

OHBA MADE-IN-ONTARIO ENVIRONMENTAL PLAN SUBMISSION

29 LOCAL ASSOCIATIONS

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

101-20 Upjohn Road
North York, Ontario M3B 2V9
416.443.1545/ 800.387.0109
Fax: 416.443.9982
info@ohba.ca
www.ohba.ca
@OntarioHBA

JANUARY 2019
MINISTER ROD PHILLIPS
MINISTRY OF ENVIRONMENT,
CONSERVATION & PARKS



Ontario
Home Builders'
Association

79,123

Housing Starts

513,000

New Industry Jobs Created

\$62 Billion

Value Added to Economy

\$30.5 Billion

Wages

* 2017 FIGURES

ABOUT OHBA

The Ontario Home Builders' Association (OHBA) is the voice of the land development, new housing and professional renovation industries in Ontario. Our association includes over 4,000 member companies organized into a network of 29 local associations across the province, contributing \$62.3 billion to Ontario's economy and generating 513,000 jobs. Our membership is made up of all disciplines involved in land development and residential construction including: builders, professional renovators, trade contractors, manufacturers, consultants and suppliers.

ABOUT ENERQUALITY

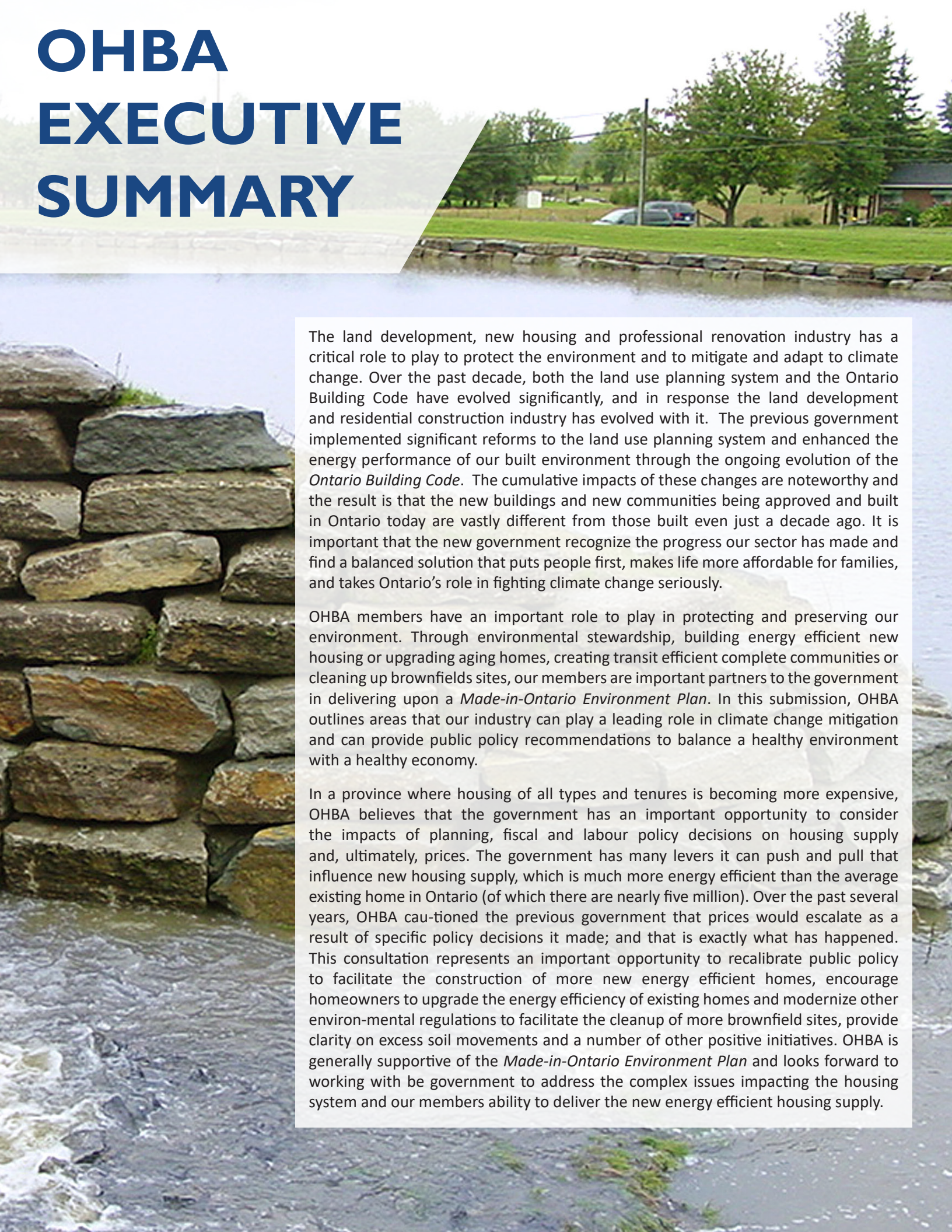
In 1998, in partnership with the Canadian Energy Efficiency Alliance (CEEAA), OHBA founded the EnerQuality Corporation. 20 years later, EnerQuality is the #1 certifier of energy efficient homes in Canada and the market leader in residential energy efficiency programs. OHBA, EnerQuality and our members represent private sector led innovation and leadership in building energy efficient, low-carbon housing.



ABOUT THE CONSULTATION

The provincial government launched a consultation in the fall of 2018 seeking feedback from Ontario citizens and businesses on a *Made-in-Ontario Climate Change Plan*. The government had stated at the time, that this would be the first part of a broader approach that will protect clean air and water, encourage conservation and do more to address urban litter and waste. OHBA responded to the consultation with a submission including industry recommendations in November 2018. The Ministry of the Environment, Conservation and Parks (MECP) subsequently released a proposed Made-in-Ontario Environment Plan (ERO 013-4208) reflecting the government's commitment to address the pressing challenges Ontario faces to protect air, land and water, reduce litter and waste, and support Ontarians to continue to do their share to reduce GHG emissions, and help communities and families prepare for climate change.

