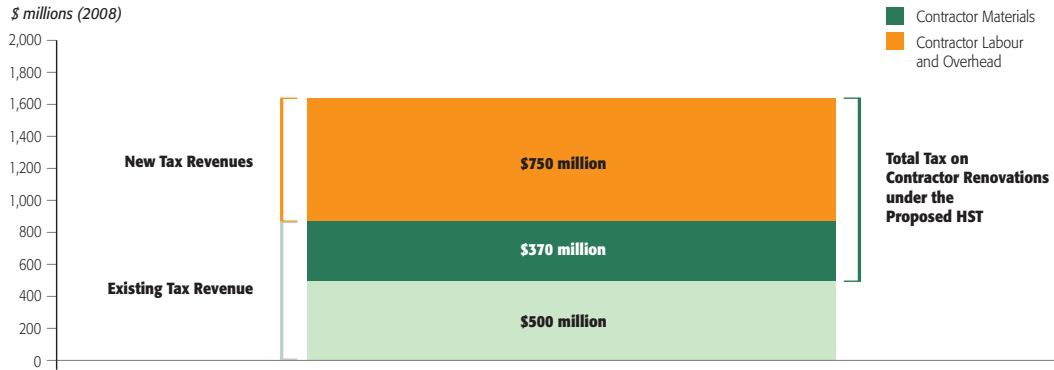


Visit [www.Renomark.ca](http://www.Renomark.ca) for more information.

## HARMONIZATION AND RENOVATIONS

- The residential renovation sector contributes approximately \$20.3 billion to the provincial economy and supports approximately 195,000 jobs.
- The harmonized sales tax will have a number of negative impacts on the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70% of all renovation investment across Ontario.
  - The Altus Group estimates that the HST will increase the annual tax burden on homeowners undertaking renovations by approximately \$757 million and triple the sales tax rate on contractor's renovations in Ontario;
  - As a result, the HST will reduce the total volume of renovation activity due to the higher cost for homeowners. This will result in lower economic activity and employment in this sector;
  - The HST may shift more renovation and repair jobs from contractor assignments to do-it-yourself projects. This could have long-term negative consequences for the quality of the existing housing stock in Ontario;
  - The HST is expected to significantly shift more activity into the 'underground economy' with implications on government tax revenue, renovation quality, risks to consumers and homeowner liability.
- The GST added significantly to the cost of renovations when it was introduced since previously only materials were subject to the Federal Sales Tax (FST). With the full value of the renovation subject to the GST, the result has been a dramatic increase in the volume of underground renovation activity (the 'cash-deal'). OHBA is concerned that harmonization of the PST with the GST will further exacerbate these problems for the renovation sector – as has occurred in the harmonized Atlantic provinces.

## POTENTIAL PROVINCIAL GOVERNMENT REVENUES UNDER THE PROPOSED HST IN ONTARIO



- 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. Based on the Pulse Survey, in combination with the estimated size of the total underground economy, the Altus Group estimates that underground practices in Ontario may account for:
  - 65% of renovation projects valued at between \$1 and \$4,999;
  - 53% of renovation projects valued at between \$5,000 and \$19,999 ;
  - 20% of renovation projects valued at between \$20,000 and \$49,000;
  - Up to 5% of renovation projects valued over \$50,000.

### Potential Size of the Underground Economy in the Contractor Renovation Sector, 2008

Size of Contractor Renovation Project by Value Range	Total Contractor Renovation Activity (\$ millions)	Estimated Share of Underground %	Estimated Size of Underground (\$ millions)
\$1 - \$4,999	2,176	65	1,414
\$5,000 - \$19,999	5,693	53	3,006
\$20,000 - \$49,999	3,358	20	672
\$50,000 and over	2,863	5	143
<b>Total</b>	<b>14,090</b>	<b>37</b>	<b>5,235</b>

