



BUILDING A GREATER GTA
Building Industry and Land
Development Association



Ontario
Home Builders'
Association

July 30, 2020

Ontario Growth Secretariat
Ministry of Municipal Affairs and Housing
777 Bay Street
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Toronto, Ontario
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Via: growthplanning@ontario.ca

RE: ERO Posting 019-1679
Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe

ERO Posting 019-1680
Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe

In May 2019, the government released A Place to Grow: Growth Plan for the Greater Golden Horseshoe as part of the “More Homes, More Choice: Ontario’s Housing Supply Action Plan”. The Plan addresses the needs of a growing population, the diversity of the Greater Golden Horseshoe region, the people and local priorities.

Policy 2.2.1.5 of the updated Growth Plan states that the Minister of Municipal Affairs and Housing will establish a standard methodology for assessing land needs to implement the Plan. It also requires upper- and single-tier municipalities to use this methodology to assess the quantity of land needed to accommodate forecasted growth to the Growth Plan horizon (currently 2041), as a way to conform with policies in the Growth Plan. Through **ERO Posting 019-1679**, the government is now consulting on a **proposed new Land Needs Assessment Methodology for the Greater Golden Horseshoe**.

In addition, **ERO Posting 019-1680 is a proposal for Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe**. This proposal works in conjunction with the proposed new Land Needs Assessment Methodology.

The Ontario Home Builders’ Association, the Building Industry and Land Development Association and its’ members have been proud to be a significant stakeholder contributing to the many provincial discussions and working groups leading to the release of these initiatives. We are therefore pleased¹⁰⁰

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to submit these comments and recommendations, with the assistance of Altus Economic Consulting and Malone Given Parsons, as our formal response to ERO Postings 019-1679 and 019-1680 respectively.

BILD, OHBA and OHBA's 10 other local home builders' associations impacted by the Growth Plan (Niagara HBA, Haldimand-Norfolk HBA, Brantford HBA, Hamilton-Halton HBA, Guelph & District HBA, Waterloo Region HBA, Dufferin County HBA, Simcoe Country HBA, Durham Region HBA and the Peterborough & the Kawarthas HBA), would like to again thank the province for our recent discussions related to our collective effort to support post pandemic jobs and recovery efforts. We all want to make sure that Ontario is open for business, and we value the Provincial Government's recognition of how important construction is to kick-starting the economy.

In a series of meetings with various Ministers and key staff, we highlighted the need to accelerate the review and update of the population and employment forecasts in Schedule 3 of the Growth Plan, as well as the Land Needs Assessment Methodology, as the desired outcomes would be an effective tool to assist in the province's jobs and recovery discussions. We thank you for the opportunity to now comment on the progression of your Ministry's work on these files, as even more now, we find ourselves in a state of urgency with inadequate housing supply, an affordability crisis and a greater need to provide jobs for all Ontarians. Planning for needed housing and employment cannot be started and completed, soon enough.

We support the Ministry of Municipal Affairs and Housing's proposed Amendment 1 to the Growth Plan – particularly its' proposal to update the Schedule 3 forecasts for population and employment in the Greater Golden Horseshoe. The preface to the proposed amendment acknowledges that the policies and targets established in A Place to Grow are intended *"to ensure that municipalities have the land base and the infrastructure to accommodate growth now and into the future."* Implementation of the Housing Supply Action Plan, including the Proposed Amendment 1 will help support a return to a properly functioning housing market under which the private sector can again provide a range of affordable housing options for the rapidly growing population of the Greater Golden Horseshoe.

BILD and OHBA also generally agree with, and strongly support a new Land Needs Assessment Methodology that maintains the flexibility of the approach as suggested in the ERO posting. A simplified approach is easier to implement and allows more flexibility to account for local circumstances as well as the varying resources available in different municipalities. While we generally agree with the new approach proposed by the province, BILD and OHBA believe that a Land Needs Assessment document that provides additional guidance on the steps outlined in the province's proposal is also essential.

