

# AMO's Response to the Province's Housing Affordability Task Force Report

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A Submission to the Government of Ontario

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### Preamble

AMO appreciates the province's commitment to addressing the housing affordability and supply crisis in Ontario. The COVID-19 pandemic has exacerbated the urgency of this work. In our view, the province needs a made-in-Ontario housing framework.

Meaningful results will only be achieved if the social determinants of health, poverty reduction, and climate change mitigation and adaptation, are also addressed. A new collective mindset and transformative change is required, as tinkering around the edges will not be successful. Now is the time to take bold action to address the systemic issues around housing affordability over the long-term. We need a new provincial framework for housing affordability that we can all sign on to and work together to achieve.

### Municipal Housing Advocacy to Date

AMO has been actively involved in housing and homelessness work for years. Municipal governments and District Social Service Administration Boards (DSSABs) in the North, are critical players on the front lines and make a meaningful difference for our communities with support from the provincial and federal governments. We are well-positioned to provide advice going forward on what is necessary to address the housing crisis affecting our communities.

In recent years AMO has created several papers on housing that call for government action: "[Fixing the Housing Affordability Crisis: Municipal Recommendations for Housing in Ontario](#)" (August 2019), "[Ending Homelessness in Ontario](#)" (December 2021), and, "[A Blueprint for Action: An Integrated Approach to Address the Ontario Housing Crisis](#)" (February 2022).

The 2019 paper made recommendations that would have served as a foundation for ongoing conversations with both the provincial and federal governments. It called for the National Housing Strategy framework to serve as a platform for the federal, provincial, and municipal orders of government to come together to talk about how best to improve housing outcomes for the people of Ontario.

The 2021 paper reiterated that the municipal role in housing and homelessness prevention cannot be understated and provided 23 potential actions to pursue an integrated systems approach.

The 2022 AMO Blueprint advocates for bold action and leadership by all three orders of government and private, non-profit, and co-operative housing sectors (collectively referred to as "development sector") to address the housing crisis in Ontario. It provides nearly 90 recommendations that, if implemented by all parties, would improve affordability, diversify the housing mix, and increase supply.

### The Province's Work on Housing Affordability

As you know, AMO was disappointed that in December 2021, the province [created a Housing Affordability Task Force \(HATF\)](#) that lacked any municipal representation. Despite this, best efforts were made to provide municipal perspectives in that process, in hopes that our members would have enough time to provide reactions to the HATF report before the government proceeded.



AMO recognized the HATF had a narrower scope for consultation, which is why we focused instead on commenting on the province's [Housing Affordability Survey](#) (January 13, 2022), and making sure there was AMO participation at the [Ontario-Municipal Housing Summit](#) (January 19, 2022), and the [Rural Housing Roundtable](#) at the Rural Ontario Municipal Association conference (January 23, 2022).

Each of these milestones provided AMO with an opportunity to illustrate how complex the crisis is and the need for an all-of-government approach to truly fix it. Those meetings made it clear that a refresh to our 2019 housing positions was needed. That is why the AMO Housing [Blueprint](#) was developed. The positions were informed by our AMO Affordable Housing and Planning Task Forces and AMO Board of Directors who met in January and February.

Then, the province's [Housing Affordability Task Force's \(HATF\) report](#) was released on February 8, 2022. AMO's Planning and Affordable Housing Task Forces and the AMO Executive met separately to discuss the HATF. In the end, significant concerns were raised that many premises and recommendations in the HATF report do not align with AMO's positions on housing. Therefore, AMO is writing to strongly encourage the Ministry to consider the comments below and recommendations made in our Housing Blueprint as it considers how to move ahead with solving these housing challenges.

### AMO's Response to the Province's HATF Report

Based on conversations to date, AMO will not be providing thoughts on individual recommendations in the HATF report. Members were concerned that doing so would be given that many would require details that we do not have, and that many are based on premises that AMO cannot support.

Rather, AMO respectfully submits high-level comments on the HATF report in hopes that the province will consider them fully as it continues its work.

#### Underlying Premises

First, the HATF's report fails to recognize the role that all orders of government and the development industry play to meaningfully contribute to addressing the housing crisis in Ontario. The HATF recommendations on their own will not address the housing crisis that Ontario faces. Specifically, the private sector alone will not necessarily increase housing affordability without government interventions through various planning and financial instruments.