Source: Altus Group Economic Consulting

- To mitigate against underground economy activity, protect consumers and reduce the potential for government tax revenue to ‘leak’ to the underground, OHBA recommended:
  - The province should implement a new full rebate for contractor renovations directly to the consumer to encourage the collection of receipts and for contractors to operate in the legitimate economy. A 5.4% rebate (8% provincial portion of the HST minus 2.6% PST that was already previously embedded in the cost of renovations for materials) of the contract value should be rebated directly to consumers. A rebate could also take the form of a tax credit, similar to the federally administered Home Renovation Tax Credit.
  - Secondly, the government could implement a rebate policy for certain contractor renovations to be considered ‘major renovations’, which focus on capital investment rather than maintenance and repair. These rebates could be implemented under physical definitions or based on the project value (i.e. \$5,000+, \$20,000+ or \$50,000+).



**Benefits of Various Rebate Programs to the Ontario Government, Option Two**

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

Source: Altus Group Economic Consulting

- OHBA also recommends that the federal government implement a permanent rebate or tax credit program to entice consumers to utilize the services of a legitimate, professional contractor rather than the underground 'cash' economy. With the proposed tax harmonizations in both Ontario and B.C. now is a very opportune time for a permanent GST renovation rebate provision for residential contractor renovations that could be 'harmonized' with the provinces of Ontario and B.C.
- On December 3, 2009, OHBA made a deputation to the Standing Committee on Finance and Economic Affairs regarding the implications of the HST for the renovation sector and the underground economy.
- On October 25, 2009, CHBA passed a resolution recommending that the federal government implement a renovation tax rebate under GST to achieve revenue neutrality with the previous federal sales tax on home renovations.
- On September 21, 2009, OHBA passed a resolution recommending that the federal government modernize renovation tax policy to capture a significant portion of the renovation market. The resolution recommended that the provincial government ensure that the HST does not further encourage underground economic activity by increasing the tax burden on residential renovations.

## GREEN ENERGY AND GREEN ECONOMY ACT

- The Green Energy and Green Economy Act, 2009 will make it mandatory for all housing units being sold to first undertake an energy audit. The labelling system as well as the auditor certification has not yet been determined. OHBA supports objectives of this legislation to enhance consumer disclosure and is proactively engaging government to determine the best and most efficient method to audit and potentially label homes.
- OHBA believes that the effect of the legislation on renovators engaged in energy efficient retrofits will be very positive. In 2009 there were 195,840 resale home transactions in Ontario.



## ECOENERGY EFFICIENCY INITIATIVE

- In January 2007, the Federal Government launched the ecoENERGY Initiative, with an investment of approximately \$300 million over four years to promote smarter energy use and reduce the amount of harmful emissions that affect the health of Canadians.
- The rebate is available to owners of low rise residential buildings. Property owners can qualify for federal grants by improving the energy efficiency of their homes, and reducing their home's impact on the environment.
- According to NRCAN there are 1,166 energy advisors in Ontario and as of March 22, 2010 there have been 341,706 pre-retrofit assessments and 169,271 post-retrofit assessments performed since April 2007.
- On March 31, 2010, the Federal Government announced it would be scrapping its contributions to the program. Homeowners that had already booked an appointment for a pre-retrofit evaluation before this date are still eligible. Until such time a decision is made and notice given, Ontario will continue to fund new pre-retrofit audits. The province will continue to pay 50% of a home's audit, up to \$150. Audits will qualify for up to \$5,000 in provincial retrofit grants.
- Only homes that have been evaluated using NRCAN's residential energy assessment service will be eligible for a grant. The service includes:
  - an energy evaluation of your home carried out by a licensed energy advisor;
  - a "blower door" test to find air leaks;
  - a printed report that shows where your energy dollars are being spent and what you can do to improve your home's energy efficiency.
- An energy efficiency rating label that shows how energy efficient a home is compared with others in the region.
- For more information contact the ecoENERGY Initiative at [www.eco-energy.gc.ca](http://www.eco-energy.gc.ca) or the Office of Energy Efficiency – Natural Resource Canada at [www.oee.nrcan.gc.ca](http://www.oee.nrcan.gc.ca) under residential home improvements or CHBA at [www.chba.ca](http://www.chba.ca).