In addition, BILD and OHBA submit the following comments and recommendations:

EXECUTIVE SUMMARY:

- 1. In relation to the Growth Plan, BILD and OHBA recommend the province use only the 2051 horizon in Schedule 3 as outlined in the “High Growth Scenario, Mock B”, and that the province select the “High Growth Scenario” to reflect actual Federal immigration policy, and to support greater supply, increased affordability and increased economic growth.**
- 2. BILD and OHBA maintain that a planning horizon of 2051 or longer is required to support the Housing Supply Action Plan, and recommend that the province allow Regions to use higher forecasts through their Municipal Comprehensive Reviews.**
- 3. BILD and OHBA maintain the need for increased flexibility for the use of Schedule 3, including the treatment of Schedule 3 as minimums. We therefore recommend inserting the term “as minimums” in policy 5.2.4.2 of the Growth Plan which would have the effect of making Regional forecasts minimums. This would give municipalities greater latitude to plan their own future.**
- 4. BILD and OHBA recommend that the *Planning Act* be amended to allow landowner appeals of Municipal Comprehensive Reviews and Conversions in order to give effect and credence to provincial policies and the related provincial objectives.**
- 5. In a growing region like the Greater Golden Horseshoe, long-term, integrated and comprehensive planning is the best way to achieve the guiding principles of the Growth Plan. In recognition of this principle, OHBA and BILD recommend that the housing mix required to conform to the Growth Plan and meet Schedule 3 forecasts be adjusted to reflect economic and demographic factors and that the Growth Plan Delineated Built Boundary be updated, as provided in policy 5.2.2.1, since it now remains outdated for 14 years.**
- 6. BILD and OHBA support the deletion of Schedule 7 of the Growth Plan which include forecasts for Simcoe County, Barrie, and Orillia.**
- 7. Regarding transition provisions, OHBA and BILD support the proposed approach to retain the current date for Growth Plan amendment conformity as July 1, 2022, and that municipalities be required to use the 2051 planning horizon without interim years – meaning no staging, transition or phasing of the application of the Schedule 3 forecasts.**

8. **OHBA and BILD support the proposed policy to allow conversion of Provincially Significant Employment Zones (PSEZs) located within Major Transit Station Areas (MTSAs) before the next municipal comprehensive review, but also recommend that the related policy language be strengthened to give clearer direction on how to handle conversion requests, and recommend that they be appealable to LPAT.**
9. **Regarding the proposed Land Needs Assessment, OHBA and BILD maintain that a market-based supply is maintained as a primary objective of the analysis. The LNA should require that forecasted housing mix be realistic and meet the projected needs and wants of residents. It should also be adjusted to meet market demand to the extent possible while achieving other policy objectives.**
10. **OHBA and BILD maintain that the Land Needs Assessment methodology should allow municipalities to use and reference the ‘housing by type’ and employment by type’ distinctions, as well as the detailed population forecasts from the Growth Plan background information when determining their forecasting of household demand.**
11. **OHBA and BILD recommend that the Land Needs Assessment should clarify that municipalities must designate all land requirements to 2051 when using the methodology, and may not designate a subset to interim years.**
12. **OHBA and BILD recommend that the Land Needs Assessment require that contingency factors for lands that cannot or are unlikely to develop in the planning horizon be provided when estimating the total land required to accommodate housing and employment.**

SUMMARY OF COMMENTS AND RECOMMENDATIONS:

1. **In relation to the Growth Plan, BILD and OHBA recommend the province use only the 2051 horizon in Schedule 3 as outlined in the “High Growth Scenario, Mock B”.**

The Hemson report, “Greater Golden Horseshoe: Growth Forecasts to 2051” provides further details regarding the reference forecast including a coordinated set of population, housing and employment forecasts for 2021, 2031, 2041 and 2051. The report also includes details regarding the low and high population and employment scenarios. The detailed Hemson forecasts, along with the scenarios, as outlined in the report, can be used by municipalities, other government agencies and the private sector as required, reinforcing that point that there is no need to enshrine the detailed forecasts and scenarios in Schedule 3.

Although the Hemson background study provides a coordinate set of housing and employment mix forecasts, they only do so for the reference scenario and not the High Growth scenario. BILD and OHBA recommend that this document be updated to reflect the figures outlined in the High Growth

Scenario Mock B, that it be updated to match and be consistent with this scenario, and that it should also be update to include the ‘unit by type’ distinction that we elaborate on below in our discussion below around the Land Needs Assessment.