OHBA EXECUTIVE SUMMARY

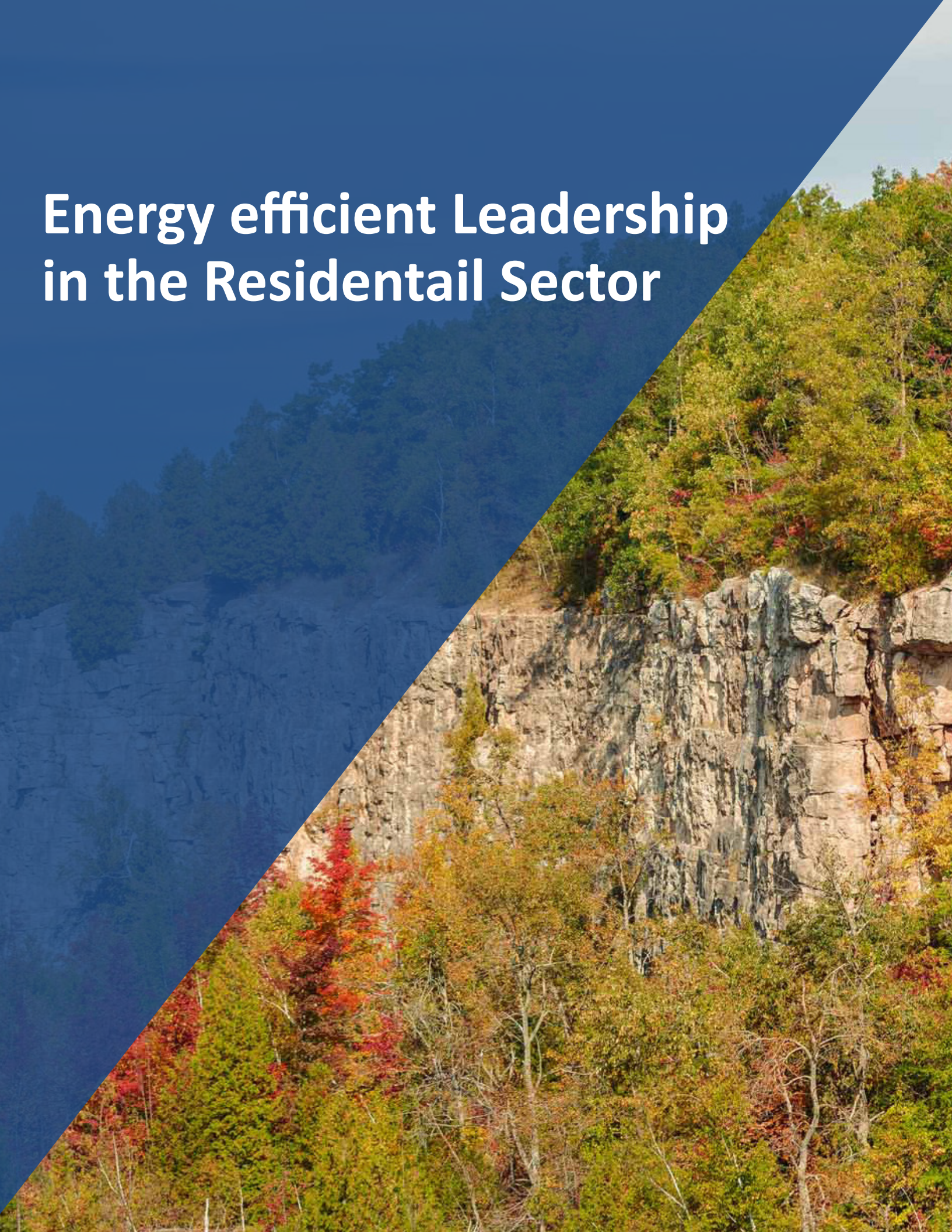


The land development, new housing and professional renovation industry has a critical role to play to protect the environment and to mitigate and adapt to climate change. Over the past decade, both the land use planning system and the Ontario Building Code have evolved significantly, and in response the land development and residential construction industry has evolved with it. The previous government implemented significant reforms to the land use planning system and enhanced the energy performance of our built environment through the ongoing evolution of the *Ontario Building Code*. The cumulative impacts of these changes are noteworthy and the result is that the new buildings and new communities being approved and built in Ontario today are vastly different from those built even just a decade ago. It is important that the new government recognize the progress our sector has made and find a balanced solution that puts people first, makes life more affordable for families, and takes Ontario's role in fighting climate change seriously.

OHBA members have an important role to play in protecting and preserving our environment. Through environmental stewardship, building energy efficient new housing or upgrading aging homes, creating transit efficient complete communities or cleaning up brownfields sites, our members are important partners to the government in delivering upon a *Made-in-Ontario Environment Plan*. In this submission, OHBA outlines areas that our industry can play a leading role in climate change mitigation and can provide public policy recommendations to balance a healthy environment with a healthy economy.

In a province where housing of all types and tenures is becoming more expensive, OHBA believes that the government has an important opportunity to consider the impacts of planning, fiscal and labour policy decisions on housing supply and, ultimately, prices. The government has many levers it can push and pull that influence new housing supply, which is much more energy efficient than the average existing home in Ontario (of which there are nearly five million). Over the past several years, OHBA cautioned the previous government that prices would escalate as a result of specific policy decisions it made; and that is exactly what has happened. This consultation represents an important opportunity to recalibrate public policy to facilitate the construction of more new energy efficient homes, encourage homeowners to upgrade the energy efficiency of existing homes and modernize other environmental regulations to facilitate the cleanup of more brownfield sites, provide clarity on excess soil movements and a number of other positive initiatives. OHBA is generally supportive of the *Made-in-Ontario Environment Plan* and looks forward to working with the government to address the complex issues impacting the housing system and our members ability to deliver the new energy efficient housing supply.