## THE GOOD GOVERNMENT ACT, 2009

- **The Good Government Act, 2009** includes amendments to the **Building Code Act, 1992**. As part of the proposed legislative changes that are of interest to renovators, Bill 212 looks to revise the statute of limitations for building officials to prosecute offences under the Building Code Act. In the past, a building official had one year following an offence (such as building without a permit) to discover and prosecute pursuant to Section 36(8). This proved to be problematic for municipalities because they generally did not know the offense had occurred until long after the expiry of the limitation period. This rule was upheld in a significant lawsuit and subsequent appeal in which the courts confirmed that the limitation for offence started from the date the offence occurred, not the date the municipality became aware of the offence.

## ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT (AODA)

- OHBA Past President Albert Schepers is representing the industry on the *Built Environment Standards Development Committee* (SDC), established in 2007. The development of enhanced accessibility standards for buildings will be considered by this group and will find their way into future editions of the Building Code.
- This SDC completed its initial analysis and proposed standards in early 2009. A public consultation on the proposed standards was opened from July to October 2009. The complex document included over 300 pages of recommendations. OHBA prepared two response documents including a general policy discussion as well as an on-line submission of technical comments.
- The Minister of Community and Social Services announced that retrofitting of the existing built environment and housing would not be part of the consultation and subsequently not being considered by government at this time.
- The SDC reconvened in early 2010 to review over 10,000 comments received through the consultation process. Once the SDC completes their review, their final recommendations will be forwarded to the Minister and government for consideration. There has been no target date announced for the release of the final Built Environment Standards and no details on how it may affect future editions of the Building Code.
- 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). OHBA views this as a positive move and will be working with the Ministry of Community and Social Services as the codes and standards develop.
- Work has already 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. A copy of the *Customer Service Standard* can be found through the link:  
[www.mcscs.gov.on.ca/mcscs/english/pillars/accessibilityOntario/accesson/business/customer/](http://www.mcscs.gov.on.ca/mcscs/english/pillars/accessibilityOntario/accesson/business/customer/)

## THE CODE AND CONSTRUCTION GUIDE FOR HOUSING, 2010

- OHBA completed a very successful partnership with the Ontario Building Officials Association (OBOA) and the Ministry of Municipal Affairs and Housing to revamp the former “pink book”: The Code and Construction Guide for Housing. The new edition of the guide is now available through the Service Ontario – Publications website ([www.serviceontario.ca/publications](http://www.serviceontario.ca/publications)).
- Key features of the Construction Guide are:
  - The format is of a construction sequence rather than a Building Code sequence;
  - Colour illustrations clearly depict Building Code construction requirements;
  - Contains building insights and better building practices; and
  - Elements of the Ministry of Municipal Affairs and Housing’s Best Practice Guide-Full Height Basement Insulation (July 2008)

## GREEN ENERGY AND GREEN ECONOMY ACT, 2009

- The **Green Energy and Green Economy Act, 2009** received Royal Assent on May 14, 2009. The legislation is broad-based and crosses multiple ministries and pieces of legislation. Its intent is to reduce or remove barriers or perceived barriers to implementing and developing sustainable, renewable energy generation in Ontario.
- Also within the legislation are mechanisms to rate and/or report on the energy consumption of buildings when they are sold. Generally referred to as energy audits, the legislation contemplates every home or building will require an energy audit performed by a qualified person at the time of sale. The difficulty with the proposed wording within the legislation is that there are no clear details on how the audits are to be conducted, who is responsible and what qualifications the auditors will need to have. Ministry of Energy and Infrastructure staff continue to consult with stakeholders including OHBA to work on the details to support the legislation.