It is also imperative that the previous 2031 and 2041 population and employment forecasts not appear in the same schedule as the new 2051 forecasts. The new 2051 forecasts flow directly from the new 2041 forecasts, and the new 2041 forecasts flow directly from the new 2031 forecasts. Also, in order to be useful for planning and decision making, the forecasts must be coordinated.

BILD and OHBA would suggest that if concerns have been raised regarding the potential impact of the new 2031 and 2041 forecasts on ongoing municipal planning exercises, that the 2031 and 2041 forecasts be excluded from Schedule 3, and that they include only the 2051 forecasts. As part of this review, the Province is also seeking specific input on which growth scenario should be adopted. BILD and OHBA recommend that the province adopt the “High” scenario for the forecasts under Schedule 3.

The background work for Schedule 3 conducted by Hemson Consulting indicates a drop in annual immigration to the Greater Golden Horseshoe from about 145,000 per year in 2018 and 2019, down to just under 120,000 per year in 2024. Following that, the figures show that immigration rises slowly, only approaching the levels seen in 2018 and 2019 near the end of the forecast period in 2051. BILD and OHBA’s consultants have indicated that no concluding evidence exists in federal immigration policy to support such a drop in immigration levels, but rather, the federal government has expressed continued commitment to current immigration levels and policy. A pro-immigration consensus continues to exist across the political spectrum. In addition, there is no sign of a reversal in Canadian immigration policy from which it will take three decades to recover.

Applying a drop in immigration of 25,000 to 30,000 persons per year over a 30-year horizon results in forecasts that underestimate population by between 750,000 and almost one million people in the Greater Golden Horseshoe based upon immigration alone. The result is that the Reference Forecast scenario’s growth forecast is 16% to 20% less than what would occur using current immigration policy as the base condition. This shortfall of 750,000 to 900,000 over the Reference Forecast period is greater than the difference between the Hemson Consulting Reference and High scenarios of 638,000. The background Hemson Consulting work indicates that the different growth assumptions between Low, Reference and High are “based on different levels of migration, principally immigration, which remains the single most important component of growth in the GGH”.

In view of the above, and the role of immigration in the different scenarios, it is clear that the Province should opt for the “High” scenario for the forecasts under Schedule 3. In addition, the choice of the “High” scenario will support greater supply, better affordability, and increased economic growth resulting from greater housing construction.

2. BILD and OHBA maintain that a planning horizon of 2051 or longer is required to support the Housing Supply Action Plan, and recommend that the province allow Regions to use higher forecasts through their Municipal Comprehensive Reviews.

A key component of the Housing Action Supply Action Plan is the 2020 Provincial Planning Statement. The housing policies of the PPS require that municipalities maintain the ability to accommodate residential growth for a minimum of 15 years through residential intensification and redevelopment at all times, and, if necessary, lands which are designated and available for residential development. The purpose of this policy, as noted in Section 1.4.1 is to “provide for an appropriate range and mix of housing options and densities required to meet projected requirements of current and future residents”.

The next round of municipal comprehensive reviews are set to be completed in 2022. If the planning horizon was determined to be 2041, upon completion of the MCRs, municipalities would have the theoretical ability to accommodate residential growth for approximately 19 years (2022 to 2041). In 2023, the supply would fall to 18 years. In 2024, the supply would fall to 17 years. By the end of 2026, the supply would fall below the 15-year minimum supply that, according to the PPS, municipalities in Ontario are required to maintain at all times.

In order to avoid falling below the minimum housing supply requirement, a new set of MCRs would have to be completed across the Greater Golden Horseshoe by 2026. Municipalities would agree that MCS are costly to complete, are disruptive to the planning process, and take planning resources away from other important functions, such as the preparation of secondary plans and the review of development applications. The transition and implementation policies of the Growth Plan should be designed to minimize the cost and disruption of MCRs, and a planning horizon of 2051 would assist with this objective.