Energy efficient Leadership in the Residential Sector



Ontario has been successful in reducing GHG emissions over the past decade and private sector innovation and investments had a critical role to play in that success. The private sector's impressive GHG emissions performance in residential building since 1990 is tied to ongoing and broad-based energy efficiency improvements in Canadian homes – both existing homes and, in particular, newly built housing supply each year. These improvements reflect changes in the efficiency of the building envelope itself, mechanical (HVAC) systems and in the various energy-consuming appliances used by residents every day. Ontario's residential sector has established itself as a leader in energy efficiency and reducing GHG emissions, notably through the building industry's commitment to voluntary energy efficiency programs.

In the residential buildings sector, the government should actively support market-based voluntary programs such as ENERGY STAR® for New Homes.





Examples of market based **voluntary** programs where the private sector can choose to go beyond the code include:

-  **ENERGY STAR® for New Homes:** In 2005, EnerQuality, in partnership with **Natural Resources Canada (NRCan)**, launched the voluntary ENERGY STAR® for New Homes initiative that enables new homes to be on average 20 per cent more energy efficient than homes built to the Ontario Building Code. Over 90,000 ENERGY STAR® homes have now been certified and, in 2017, EnerQuality certified 23 per cent of homes built in Ontario. According to NRCan, each ENERGY STAR qualified new home is said to reduce GHG emissions by approximately three tonnes per year.
-  **ENERGY STAR® Multifamily:** On October 23, 2018, EnerQuality, together with NRCan, launched ENERGY STAR Multifamily targeting mid and high-rise residential buildings that are 15 per cent more energy efficient than buildings built to the Ontario Building Code. Now, mid-and high-rise builders can certify their buildings with the trusted ENERGY STAR® brand. This means that homebuyers can buy with confidence, knowing that their new condo will help them save energy and lower their carbon footprint.
-  **Net Zero Energy Housing:** In 2015, the **Canadian Home Builders' Association (CHBA)** launched the Net Zero Energy Home labelling program. Net Zero is the ultimate standard in energy efficiency where a home should produce as much energy it consumes on an annual basis. This is achieved through ultra energy efficiency combined with renewable energy sources like photo voltaic solar panels.

OHBA supports EnerQuality's engagement of builders across Ontario and encourages the Ontario government to support voluntary programs such as ENERGY STAR® and education for builders. ENERGY STAR® is an example of a market-based program – trusted by consumers and respected by builders that has unlocked industry innovation and created tangible value for consumers.

It is important to bear in mind that the energy use in the residential sector represents the performance of all homes, existing and newly added (approximately 75,000 units in 2018) to the housing stock each year. Unlike most other energy consuming products, the energy efficiency of a home is not fixed at the time of construction – subsequent improvements to the building envelope, systems and equipment within the home can alter its energy efficiency characteristics significantly.

As a result, the improvement in the energy performance of the average home in Ontario has come about due to a number of factors:

-  Many older homes' building envelopes have been upgraded through the addition of insulation, and the replacement of older windows with newer, more efficient ones;
-  New homes are constructed to be far more energy efficient than in the past, resulting in smaller increments of energy demand per unit of new housing;
-  Space heating systems have become far more efficient, particularly the natural gas-fired systems that are used in the majority of Canadian homes. As older heating systems are replaced, space heating efficiency increases. Space cooling systems have also seen significant energy efficiency improvements;
-  Most appliances (refrigerators, washers, dryers etc.) has seen very significant improvements in their energy efficiency over the last decade or so with ENERGY STAR® allowing consumers to quickly identify the best performing products in each category. As these major appliances reach the end of their useful lives, and are replaced, home energy performance improves.

The success of these programs reflects the ability of the builder to fulfill the technical and service requirements of the programs. There have been a number of examples where the municipalities – in an effort to require “above code” building standards – utilizing *Planning Act* tools to require all builders to conform to these voluntary programs. OHBA does not support this approach and continues to recommend that the MMAH prevent municipalities from converting a voluntary program into a “city-code”. Creating hundreds of “city-codes” across Ontario will only create a fragmented OBC and that only undermines the strength of the current regulatory and inspection framework.







Ontario Building Code (OBC)

The *Made-in-Ontario Environment Plan* correctly acknowledges that, “Ontario is currently a leading jurisdiction in Canada when it comes to energy efficiency standards in its Building Code.” MMAH regularly reviews and amends the OBC to reflect changes in technology, address emerging public safety issues and achieve government priorities. The 2006 OBC strengthened Ontario’s leadership in requiring energy-efficient buildings with the introduction of higher standards for houses and larger buildings. Ontario was the first jurisdiction in Canada to mandate EnerGuide 80 levels. That means that homes built to code after 2011 have a 35 per cent increase in energy efficiency compared to homes built before 2006. The 2017 OBC amended the previous edition in numerous ways, including its environmental focus, by putting in place measures that reduce GHGs, protect air, water and soil quality, and conserve energy.

The OBC promotes energy conservation through building design and construction and as of January 1, 2017, required that large buildings meet an energy efficiency level that is 13 per cent higher than that required in 2012 and requiring that houses meet an energy efficiency level that is 15 per cent higher than that required in 2012.

OHBA is supportive of the *Made-in-Ontario Environment Plan* specifically noting the plan to, “review the Building Code and support the adoption of cost-effective energy efficiency measures that can lower the cost of electricity and natural gas needed to operate buildings.” OHBA is looking forward to discussions with the province through such a review to specifically consider modernizing, “the Building Code to better equip homes and buildings to be better able to withstand extreme weather events.” OHBA supports the current development process by which MMAH updates building regulation through technical stakeholder engagement with the building sector.

As part of the *Made-in-Ontario Environmental Plan*, OHBA further recommends that the provincial government should amend the OBC:











-  To include affordability as an overarching objective statement;
-  Put a hold on recent changes to the OBC for further technical consultation;
-  Establish that “Code is King” by ensuring that the Ontario Building Code is the provincial standard and prohibit municipalities from implementing local building standards bylaws or applying building code standards through the planning process;
-  OHBA is supportive of the plan to, “review the Building Code and support the adoption of cost-effective energy efficiency measures that can lower the cost of electricity and natural gas needed to operate buildings”;
-  OHBA looks forward to technical consultations with respect to the *Made-in-Ontario Environment Plan* objective to: “modernize the Building Code to better equip homes and buildings to be better able to withstand extreme weather events”;
-  OHBA supports the *Made-in-Ontario Environment Plan* commitment to: “streamline and prioritize approvals for businesses that use low carbon technology, while maintaining high standards for environmental protection.” Such an approach could include new communities adopting voluntary market-based programs such as ENERGY STAR® for new homes or net zero communities.