## RESIDENTIAL FIRE SPRINKLERS

- In February 2009, OHBA met with the Ontario Fire Marshall (OFM) and the Ontario Association of Fire Chiefs through a meeting hosted by the Ministry of Community Safety and Correctional Services. An OHBA/OAFC Liaison group was subsequently established to further discuss the future of residential fire sprinklers in Ontario and to encourage consumer-driven acceptance of the technology rather than legislative.
- The liaison group continues to meet with representatives of the Canadian Automatic Sprinkler Association and is working towards a marketing plan to assist builders in selling fire sprinklers to their purchasers as a worth-while upgrade.

- Important lessons have been learned through the liaison group such as the difference in how square footage is calculated by respective industries. Builders only include ‘finished’ floor area in their calculation while the sprinkler industry must include all areas (such as unfinished basements). This seemingly minor variation can account for much of the discrepancy in costs for sprinkler systems argued by both sides over the years. The sprinkler industry’s calculation method can easily push the cost for a system installed in a typical home into the \$3,000 - \$6,000 range. However actual estimates obtained by various builder members across the province indicate a real price tag in the \$10,000 range. This huge difference can be attributed to the variation in calculation methodology as well as a lack of residential sprinkler contractors in Ontario (commercial installers generally charge significantly more per square foot).
- Mandatory residential fire sprinklers were adopted into the Ontario Building Code for buildings 4 storeys and higher on June 18, 2008. The new requirements apply to building permit applications for Part 3 buildings filed on or 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 24% decline in the fire death rate in residential structures in Ontario from 1999 to 2008. This extends a trend of steady decline in fire fatalities over almost 2 decades.
- While legislation introduced in March 2006 requiring (minimum battery operated) smoke alarms be installed in all dwellings in Ontario is a step in the right direction, OHBA believes that the best way to save lives is to require all smoke alarms be hard-wired into the home’s electrical system.
- OHBA has urged the Minister of Municipal Affairs and Housing to:
  - Concentrate legislative/regulatory efforts on ensuring that every home in the province is equipped with properly functioning smoke detectors, as prescribed by the legislation introduced in March 2006;
  - Consider tougher legislation, regulation, and enforcement mechanisms to reduce and ultimately eliminate the number of homes still unprotected by smoke alarms;
  - Consider that sprinklers require on-going maintenance provided by approved, certified contractors. NFPA recommends servicing sprinkler systems at least 4 times per year;
  - Invest more in public education programs to make homes without smoke alarms as socially unacceptable as drinking and driving.

## ONTARIO BUILDING CODE

- As of December 31, 2011, the Building Code will require new houses to meet standards that are substantially equivalent to EnerGuide 80 and also require that new nonresidential and larger residential buildings meet standards that are 25% higher than the Model National Energy Code for Buildings.
- The complete Office Compendium of Ontario's 2006 Building Code is available in binder and soft-cover formats. Questions regarding the availability of the Regulation and Compendium can be directed to Publications Ontario at 800-668-9938, or you can visit [www.publications.gov.on.ca](http://www.publications.gov.on.ca)
- Because EnerGuide 80 is a performance standard and the housing portion of the Building Code is generally prescriptive, the Ministry of Municipal Affairs and Housing has prepared a set of prescriptive alternatives to the EnerGuide 80 target. These alternatives are encapsulated in Supplementary Standard SB-12 to the Building Code.

## COLLEGE OF TRADES

- The Ontario College of Trades and Apprenticeship Act sets out a scheme for the governance of the practice of trades in Ontario through the establishment of the Ontario College of Trades and through revising the current framework of apprenticeship training and certification contained in the Apprenticeship and Certification Act, 1998 and the Trades Qualification and Apprenticeship Act.
- The governance model provides the College the authority to determine the classification of trades as compulsory (i.e. trades in which you must be a member of the College to practice) or voluntary trades (i.e. trades in which you can practice without being a member of the College). The College is also tasked to decide the certification standards of trades as well as the journey-person-to-apprenticeship ratios.
- OHBA has participated in the consultation process and is in ongoing discussion with the Ministry of Training, Colleges and Universities on the implementation.
- OHBA passed a resolution at the 2009 Annual General Meeting which outlined our concerns with respect to Bill 183 as well as recommending the government complete a full review of journey-person to apprenticeship ratios for all trades and undertake a full economic impact analysis of the implications of this regulatory package.
- OHBA has voiced opposition towards compulsory certification of skilled trades as this would restrict labour mobility into residential construction. OHBA is also concerned that this may be used as a unionization tool. Furthermore, compulsory certification may potentially increase the cost imposed on industry; from employment of newly certified trades to new administration costs.
- For more information on the College of Trades please visit:  
<http://www.edu.gov.on.ca/eng/tcu/collegeoftrades/>