In addition, another reason to justify the need for a longer 2051 planning horizon is as follows. In two-tier municipalities, the link between the timing of an MCR approval and the PPS housing supply policies is more complicated. According to the 2020 Provincial Policy Statement:

“Designated and available: means lands designated in an official plan for urban residential use. For municipalities where more detailed official plan policies (e.g. secondary plans) are required before development applications can be considered for approval, only lands that have commenced the more detailed planning process are considered to be designated and available for the purposes of this definition.”

The coordination policies of the Growth Plan provide for the upper-tier municipality to provide policy direction for intensification (e.g. delineation of, and establishment of minimum density targets for major transit station areas and other strategic growth areas, identification of minimum intensification targets for lower-tier municipalities, etc.). However, lands will only become available for intensification when the lower-tier official plans and zoning by-laws are amended to implement to the

intensification policies of the upper-tier official plan. These planning processes, which typically involve extensive public consultation and technical background studies, will take years to complete.

Also, the expansion of a settlement area boundary in an upper-tier official plan does not automatically increase the supply of land designated and available for residential development. Lower-tier official plans will need to be amended to designate lands in the expansion areas for residential development. Typically, the lower-tier planning process for new communities includes extensive public consultation and technical background studies and takes years to complete.

Therefore, the complexity of the planning process in two-tier municipalities must be taken into account when considering the alignment of the PPS housing supply policies and the planning horizon for the Growth Plan. With a 2041 planning horizon, it is highly unlikely that municipalities will ever attain the ability to accommodate residential growth for a minimum of 15 years. Only a long-term planning horizon of 2051 or longer will provide the conditions under which the housing supply policies of the provincial government can be met.

- 3. BILD and OHBA maintain the need for increased flexibility for the use of Schedule 3, including the treatment of Schedule 3 as minimums. We therefore recommend inserting the term “as minimums” in policy 5.2.4.2 of the Growth Plan which would have the effect of making Regional forecasts minimums. This would give municipalities greater latitude to plan their own future.**

Since 2006, the Schedule 3 population and employment forecasts have effectively been used as “caps” for land use planning purposes. Municipalities were permitted to designate only the bare minimum amount of land required to accommodate the Schedule 3 forecasts. This would have been sufficient if municipalities did not have to account and accommodate for the realities of ‘on the ground’ planning.

Flexibility is required in land use planning to allow municipalities to react effectively to unexpected shifts in demand, such as international immigration, and unexpected supply constraints such as servicing capacity. Without flexibility, there can be no assurance that municipalities will have the land base and infrastructure to accommodate growth either now, or into the future.

- 4. BILD and OHBA recommend that the *Planning Act* be amended to allow landowner appeals of Municipal Comprehensive Reviews and Conversions in order to give effect and credence to provincial policies and the related provincial objectives.**

The Province has introduced important policy changes through the Growth Plan, PPS, and Land Needs Methodology discussions for land use planning. However, and unfortunately, experience with implementation of provincial policy has shown us that some Regional municipalities can effectively ignore these policy changes and other important policies.

This is often because there lacks a threat of appeal. Official Plan Amendments resulting from MCRs, and refusals of conversions, including in Major Transit Station Areas, cannot be appealed to the Local Planning Appeal Tribunal leaving regional municipalities well aware that they often cannot be held accountable for their policy actions or inactions. The province has an opportunity to restore balance and accountability to the system by restoring the right of landowners to appeal conversions and MCRs.

- 5. In a growing region like the Greater Golden Horseshoe, long-term, integrated and comprehensive planning is the best way to achieve the guiding principles of the Growth Plan. In recognition of this principle, OHBA and BILD recommend that the housing mix required to conform to the Growth Plan and meet Schedule 3 forecasts be adjusted to reflect economic and demographic factors and that the Growth Plan Delineated Built Boundary be updated, as provided in policy 5.2.2.1, since it now remains outdated for 14 years.**

The policy-led planning system in Ontario supports a comprehensive, integrated and long-term approach to planning. For some municipalities, managing forecasted growth to the proposed 2051 horizon may require settlement area boundary expansions. Under section 2.2.8.2 of the Growth Plan, settlement area boundary expansion may only occur where sufficient opportunities to accommodate growth are not available through intensification and in the existing designated greenfield area. If settlement area expansions are required, the policies of the Growth Plan and the PPS dictate that prime agricultural areas must be avoided where possible.