Environmental Assessments (EAs)

OHBA strongly believes that there are opportunities for the province to streamline Ontario's EA process to ensure that Ontario is open for business while balancing environmental protections. OHBA is supportive of the *Made-in-Ontario Environment Plan* commitment to: "modernize Ontario's environmental assessment process, which dates back to the 1970s, to address duplication, streamline processes, improve service standards to reduce delays, and better recognize other planning processes." OHBA notes that the current process takes too long, is too expensive and uncertain and often involves multiple government authorities .



As a specific example regarding duplication that provides no additional value to either the project or the public interest, when the City of Ottawa was granted transfer of review authority over SWM city staff compiled data and found that for the previous 103 SWM pond applications made under direct submission only a few were returned, and only for reasons such as, not filling out the applications correctly, incorrect orientation of north arrows on plans, etc. Of the 103 applications there were never any technical or environmental changes required. OHBA believes that there is no value being added by having the MECP involved in the process after master plans are approved.

OHBA recommends the following improvements:

-  **Transfer of Review:** OHBA recommends MECP reduce the Ministry's review time for the Transfer of Review process, as well as incenting with the intent to expand the number of municipalities that are participating, while updating the program (subject to municipal consent).
-  **Modernization of Approvals:** OHBA recommends MECP modernize approvals processes by taking a risk-based approach, eliminate duplication, improve customer service, eliminate regulations or take a rules-in-regulation approach to low-risk activities. A modernized risk-based approvals process will make it easier and more affordable to live and conduct business in Ontario while protecting people and resources. OHBA believes we can maintain the integrity of the approvals process, while finding efficiencies in process.
-  **EAs and ECAs:** OHBA recommends MECP undertake a comprehensive review of all EA processes and Environmental Compliance Approvals (ECAs) to streamline, reduce red tape and eliminate duplication. Furthermore, MECP should establish timelines / service standards. OHBA also recommends that the monetary threshold for which an EA is required be increased and that the MECP adopt a risk based approach.
-  **Municipal Class Environmental Assessment (MCEA) process related to Part II Order Requests:** OHBA recommends MECP streamline the Part II Order process for Municipal Class EA schedules (risk-based approach for requirements). Furthermore, MECP should establish service standards.
-  **Environmental Activity Sector Registry (EASR):** OHBA recommends MECP add more environmental compliance processes to the EASR (e.g. Permits by rule) to make Ontario open for business by speeding up the development approval process.
-  **Storm Water Management:** it is time consuming, expensive and frustrating that there can be four levels (Local / Regional / CA / Ministry) of government review after an application is prepared and stamped by a Professional Engineer. The entire process should be streamlined by:
 -  Reduce ECA review timelines and establish service standards;
 -  Develop service standards;
 -  Eliminate the duplicative MECP review process for SWM work that can add months to timelines with no added value.
 -  Respect professional designations for the purposes of 'certified approvals' by professional engineers (used in many US jurisdictions).

Excess Soil

OHBA is supportive of the *Made-in-Ontario Environment Plan* commitment to: “recognize that excess soil is often a resource that can be reused. Set clear rules to allow industry to reduce construction costs, limit soil being sent to landfill and lower greenhouse gas emissions from trucking by supporting beneficial reuses of safe soils.” OHBA specifically recommends that the MECP:

-  Recognize that the current fractured legislative environment concerning excess soil management contributes to significant and increasing costs of residential construction. Thus MECP should proceed with implementation of regulations to facilitate outcomes acceptable to all stakeholders.
-  Continue to provide province-wide leadership regarding excess soil management and curtail the ability of municipalities to refuse accepting excess soil from beyond their boundaries provided that strict measures ensuring the soil’s quality and provenance are in place and that the receiving site is properly licensed and bylawed to accept such soil.
-  Foster the growth of innovative, industry-driven solutions to excess soil management and partner, as the regulator, with private sector service providers to achieve improved environmental, community and industry outcomes.
-  Better address the need for innovation through industry-driven solutions and private sector service delivery options in the **Excess Soil Management Framework**.
-  Address the transfer of liability as excess soils move through the chain of custody.
-  Set a higher threshold for the minimum cubic meter site size compliance with a new **Excess Soils Management Framework** to ensure that smaller infill housing sites are not captured by a new complex, and potentially expensive, regulatory regime.







Brownfields

Brownfield redevelopment has been identified by in the *Made-in-Ontario Environment Plan* and by the building and development industry as a strategic opportunity to utilize existing infrastructure and build complete communities, while also cleaning up contaminants left behind from historic industrial sites. OHBA has expressed concerns that amendments made to brownfields regulations by the previous government could undermine the broader provincial objectives of intensification, environmental clean-up and sustainable development. While brownfield redevelopment is feasible and successfully occurring on higher value strategically located sites, a more practical and less stringent approach could facilitate more opportunities to clean-up and revitalize contaminated sites.

A regulatory framework, with codified standards that are not achievable, or a risk assessment process that is not functional, undermines the economic viability of some brownfield opportunities and sterilizes land in municipally strategic locations. OHBA is therefore supportive of the *Made-in-Ontario Environment Plan* commitment to: “revise the brownfields regulation and the record of site condition guide to reduce barriers to redevelop and revitalize historically contaminated lands, putting vacant prime land back to good use.”