## 2012 ONTARIO BUILDING CODE ENERGUIDE 80 TRAINING

- A training program was developed by the Ontario Building Officials Association (OBOA) and the Ministry of Municipal Affairs and Housing (MMAH). OHBA is involved as a stakeholder in the program. The program is for low rise (part 9) and high rise (part 3) builders, trades and inspectors. A pilot program was tested in the Ottawa market receiving positive reviews. The program is available at no cost to local HBA's.

## 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 the *Ontario Youth Apprenticeship Program* (high school), *Co-op Diploma Apprenticeship Program* (college), for those who've left high school before graduation, the *Pre-Apprenticeship Training* or *Apprenticeship Scholarships* with academic upgrading available through the *Literacy and Basic Skills Program*. The government also supports a loan program to help apprentices buy the tools and equipment they need for their trade through the Loan for Tools.

## APPRENTICESHIP FUNDING

- The 2009 Provincial Budget announced nearly \$700 million over two years in new skills training and literacy initiatives and enhancements to existing programs. These measures include:
  - \$50 million annually for proposed enhancements to the *Co-operative Education Tax Credit* and to make the *Apprenticeship Training Tax Credit*.

## APPRENTICESHIP TAX CREDIT

- The *Co-operative Education Tax Credit* (CETC) is a refundable tax credit available to businesses that employ post secondary students enrolled in qualifying co-operative education programs at eligible educational institutions. Currently, the CETC is a 10 per cent refundable tax credit (15 per cent for small businesses) on salaries and wages paid, to a maximum credit of \$1,000 per work placement.
  - This budget increases the CETC rate to 25 per cent and the enhanced 15 per cent rate for small businesses to 30 per cent.
  - Increase the maximum tax credit available from \$1,000 to \$3,000 per work placement.
- The *Apprenticeship Training Tax Credit* (ATTC) is a refundable tax credit to business on the salaries and wages paid to eligible apprentices in designated construction, industrial, motive power and service trades. Currently, the ATTC provides a 25 per cent refundable tax credit (30 per cent for small businesses) on the salaries and wages paid during the first 36 months of an apprenticeship program, to a maximum annual credit of \$5,000. The ATTC is available for apprentices that begin their apprenticeship before January 1, 2012 and salaries and wages paid before January 1, 2015.



- Enhancements to the ATTC effective for expenditures incurred after March 26, 2009, would:
  - Increase the 25 per cent ATTC rate to 35 per cent and the enhanced 30 per cent for small businesses to 45 per cent;
  - Increase the \$5,000 annual maximum tax credit to \$10,000;
  - Extend the ATTC to salaries and wages paid during the first 48 months of an apprenticeship program; and
  - Make the ATTC a permanent tax incentive.

## SPECIALIST HIGH SKILLS MAJORS (SHSM) PROGRAM

- The Ontario Ministry of Education has returned technical classes to the high school curriculum, which will enable students to graduate with a Construction Skills Degree. By providing high school students with the ability to graduate through a construction program, it is hoped that this will encourage increased demand for careers in the trades.
- For more information visit:  
[www.edu.gov.on.ca/eng/studentssuccess/pathways/shsm/index.html](http://www.edu.gov.on.ca/eng/studentssuccess/pathways/shsm/index.html)
- 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.
- In 2009-2010, the SHSM program will be available in all School Boards across the province. About 430 schools will offer SHSMs in one or more of the sectors, for a total of more than 700 SHSM programs province-wide.
- In 2008-09 student access to these programs increased significantly, reaching approximately 14,000 students last school year.