With a long-term 2051 planning horizon comes certainty about the planned location of future growth and development. Short-term planning horizons encourage speculation because the long-term location of future growth and development is unknown. In addition, reducing uncertainty and speculation will help protect agricultural activities in the Greater Golden Horseshoe.

In addition, short-term planning horizons create conditions for piecemeal planning where municipalities are forced to react to emerging shortages of housing, employment land or servicing capacity constraints. This is not conducive to the comprehensive, integrated planning needed to ensure the housing and employment needs of a rapidly growing population can be met in a manner which optimizes the use of land, including prime agricultural land, infrastructure and public service facilities.

The PPS and the Growth Plan include phasing policies to ensure that long-term planning supports intensification and designated greenfield area density targets and the orderly progression of development.

Policy 1.1.3.7 of the PPS says:

*“Planning authorities should establish and implement phasing policies to ensure:
a) that specified targets for intensification and redevelopment are achieved prior to, or concurrent with, new development in designated growth areas; and
b) the orderly progression of development within designated growth areas and the timely provision of infrastructure and public service facilities required to meet current and projected needs.”*

Policy 2.2.8.2.c in A Place to Grow says:

*“A settlement area boundary expansion may only occur where it is demonstrated that:
c) the timing of the proposed expansion and the phasing of development within the designated greenfield area will not adversely affect the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan.”*

BILD and OHBA support the use of a long-term planning in combination with existing provincial planning policies that protect agricultural land and require the phasing of development in greenfield areas to support the achievement of provincial intensification and density targets.

6. BILD and OHBA support the deletion of Schedule 7 of the Growth Plan which include forecasts for Simcoe County, Barrie, and Orillia.

BILD and OHBA would maintain that Schedule 7 of the Growth Plan, which provides 2031 population and employment forecasts for the lower-tier municipalities of Simcoe County, is no longer necessary. Simcoe County, like all other upper-tier municipalities in the Greater Golden Horseshoe, now has responsibility to allocate forecast population, and employment and housing growth to its lower-tier municipalities under the PPS and Growth Plan, deeming Schedule 7 unnecessary, and therefore should be deleted.

7. Regarding transition provisions, OHBA and BILD support the proposed approach to retain the current date for Growth Plan amendment conformity as July 1, 2022, and that municipalities be required to use the 2051 planning horizon without interim years – meaning no staging, transition or phasing of the application of the Schedule 3 forecasts.

When the first round of Municipal Comprehensive Reviews were approved around 2014, municipalities had the ability to accommodate residential growth for approximately 17 years (from 2014 to 2031). Currently, municipalities of the Greater Golden Horseshoe have the ability to accommodate residential growth for approximately 11 years (2020 to 2031) based on the population

forecasts in the 2006 Growth Plan.¹ The housing supply in the Greater Golden Horseshoe is less than the 15-year minimum housing supply required under the 2020 Provincial Policy Statement.

During the period leading up to the approval of the 2022 MCRs, the supply of housing in the municipalities of the Greater Golden Horseshoe will fall below ten years which is the minimum that municipalities were required to maintain under previous PPS. In addition, the 2031 population forecast for the Greater Golden Horseshoe from the 2006 Growth Plan (8,620,000 people) was substantially lower than the new Growth Plan population forecast for the same area (8,881,000). The difference amounts to approximately 261,000 persons. To put this in context, the combined populations of Pickering and Ajax amounts to approximately 240,000 persons.

During the first round of MCRs, municipalities were required to plan for the bare minimum amount of housing that was theoretically required to accommodate the population forecasts in the 2006 Growth Plan. Municipalities were not permitted to include contingency allowances to provide for unexpected circumstances related to either the demand for housing (e.g. an additional 261,000 people in the Greater Golden Horseshoe by 2031) or the various challenges to being able to supply housing, such as servicing constraints. Therefore, BILD and OHBA would maintain that there is no latitude to allow for any delay in the implementation of new population and employment forecasts for the Greater Golden Horseshoe, and would recommend that no staging or phasing of the forecasts be incorporated in Proposed Amendment 1 to a Place to Grow.