OHBA has a number of recommendations with respect to brownfields:

-  The Ministry should consult with stakeholders and consider opportunities to amending the background standards to ensure that the best available data is used to benefit redevelopment through greater soil retention and reduced land filling of soils that meet background standards.
-  Consider updates to the Modified Generic Risk Assessment model based on improvements in science as well as evolving mitigation measures. The Ministry should refine items to ensure provincial objectives are achieved and that a process exists to evaluate and remediate brownfields in an effective and efficient manner.
-  The Ministry should streamline the **Records of Site Condition (RSC)** process, improve the functionality of Tier II model, and streamline the Tier III risk assessment process.
-  OHBA notes that presently the RSC is required for any building permit issued for a residential building on a previously commercial property. Therefore, if the site requires environmental remediation, a shoring and excavation permit cannot be issued if an RSC has not been completed. OHBA proposes the Ministry review alternates to the requirement for an RSC prior to the issuance of a shoring and excavation permit.
-  OHBA supports the *Made-in-Ontario Environment Plan* commitment to: “work with municipalities, conservation authorities, the private sector, and other partners to promote best management practise, certification and road salt alternatives.” OHBA notes that road salt has significantly degraded many sites and adds additional costs for the redevelopment of many sites in Ontario.
-  OHBA supports a new approach to respect professional designations for the purpose of ‘certified approvals’ which should be adopted by the MECP.

Reduce Litter/Waste

OHBA is generally supportive of public policies as described in the *Made-in-Ontario Environment Plan* that: “producers should be responsible for managing the waste they produce”. Developing new waste diversion systems for construction and demolition waste, however, is a complex process, and considerable work is needed to identify effective and cost-efficient options. As an aggregator and assembler of materials on construction sites, rather than an actual material producer, OHBA recommends that MECP engage with industry stakeholders representing the new home construction and home renovation sectors, to identify and analyze waste diversion options.











There are opportunities for many (but not all) components of construction and demolition waste to be recovered, reused and reintegrated back into the economy and more specifically back into the construction sector. As built structures should not be captured under an extended producer responsibility framework similar to consumer products, OHBA recommends that our industry should continue to be managed under generator requirements defined by the 3R's Regulations (specifically O.Reg 102/94 and O.Reg 103/94 under the **Environmental Protection Act**). OHBA recognizes that these regulations require modernization to meet the governments waste diversion goals as set out in the *Made-in-Ontario Environment Plan*.



Conservation Authorities



OHBA members from across Ontario have extensive experience working in the 36 Conservation Authority (CA) watersheds and navigating the CA plan review and permitting process. OHBA supports broad modernization and believes the *Made-in-Ontario Environment Plan* represents a critical opportunity to strengthen oversight and accountability mechanisms including formalizing the role of other ministries in providing provincial direction and oversight to CAs. It is important that the new provincial government clarify the roles and responsibilities of CAs within the broader provincial legislative framework. While CAs have an important role in watershed management, OHBA has become increasingly concerned that a number of CAs have extended their reach well beyond a core mandate related to natural hazards (PPS section 3.1) and watershed management, which is adversely impacting a number of broader provincial goals and objectives including our members ability to bring new housing supply to the market. The roles and responsibilities of CAs need to be appropriately balanced with the broader legislative framework that CAs operate in, which allows planning authorities and our members to build strong, healthy communities.

OHBA is supportive of the *Made-in-Ontario Environment Plan's* comment that the province will, “work in collaboration with municipalities and stakeholders to ensure that conservation authorities focus and deliver on their core mandate of protecting people and property from flooding and other natural hazards, and conserving natural resources.” The MECP should mandate that:

-  CAs must efficiently and effectively deliver on their core responsibilities related to natural hazards and watershed management without variance.
-  Increase clarity and consistency of the provincially mandated roles and responsibilities of CAs through regulation. The province should clearly define the CA core mandate to be prioritized around the achievement of the Natural Hazard policies of the *Provincial Policy Statement* (PPS) and watershed management. By focusing on core responsibilities (and clarifying activities beyond their scope of power), CAs should be able to more efficiently deliver services to municipalities and the development industry within prescribed timelines.
-  There is a lack of oversight in the system that allows some CAs to operate under unreasonably long timelines and without an appropriate appeal mechanism. OHBA is supportive of passing a new regulation under a modernized *Conservation Authorities Act* that includes reasonable permit approval and review timelines that require CAs to be accountable for the services they deliver.
-  CA permitting functions should be better integrated with municipal approvals (aligned with *Planning Act* timelines).
-  Appeals to CA permitting decisions are currently heard by the Mining and Lands Commissioner and not integrated with other *Planning Act* appeals that are heard by the LPAT/OMB, thereby causing disjointed and often competing land use decisions. All land use related appeals should be heard by the LPAT/OMB, thereby creating more integrated and timely decisions.
-  Enhance accountability through the implementation of an independent third-party appeal to the OMB/LPAT for CA permitting. This will create more certainty and resolve disputes more efficiently.
-  Too often the CA justify their delays due to insufficient staffing resources. CAs should ensure that adequate staffing resources are provided or reduce the scope of activities they are engaged in to ensure adequate customer service for their core mandate.
-  Within municipal OPs the policies must be clear as to when the CA is to be consulted and when they are not (i.e. screening system) to avoid burdening their system with applications not within their mandate.
-  With respect to MOUs between CAs and municipalities, municipalities should not be contracting out service for which there will be any duplication or overlap. Furthermore, services being contracted out must include timelines and service standards.
-  The MECP should enhance accountability and mandate that CAs establish fair and reasonable rules with respect to development application review fees commensurate to the services provided and that they be appealable to a third-party.

Ministry Guidelines on Conflicting Land Uses

OHBA is supportive of the commitment in the *Made-in-Ontario Environment Plan* to: “improve coordination of land use planning and environmental approval processes by updating ministry guidelines to help municipalities avoid the impacts of conflicting land uses.” OHBA specifically recommends:

-  The province remove the need for a **Municipal Comprehensive Review (MCR)** to allow for the conversion of Employment Lands. Employment conversions through private OPAs should be permitted at any time (not pursuant to an MCR) to give municipalities and the industry the ability to address local market needs and to allow for more immediate and efficient use of infrastructure and services.
-  OHBA notes that the adjacent **Land Use Compatibility Guidelines** is an antiquated document that follows 1970’s land planning paradigms and discourages appropriate mixed-use employment/residential development while not recognizing the rapidly changing nature of employment. The province should modernize these outdated policies.