Further, it seems to have been guided by the premise that the solutions are primarily at the local level to address barriers caused by municipalities and their councils.

Finally, the scope of the report was too narrow by applying the premise that increasing any sort of supply will address affordability. AMO does not believe this will be the case. More targeted action is required to ensure the right mix of supply will meet the needs of the people of Ontario of all income levels.

## Importance of Municipal Decision-Making

The report does not recognize the insight into local issues that municipal elected officials and staff have in relation to their communities, including how best to achieve housing targets and intensification. A strengthened and more centralized role for the province in local planning decisions would limit local autonomy and de-value community input.

The HATF report also focuses too much on municipal planning and development approvals. It leaves gaps in areas that were not considered such as the bottle neck at the Ontario Land Tribunal (OLT) which has slowed down housing development and contributed to higher housing and municipal costs. More work is needed to determine how the approval timing creates pressures on municipal planning staff who are pulled away from approval work to focus on OLT cases. We continue to also ask that De Novo hearings be removed from the OLT process toolbox.

There is also an assumption that municipal development charges and fees unnecessarily increase housing costs, and do not respect the principle that growth must pay for growth. There is no guarantee and no mechanism identified that developers would pass on the savings to consumers to decrease the price of the home or rental unit.

Another concern is that the broader use of surety bonds has been suggested as long-term solution. The financial risk associated with accepting a different instrument of financial security rests with the municipality and ultimately, the local property taxpayer. The decision to accept the appropriateness of such an instrument should remain a local decision, informed by all available evidence.

In our view, many of the recommendations put forward were done so without sufficient municipal engagement or consideration. If implemented, they could erode local decision making and are often punitive in nature. This is not productive when only working together constructively will result in the outcomes we all seek.

## Promising Policy Outcomes

The report has some promising policy outcomes for further investigation, including increasing the supply of rental housing, missing middle housing, increasing second suites and garden suites, and increasing density, particularly in Major Transit Station Areas (MTSAs). The province should consider achieving their policy objectives by establishing intensification targets and providing the necessary funding and support for municipalities as they achieve those targets through their official plan policies, based on their understanding of their communities.

It is critical that sufficient attention and action be given to regional differences across the province. In some cases, how policy outcomes can be delivered need more consideration. For example, the high cost of servicing land and staffing capacity challenges in rural and northern Ontario ought to be recognized and addressed. As well, the complexity of the Provincial Policy Statement (PPS) was mentioned but fell short of highlighting the need to revise the PPS to productively enhance growth and development planning beyond rural Ontario's settlement areas.

We have long advocated that with the complexity and lack of clarity between the *Planning Act*, Growth Plans, and the PPS, the province needs to take immediate steps to remove ambiguity in and between these policy instruments to assist those working with them to allow a more streamlined approach. Additionally, the province should implement an integrated One Window approach

involving all provincial line ministries which should involve reasonable timelines for the line ministries and other agencies under provincial authority.

Overall, a more comprehensive examination of the full spectrum of housing is required, including community and supportive housing. The province must also consider innovative funding options and financial tools, rental housing incentives and policies, investor speculation, and community housing.

Underutilized crown land especially in northern Ontario should also be dedicated to affordable housing options, as well as surplus public lands (such as school sites) throughout the province. We would like to see the recommendations in the HATF appendices B and C on community housing and government surplus land elevated to primary government consideration as part of the solution.

## Conclusion

AMO encourages the provincial government to find ways to address the housing crisis in Ontario in a way that requires all three orders of government and private, non-profit, and co-operative housing sectors (collectively referred to as "development sector") to work collectively to improve affordability, diversify the housing mix, and increase supply.

AMO has done considerable work on housing from a broader viewpoint, including our most recent Housing Blueprint. We encourage the Ministry to carefully consider the recommendations put forward in that report as an input akin to the HATF report. Considerable work has gone into this paper and is the combined efforts of our members who are speaking with one voice on this matter.

We can provide valuable, on-the-ground expertise of our members and are available to work with the Ministry to finding areas for collaboration and action. Now is the time for bold, collaborative action on housing.