8. OHBA and BILD support the proposed policy to allow conversion of provincially significant employment zones located within major transit station areas before the next municipal comprehensive review, but also recommend that the related policy language be strengthened to give clearer direction on how to handle conversion requests, and recommend that they be appealable to LPAT.

In May 2019, changes to the Growth Plan provided new policies to enable municipalities to convert lands within employment areas to non-employment uses without provincial approval in order to expedite new housing construction as part of the government's Housing Supply Action Plan. However, to ensure certain employment areas were not converted locally without provincial involvement, the PSEZs were introduced with policy that provides the employment area lands located in a PSEZ could only be converted to non-employment uses through ministerial approval.

The province's proposal notes that in light of the unique nature of each zone and to address their objective of intensification around major transit station areas, Proposed Amendment 1 proposes to change an employment policy within the Growth Plan with respect to the planning of MTSAs within a PSEZ. Specifically, as supported by BILD and OHBA, the province is proposing to allow conversions of employment areas to non-employment uses within a provincially significant employment zone that

¹ In those municipalities where implementation of the first round of MCRs is not yet complete, the housing supply will have fallen below the 10-year mark. The planning horizon for Wellington County is 2041.

is located within a MTSA. This proposed change would allow for mixed-use developments to be initiated faster around MTSAs.

Policy 2.2.4.8 in the new Growth Plan requires that within all MTSAs, development will be planned to be transit supportive, with a diverse mix of uses, including housing. Policy 2.2.4.9 indicates land uses that would adversely affect the achievement of transit supportive densities should be prohibited in major transit station areas. Achieving these policy objectives may not be possible in cases where much of the land within 500 to 800 metres of the transit station are designated for employment uses only. BILD and OHBA recommend that the province provide clarification related to this policy, and other inconsistencies between the proposed section 2.2.5.10(c) and other sections in planning policy documents that suggest residential remains strictly prohibited in employment lands as they will more than likely be relied upon by certain municipalities to stymie provincial objectives of growth and intensification, especially in transit station areas.

In addition, BILD and OHBA recommend that the proposed language in section 2.2.5.10(c) be strengthened to give clearer direction to municipalities about how they should be handling conversion requests. As currently written, some municipalities are interpreting them in a manner which leads to refusals of these requests without justification. Conversion requests should also be appealable to the Local Planning Appeal Tribunal.

9. **Regarding the proposed Land Needs Assessment, OHBA and BILD maintain that a market-based supply is maintained as a primary objective of the analysis. The LNA should require that forecasted housing mix be realistic and meet the projected needs and wants of residents. It should also be adjusted to meet market demand to the extent possible while achieving other policy objectives; and in relation,**
10. **OHBA and BILD maintain that the Land Needs Assessment methodology should allow municipalities to use and reference the 'housing by type' and employment by type' distinctions, as well as the detailed population forecasts from the Growth Plan background information when determining their forecasting of household demand.**

The purpose of introducing market-based factors into planning for housing is not to address the needs of private industry or the interest of developers, but rather to address the needs of the current and future residents of the Greater Golden Horseshoe. Market demand relates to the needs and preferences of the people and families who need suitable housing today and those who will need suitable housing in the future. It relates to the 2019 Growth Plan objective of providing “*a diverse range and mix of housing options to accommodate people at all stages of life and to accommodate the needs of all household sizes and incomes*” (2.2.1.4.c), and the 2020 Provincial Policy Statement policies that require municipalities to provide for an appropriate range and mix of housing options to meet the needs of current and future residents.

The term “options” implies that people can make a choice from various alternatives. For large segments of the population, particularly young families, challenges of affordability could limit these options. BILD and OHBA are therefore supportive of an LNA that requires a realistic housing mix forecast which should be adjusted to market demands, and the reality of the housing supply environment. If requested, we would be pleased to again provide you with any housing supply and market affordability analysis.