Water, wastewater and Stormwater Financing

OHBA is supportive of the *Made-in-Ontario Environment Plan* commitment to: “consider how wastewater and stormwater financing could be updated to improve investment and support new and innovative technologies and practices.” The single largest component of development charges in most municipalities is for water and waste water construction. The province should consult on the potential adoption of a utilities model that is currently used in other jurisdictions for the financing and delivery of critical water, wastewater and stormwater infrastructure to remove the cost of infrastructure built to last generations from development charges. A recent **CD Howe** brief (**Hosing Homebuyers: Why cities should not pay for water and wastewater infrastructure with Development Charges**) notes that cities would be better to charge for water and wastewater services based on actual use as is common in electricity and natural gas, instead of through up-front fees. OHBA notes that the current model places the cost of infrastructure designed to last upwards of 75-years, into the embedded cost of the amortization of 25-year mortgages of new home buyers. OHBA therefore recommends that municipalities should create region-wide utilities that can take advantage of the scale economies available in the sector.

Improving Existing Home Energy Efficiency/ Energy Efficiency Home Renovation Tax Credit

OHBA notes that the *Made-in-Ontario Environment Plan* commits the province to “work with the Ontario Real Estate Association to encourage the voluntary display of home energy efficiency information on real estate listings to better inform buyers and encourage energy-efficiency measures.” OHBA has historically, and will continue to, support better consumer disclosure with respect to the energy efficiency of existing and aging housing stock. *Voluntary Home Energy Rating* or supplying a year’s worth of energy bills would better inform consumers on the energy performance of an existing home while also having zero cost to the provincial treasury.

As an additional measure to encourage home owners (buyers and/sellers) to upgrade existing housing, OHBA recommends that the provincial government consider introducing a consumer-focused Home Renovation Tax Credit targeting energy efficient upgrades so that owners can improve their homes while helping the environment and reducing hydro bills. OHBA recognizes that the province has a significant deficit and that the introduction of such a tax credit should either be very focused or a longer-term policy objective when the budget is balanced. An *Energy Efficient Home Renovation Tax Credit* addresses a number of issues:

-  Combating underground cash economy in reno sector (over \$7 billion annually);
-  Provides tax credit incentive for consumers to use legitimate business;
-  Reduces tax leakage to the underground economy through incentives;
-  Addresses Climate Change and reduces GHG emissions from Ontario’s existing housing stock;
-  Improving existing older homes’ energy efficiency thus reducing hydro bills;
-  Improves health and safety for construction works and reduced home owner liability risk by utilizing legitimate businesses with appropriate credentials, certifications and permits.

In 2017, the **Altus Group** assessed a range of thresholds and rebate values in their detailed assessment of an Energy Efficient Home Renovation Tax Credit (“**Combating Ontario’s Underground Economy in the Residential Renovation Sector and Reducing GHG Emissions Through Innovative Policies**” – Altus Group – June 2017). While a tax credit would be an expenditure for the provincial treasury, research indicates that a tax credit would reduce tax revenue leakage into the underground economy resulting in tax revenue being recovered. The assessed options by Altus ranged from a net expenditure of \$35 million annually to a net benefit of \$135 million in additional revenue through the prevention of taxes being leaked to the underground economy.

OHBA notes that a CRA press release in 2011, stated that the Prime Minister Harper’s government’s one-year Home Renovation Tax Credit: “pumped an additional \$4.3 billion in renovation investment into the economy, at a time when the recession would have reduced investment in the sector.” The renovation sector currently accounts for some \$28.3 billion in annual investment in Ontario, supporting some 240,000 jobs. However, it is estimated that 37 per cent of total output of contractor renovations occur in the underground. A *Home Renovation Tax Credit* targeting energy efficiency would support small business job creation and reduce revenue leakage into the underground economy by incenting the use of legitimate business.

Low Impact Development







OHBA recommends that the MECP better facilitate **Low-Impact Development (LID)** through industry-driven innovations with a focus to reduce municipal redundancy and financing of hard infrastructure (e.g. Development Charge credits). OHBA notes that the LIDS initiative has been primarily advocacy based and the draft manuals that are being implemented (following consultation with the previous provincial government) in municipal approvals are not based on data or science. For that reason, redundancies (both land and costs) are being imposed without the benefit of reducing any infrastructure requirements as was the original intent of LIDs. Examples are requirements for amended soils, infiltration trenches, perforated drainage pipes and catch-basins, more trees, water reuse cisterns, permeable driveways, rain gardens, etc. without any corresponding reduction in flow calculations, pipe or SWM pond sizes. Currently, MECP manuals don't include LIDs as appropriate SWM pond alternatives, thus expensive redundancies are built into the system as it hinders municipalities ability to sign off when not in compliance. The LIDS manuals should include data of benefits so that offsets in terms of hard infrastructure costs can be achieved before being imposed on the industry, which in turn increases costs that are passed onto consumers in the form of higher homes prices and rents. OHBA generally supports a rationale approach to LIDs, however we recommend the MECP re-examine the previous government's approach to ensure additional costs through redundancies are not being thrust onto Ontario residents or businesses.

Species At Risk

OHBA supports the protection of species at risk. The current *Endangered Species Act* has a number of operational and implementation challenges that should be improved while continuing to provide important species at risk protection. The *Endangered Species Act* is now ten-years old and consistent with the experience and insight gained over the past decade, the Ontario government is considering amendments to the ESA that would: enable positive outcomes for species at risk; ensure species assessments are based on up-to-date science; address multiple objectives for ecosystem management through stewardship and protection activities; increase efficiencies in service delivery for authorization clients; streamline processes and provide clarity for those who need to implement the Act and maintain an effective government oversight role. OHBA is supportive of this review. A review of the legislation (in particular automatic listings) should ensure an appropriate balance between the environment and the economy.