<b>LEGISLATION or LAW</b>	<b>DATE</b>
<p><b>Professional Engineers Act or the Professional Geoscientist Act, 2000</b>            Qualified persons for record of site conditions (RSC's) for Brownfields are defined as people licensed under these acts, including limited licensees and limited members.</p>	October 1, 2009
<p><b>Provincial Policy Statement Review</b></p>	2010
<p><b>Tarion's Major Structural Defect (MSD) Warranty Changes</b>            The onus and liability for the full 7- year MSD warranty will be the responsibility of the builder or vendor for homes enrolled after January 1, 2011. However, this is under review by Tarion, currently the responsibility is with Tarion for years 3 – 7.</p>	January 1, 2010
<p><b>Barrie-Innisfil Boundary Adjustment Act – Bill 196</b>            The City of Barrie annexed 2,293 hectares of land from the Town of Innisfil.</p>	January 1, 2010
<p><b>Mandatory Fire Sprinklers</b> Buildings 4 storeys and higher will require sprinklers to be installed for building permits filed on or after.</p>	April 1, 2010
<p><b>Harmonization of GST and PST</b> In general the new harmonized tax will take effect.</p>	July 1, 2010
<p><b>Brownfields</b> A package of regulatory amendments were made to Ontario Regulation 153/04. Records of Site Condition. Most of the regulatory amendments will come into effect on July 1, 2010.</p>	July 1, 2010
<p><b>Municipal Elections</b> All municipalities across Ontario will hold elections for their mayors, councilors and school board trustees.</p>	October 25, 2010
<p><b>Expert Advisory Panel on Occupational Health &amp; Safety</b>            The Panel, Chaired Tony Dean, will research best practices that improve workplace safety and publish a report for the consideration by the Ministry of Labour.</p>	December 2010
<p><b>Provincial Election</b> The Ontario Provincial election</p>	October 6, 2011
<p><b>Ontario Building Code</b> The OBC will require significant increases in the energy efficiency of buildings. New homes must meet standards essentially equivalent to EnerGuide 80 while larger residential and new non-residential must meet standards that are 25% higher than the Model National Energy Code for buildings.</p>	December 31, 2011
<p>– OBC review: OBC will undergo its regular 5-year review. Multiple changes/proposals are expected in the areas of accessibility, conservation and fire protection.</p>	Through 2011
<p><b>Mandatory WSIB Coverage</b> Under the Workplace Safety and Insurance Amendment Act will make WSIB coverage mandatory for independent operators, sole proprietors, partners in a partnership and executive officers carrying on business in construction.</p>	2012 start date, prosecutions for IOs and EOs will not begin until 2013
<p><b>Ontario College of Trades, Bill 183</b> The provincial government is proposing centralizing training and apprenticeship regulations through a College of Trades.</p>	Board appointments are Ongoing Fully operational – 2012
<p><b>Greenbelt Plan Review</b></p>	2015
<p><b>Accessibility for Ontarians with Disabilities Act, 2005</b>            Codes and standards are being developed to improve accessibility and freedom of movement within the province in all sectors including transportation, customer service, business and construction (new and existing). The provincial government has also set separate timelines for different sectors:</p>	January 1, 2025
<p>– Customer Service</p>	Active Jan 1, 2008
<p>– Transportation</p>	TBA
<p>– Employment</p>	TBA
<p>– Built Environment</p>	TBA
<p>– Information and Communications</p>	TBA

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29 LOCAL ASSOCIATIONS

BILD-GTA

Brantford

Chatham-Kent

Greater Dufferin

Durham Region

Grey-Bruce

Guelph & District

Greater Ottawa

Haldimand-Norfolk

Haliburton County

Hamilton-Halton

Kingston-Frontenac

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& The Kawarthas

Quinte

Renfrew

Sarnia-Lambton

Saugeen Country

Seaway Valley

Simcoe County

St. Thomas-Elgin

Stratford & Area

Sudbury & District

Thunder Bay

Waterloo Region

Greater Windsor