The policies of the 2019 Growth Plan and 2020 PPS support a return to market conditions under which an appropriate range and mix of housing options will be available to meet the needs of current and future residents. The Vision for the Greater Golden Horseshoe set out in section 1.2 of the Growth Plan says: *“The GGH will have sufficient housing supply that reflects market demand and what is needed in local communities.”*

Including a breakdown of housing by type in the background study is critical to the realization of this Provincial policy objective. Policy 1.4.1 of the PPS requires that all municipalities provide for an appropriate range and mix of housing options and densities to meet projected requirements. Policy 1.4.2 says the land and unit supply maintained by lower-tier municipalities shall be based on the allocation of population and units by the upper-tier municipality, which in turn shall be based on provincial plans where they exist. The definition of housing options refers to a range of housing types such as single detached, semi-detached, rowhouses, etc., therefore, including a breakdown of housing by type in the background study would assist municipalities in the implementation of PPS policies 1.4.1 and 1.4.2.

In addition, all of this is essential to ensure housing is delivered in a timely way, and would also result in the positive outcome that municipalities will have predictable and reliable growth and development charge revenue.

In addition, the LNA methodology should encourage the use of alternative targets to the Growth Plan in order to deliver a market-based supply of housing where appropriate. Arbitrary increases to density or intensification targets (in particular, those higher than required by the Growth Plan) that move the housing mix further from market demand beyond that required to achieve compact built-form should not be permitted.

Lastly, BILD and OHBA recommend that the LNA methodology allow municipalities to use the background technical work of an updated High Growth Mock B study related to the new Growth Plan population forecasts when determining their forecasting of household demand. This will simplify the process, and expedite implementation of the methodology, as opposed to requiring every municipality to generate their own forecasts. While larger municipalities may undertake their own population, housing and employment forecast work, they should have the option to use these as inputs to expedite their implementation. Smaller municipalities can benefit from simply using this work as an input as opposed to undertaking their own detailed forecasting, which may be a challenge for them considering the amount of onerous work involved and their potentially limited resources.

11. OHBA and BILD recommend that the Land Needs Assessment should clarify that municipalities must designate all land requirements to 2051 when using the methodology, and may not designate a subset to interim years.

This is essential to providing a sufficient supply at all times through the horizon, and maintaining at all times, the minimum timeframes for designated, available and serviced land as required by the PPS.

12. OHBA and BILD recommend that the Land Needs Assessment require that contingency factors for lands that cannot or are unlikely to develop in the planning horizon be provided when estimating the total land required to accommodate housing and employment.

This should require that the supply of land available for housing and employment be inventoried and adjusted to account for lands that cannot develop as a result of development constraints and feasibility, planning, and market factors.

As previously noted, BILD and OHBA generally agree with and strongly support a new Land Needs Assessment document that maintains the flexibility of the approach described in the province's proposal. A simplified approach is easier to implement and allows more flexibility to account for local circumstances and the resources available in different municipalities of the Greater Golden Horseshoe. While we generally agree with the new LNA approach outlined in the ERO posting, we believe a LNA document that provides additional guidance on the steps outlined in the ERO posting is essential, and we thank you for considering our above recommendations and comments.

In addition, BILD and OHBA also support the province's proposed Amendment 1 to the Growth Plan, and particular, the proposal to update the Schedule 3 forecasts for population and employment in the Greater Golden Horseshoe. The preface to the proposed amendment acknowledges that the policies and targets established in A Place to Grow are intended *"to ensure that municipalities have the land base and the infrastructure to accommodate growth now and into the future."* To reiterate, implementation of the Housing Supply Action Plan and the Growth Plan's proposed Amendment 1 will help support a return to a properly functioning housing market under which the BILD and OHBA member companies in our 11 local associations within the Growth Plan area can look to provide a range of housing supply options and choice for the rapidly growing population of the Greater Golden Horseshoe.

Please rely on our members and the experts that help provide our analysis, as they are the closest to municipal implementation of any provincial policy, including those related to the Growth Plan and

Land Needs Assessment. We continue to be committed to working with you so that we can collectively get it right for the benefit of future homeowners and residents of this province.

Upon your review of this submission, we would welcome the opportunity to answer any questions or provide any additional clarification that you may have.



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cc. *Alex Beduz, Chief of Staff to the Minister of Municipal Affairs and Housing*
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