OHBA has a number of specific recommendations including:

-  Continue to support the protection of species at risk;
-  OHBA is supportive of the review of the *Endangered Species Act* that has been posted to the Environmental Registry for 45 days (013-4143);
-  Amend the *Endangered Species Act* to include strict permit review timelines and service standards;
-  Enhance Ministry resources for handling permitting functions;
-  Support proponent-led assessments of species at risk requirements early in the EA process to facilitate timely approvals;
-  Enhance the tools available for Species-at-Risk by developing guidance materials on best management practices and habitat identification on an ongoing basis;
-  Enhance the use of the “Safe Harbour” tool, which is enabled under the *Endangered Species Act* and encourages property owners to create or enhance Species-at-Risk habitat for a set period of time. In addition, property owners should have legal assurance that they can alter the land use at a later date by appropriately eliminating risks for adjacent property owners and for new species listings;
-  Continue to identify additional opportunities for using a risk-based approach to the implementation of the *Endangered Species Act*;
-  Allow for the use of tools successfully used in other jurisdictions such as Conservation Land Banking. Market based tools such as Conservation Land Banking can offset and mitigate adverse effects of development and provide benefits to species at risk.
-  Review the role and mandate of COSSARO for the identification and automatic protection of endangered and threatened Species-at-Risk in Ontario (SARO). A review should include the criteria utilized to identify Species-at-Risk as the current criteria is not properly being used for the purposes in which it was intended. Criteria must better reflect population levels and not be primarily based on decline. Furthermore, OHBA notes that the National counterpart to CASSARO does not feature automatic listings.
-  Re-evaluate the composition of CASSARO.
-  Recognize that policy addressing issues in Southern Ontario can be detrimental to northern communities. For example, the Species-at-Risk legislation can stagnate development on private land in northern communities like Sudbury where 94 per cent of land is crown, undeveloped or undevelopable (essentially either swamp or rock). There are few opportunities for development in many Northern communities and a northern policy lens is required to support economic development.
-  Develop “transition” policies for existing work completed in support of development applications when new species are identified to avoid going through an additional review which results in time delays and creates greater uncertainty. Respect planning approvals that have been obtained.

Minimum Parking Requirements

Most municipalities require developers to provide a minimum number of parking spaces per residential unit built – a significant cost that gets passed onto homebuyers (or renters). Providing parking spaces isn't cheap, especially for mid and high-rise developments. In denser areas, creating a parking structure costs about \$30,000 per space. Underground parking costs even more, at up to \$60,000 per space. Requiring minimum parking standards (which often exceed market demand) makes no sense for developments near transit, in a society that increasingly utilizes "car sharing" apps or for a province seeking to reduce GHG emissions.

OHBA recommends that the province should prohibit municipalities from requiring minimum parking standards (which add to the cost of housing) – let the market decide.

Ontario Planning Framework

Ontario's land use planning framework is critical in supporting provincial goals to enhance housing supply and the creation of complete communities that Ontario residents can afford to live in. The responsibility for land use planning in Ontario is split between the province and municipalities: the province sets the rules and direction for land use planning; the municipalities are the primary implementers of the policy framework.

Municipalities are tasked with implementing the PPS and Provincial Plans through policies in their Official Plans (OP) and through decisions on other planning matters. It is critical that municipalities maintain up-to-date OP's and Zoning bylaws to effectively and efficiently implement provincial policy. Out-of-date local zoning creates uncertainty for communities and businesses, while stretching out approval timelines and constraining new housing supply. This ultimately leads to higher rents and home prices. OHBA has a number of recommendations for improvements to Ontario's planning framework that would both enhance housing supply while assisting the province in achieving its objectives in the *Made-in-Ontario Environment Plan*:

- OHBA strongly supported the essential role of the OMB as an impartial, evidence-based, administrative tribunal that is responsible for handling appeals of land use planning disputes. The new LPAT framework simply empowers local councils to make politically motivated decisions that override conformity with the PPS, Provincial Plans and enables decision-making that is not vested in the long-term public good, but rather re-election. OHBA does not believe that the goals of the provincial government will be achieved through Bill 139 and the LPAT; and that the new appeals system is already proving to be longer, more expensive, more political, less certain and ultimately will deliver less new housing supply to the people. OHBA is concerned that this new Tribunal (LPAT) will simply put local politics ahead of smart growth planning and will only serve to empower NIMBY councils. The new provincial government should repeal Bill 139 (LPAT) and bring back the OMB.













- 🌿 OHBA is supportive of provincial policy objectives to support a diversity of housing supply and to support higher levels of intensification. We recognize that the provincial government is working with stakeholders towards streamlining and facilitating intensification and ensuring that Ontario is open for business.
- 🌿 OHBA is concerned that the 2014 PPS has lowered the standard for what is considered “significant”. There are many examples of marginal features that cannot be touched in the planning process. The province should re-evaluate a number of NHS components of the PPS including clearer definitions and a new threshold for what should be considered “significant” that fairly balances social and economic considerations.
- 🌿 Provincial policy should conserve what is truly significant, but everything can’t be significant and we need to make more intelligent choices about what to protect in situ. OHBA is concerned the province has set thresholds so low that everything and anything can be significant.
- 🌿 The private sector will invest in transit-oriented development along transit corridors, but we require greater planning certainty to bring new housing supply on board in a more efficient and affordable manner. This requires an approach “to take the politics out of planning” through pre-designation and pre-zoning.
- 🌿 Implement a new modernized cash-in-lieu of parkland dedication policy with ‘caps’ in the *Planning Act*;
- 🌿 Eliminate minimum municipal parking standards/requirements and let the free market decide;
- 🌿 Require pre-zoning (as-of-right zoning) for higher densities in urban growth centres and transit corridors;
- 🌿 Strictly enforce existing *Planning Act* requirements for municipalities to update their Zoning bylaws within three years of an OP review;
- 🌿 Allow for as-of-right secondary suites across Ontario and prohibit development charges on second units;
- 🌿 Provide greater flexibility for conversions to allow transit-oriented mixed-use development in employment areas;
- 🌿 Review the *Development Charges Act* and consider the cumulative taxation on transit-oriented development which makes housing less affordable for the people;
- 🌿 The Minister of Transportation implement Section 31.1 of the *Metrolinx Act, 2006* for the Minister to issue a *Transportation Planning Policy Statement (TPPS)* that would apply to higher-order transit corridors across Ontario.

