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Dan Ethier
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## Dear Mr. Ethier:

## RE: Approval of a Municipality's Official Plan - City of Ottawa (ERO # 019-4968)

The Ontario Home Builders' Association (OHBA) appreciates the opportunity to provide comments regarding the *Environmental Registry (ERO posting # 019-4968)*. We understand that the purpose of this posting is to seek comments regarding the proposed new City of Ottawa Official Plan as adopted by the City Council on November 24<sup>th</sup>, 2021, prior to the consideration of the proposed Official Plan by the *Minister of Municipal Affairs and Housing (MMAH)* for decision.

The OHBA understands that the intent of the proposed new Official Plan is to address the manner in which the City will manage growth over the planning period extending to 2046. It is important to recognize that the majority of growth be directed to the urban area through a combination of intensification and greenfield development. OHBA feels strongly that such an approach must support, facilitate, and recognize the provision of a variety of market-based residential unit types in order to deal with the housing supply crisis the province is facing.

Most recently, OHBA engaged the Smart Prosperity Institute (SPI) to project housing needs for the province on a go forward basis. Dr. Mike Moffatt, Senior Director at the SPI, concluded in his report that there has been a shortfall in housing supply in the province for a period of time and that moving forward through to 2031 there will be a need for at least one million new homes required to satisfy demand. This need will no doubt be challenging to meet

Aspects of critical importance related to the proposed new Official Plan for the City have been scrutinized in detail through the work of the Greater Ottawa Home Builders' Association (GOHBA). These are highlighted as follows.

- Population growth is a key input into a municipality's growth management plan as it drives housing
  requirements by type. The City of Ottawa undertook forecasts of potential population growth to 2046,
  and presented "low", "medium" and "high" scenarios. The City's proposed new Official Plan is based on
  housing requirement estimates from the "medium" scenario 400,000 new people, 195,000 new homes
  needed.
- Since the City undertook its forecasting, there has been a significant increase in expectations for population growth in the planning area. Also, the Ministry of Finance has since published a revised population projection for the Ottawa Census Division (applicable to the City of Ottawa) in the summer of 2021 which projected significantly stronger growth over the next 25 years.
- The Ministry of Finance projection indicates that the City of Ottawa could realize 530,000 new residents by 2046, rather than the 400,000 people on which the proposed new Official Plan is based.



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- The population projection prepared by the Ministry produces a total need for 224,000 new homes in the City by 2046. As such, the proposed new Official Plan represents a shortfall of approximately 29,000 homes over the planning period (comprised of a need for 19,600 additional apartment units and 9,600 additional ground-oriented residential units).
- Importantly, the revised population projection from the Ontario Ministry of Finance approximates the City's "high" growth scenario. This illustrates that the City had contemplated that such factors could lead to a higher growth level than was ultimately used in the growth management strategy and the proposed new Official Plan.
- The City of Ottawa will not be in a position to accommodate the housing needs of its residents, both current and future based on the population projection used in the proposed new Official Plan

Larger urban centres such as the City of Ottawa, where considerable investments have been made to provide the necessary infrastructure to accommodate growth, must take the lead in providing its appropriate share and choice of a wide variety of new housing units to accommodate the significant demand expected.

The OHBA maintains that it is important for municipalities, like the City of Ottawa in the review of its Official Plan, to conform to provincial policies included in the *Provincial Policy Statement (PPS) 2020* in particular related to the market-based projection methodology required to be undertaken as approved by the province. Accordingly, OHBA urges the *MMAH* to ensure that the following key elements are reflected in the proposed new Official Plan for the City of Ottawa prior to decision.

- Ensure that the projected growth and the need for a wide variety of housing types projected is not underestimated.
- Ensure that the projections are market-based in terms of the types of residential units needed to accommodate family needs as this is of paramount importance.
- Ensure that housing supply, affordability, and attainability are appropriately reflected in the proposed Official Plan to encourage the new housing supply required.
- Ensure that the proposed new Official Plan accommodates the projections presented in the SPI report prepared by Dr. Moffatt in dealing with future housing needs.
- Ensure that any changes regarding the future growth of the City initiated and subsequently approved by Council do not jeopardize the intent and integrity of the proposed new Official Plan relative to provincial policy.
- Ensure that the proposed new Official Plan reflects and meets the province's efforts and initiatives to reduce 'red tape' in order to deliver appropriate approvals in a timely manner to facilitate developments which lead to increased housing supply in order to implement growth forecasts.



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The OHBA strongly recommends that the *Minister of MMAH* addresses the matters raised herein prior to the approval of the proposed new Official Plan for the City of Ottawa. The Official Plan must offer credible solutions to the City's population and housing needs based on sound and realistic assumptions which must reflect the demand currently being experienced in terms of unit type and location. The OHBA strongly encourages the *Minister of MMAH* to ensure that these requirements are met satisfactorily prior to the approval of the City's Official Plan.

The *MMAH* has the opportunity at this time to set the tone and requirements for new Official Plans or Municipal Comprehensive Reviews prior to approval which will provide the direction, consistency, and expectation levels necessary to guide municipalities in dealing with the housing crisis in the province. It is a collective responsibility that must be coordinated and well executed. We feel that the *MMAH* is in a position to address the fundamental concerns expressed by the Greater Ottawa Home Builders' Association (GOHBA) regarding the proposed new Official Plan adopted by City Council on November 24<sup>th</sup>, 2021 and advanced by the City of Ottawa for approval.

Although the proposed new Official Plan has taken some steps to articulate some 'Bold Policy Moves' or strategic directions dealing with growth management and the provision of housing choices through increasing levels of intensification within built areas, key GOHBA concerns raised following a comprehensive review with its consulting team require attention by the *MMAH* are as follows.

- The amount of expansion land should be increased from the proposed 1,200 ha to 3,250 ha.
- The new Official Plan proposes an unachievable intensification rate that is not based on historical patterns. Further the proposed plan is not consistent with the *PPS* as it proposes a mix of housing units that do not reflect market-based demand.
- The growth projections used in the proposed new Official Plan need to be updated by incorporating the Ministry of Finance's current growth projection for Ottawa, which translates to a need for 3,250 ha of new urban land.

The OHBA strongly recommends that these concerns be addressed and resolved by the *MMAH* immediately and prior to the approval of the new City of Ottawa Official Plan.

The OHBA believes that if demand for housing outstrips supply and our members ability to build the housing required, the core of the affordability problem will be compromised and become worse. Municipalities such as the City of Ottawa, need to take bold steps through their new Official Plans to dramatically increase the housing supply of all types. Otherwise, our collective efforts will not make any meaningful progress towards addressing the affordability crisis Ontarians are facing. The OHBA feels that any proposed new Official Plan such as the one submitted by the City of Ottawa needs to be scrutinized from the perspectives presented above.

The OHBA feels that it can play a key role in assisting to bring new Official Plans to fruition which are in alignment with the goals, objectives, and requirements of the province. We value further discussion with *MMAH* staff in this regard and would look forward to such an opportunity. Thank you for seeking comments and input on this especially important matter through this *ERO posting*.