Wetlands

OHBA supports the conservation of wetlands to ensure a healthy natural environment that can provide essential ecosystem services to the people of Ontario now and into the future such as flood control, climate change mitigation and adaptation, water quality improvement and recreation. OHBA was generally supportive of the “Towards Implementation” section of the *Draft Wetland Conservation Strategy for Ontario (2016)* to develop policy approaches and tools to prevent the loss of wetlands in Ontario through a mitigation hierarchy and wetlands offsetting policies. These are critical tools to allow better decision-making around alternate approaches to wetland conservation and management when considering land use proposals where economic and ecological needs intersect.

OHBA recognizes that not all wetlands are equal and that some wetlands are deemed to be Significant, based upon the application of the **Ontario Wetland Evaluation System (OWES)**. The generally low thresholds for significance (including consideration of complexing criteria) in that system tend to make most wetlands Significant in many landscapes where competing land uses occur. OHBA recommends that the MECP review the method for mapping and evaluation wetland significance through a review of the OWES.

There are a number of specific components and implementation practices of the OWES that OHBA recommends be reviewed and reconsidered:

-  The use of locally and regionally significant plant and wildlife species to affect OWES scoring should be strictly limited.
-  These aspects are, in some jurisdictions are the drivers of scores reached to result in a significant determination. This is problematic as many jurisdictions do not maintain such lists and in some cases established lists are outdated and/or are based upon highly varied criteria. In other cases (e.g., Aurora District), lists are informal, unavailable and/or have not been subject to peer review scrutiny.
-  The local **Ministry of Natural Resources and Forestry (MNR)** practice of using non-wetland, endangered species (i.e., Butternut) to increase the scoring in a wetland and/or complex should be reconsidered to avoid the exaggeration of feature significance.
-  The OWES needs to better address minimum size and potential complexing. Different areas of Ontario apply different complexing criteria. In many cases, wetlands are included in complexes regardless of size, with the demonstration of achievement of vague and general complexing criteria.
-  The OWES needs to more fully consider sustainability and viability in settlement areas. Demands placed upon lands for efficiency and density can create situations where some types/forms of wetland cannot be reasonably conserved/sustained in an urbanizing community. The inability to tolerate some changes associated with urbanization should be factored into scoring and/or OWES implementation.
-  The OWES should be revised to more reasonably measure wetland functional importance and significance in settlement areas. Exclusions and/or modifications should be provided for wetland units that are “disturbance-created” and/or that are relatively simple to replicate and improve upon if replaced.
-  Wetlands constructed for purposes other than wetland conservation (e.g., storm water management ponds, golf course irrigation and aesthetic ponds, sewage lagoons, water treatment ponds, aggregate pit or quarry ponds) and that are in active use for those purposes, should not be considered to be wetlands subject to evaluation or protection.
-  Wetlands smaller than two ha should not generally be evaluated for significance. Exceptions to wetland significance - where wetlands:
 -  Are isolated on the landscape, without permanent hydrologic connections;
 -  Have become established because of disturbed landscape conditions;
 -  Occur as a result of artificial drainage impoundments (e.g., farm livestock/irrigation ponds, drainage blockages, aggregate ponds, etc.); and/or
 -  Can be effectively replicated and/or enhanced, through off-setting measures.
-  Where wetland areas are determined to meet an exemption from the general significance definition, and are therefore suitable for potential removal, the wetland area and functions may be offset.

Alternative Land use Services (ALUS)

OHBA has consistently supported biodiversity offsetting, the mitigation hierarchy and the opportunity for land owners to utilize land to establish, maintain and produce services for natural ecosystems. OHBA is a supporter of Alternative Land Use Services and more specifically of **ALUS Canada**, which is a community-led, farmer-delivered program that supports stewardship activities on agricultural lands. ALUS, and other voluntary programs that work with private landowners, are an increasingly important tool to achieve environmental outcomes.

OHBA supported the Private Members Bill *Alternative Land Use and Services Program for Agricultural Land Act, 2018* which would create a framework allowing the ALUS concept and program to grow. ALUS combines resources from the public, private and philanthropic sectors to support restoration and conservation on agricultural lands.

Energy Retrofits of Existing Market and Social Housing

There is an opportunity to address the issue of energy efficiency in aging existing social housing and to leverage this investment more broadly to retrofit existing private housing stock. **Energiesprong** is a Dutch initiative that aggregated the demand for zero energy social housing refurbishment to attract industry participation in the industrialization and automation required to drive down construction cost, reduce tenant disruption and deliver warm, comfortable, affordable and healthy homes within the social housing sector.

OHBA supports **Sustainable Buildings Canada's** efforts to bring the **Energiesprong Initiative** to Ontario and encourages the Ontario government to support this initiative. This is an example of looking to international best practices and government working through partnership to enhance Ontario's business climate by unlocking the power of the private sector to finance and drive innovative climate solutions.

Conclusion

OHBA appreciates the opportunity to submit our recommendations with respect to a *Made-in-Ontario Environment Plan* for consideration by the MECP. The new housing, land development and professional renovator industry looks forward to playing a significant role in driving innovation and demonstrating leadership for energy efficient housing and GHG emission reductions.

OHBA members from across Ontario from Windsor to Cornwall and from Niagara to Thunder Bay will continue to be engaged with both the government and their provincial association through additional opportunities for consultation as specific elements of the plan move toward the implementation stage. OHBA continues to support balanced public policy initiatives that do not compromise the ability of #homebelievers to be able to afford to purchase or rent housing in Ontario.



#homebeliever

High-density

Mixed use

Low-rise

Mid-rise

Laneway home

Missing middle

Transit-oriented

Expanding community

Existing community

Secondary suite

Single detached

Townhome

Condominium

High-rise

Established community

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