

Housing affordability:

C. Addressing Housing Shortage by Updating the Approvals Process

Submitted by: The Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

The current approvals process for housing developments is inefficient and directly contributes to the housing shortage in the province.

Background

Successive governments have underinvested in Ontario's infrastructure, with the expected total investment over the next five years at 2.65% of provincial GDP – less than half the target investment (5.4%) for long-term growth.¹²⁵

The trend of underinvestment in infrastructure has been a consistent trend going back to the 1960s and 1970s, at the same time as Ontario's population had been growing by 1.5 per annum since 1970¹²⁶. Compounding the current housing issues is the fact that Provincial housing developments have stagnated, as demonstrated in chart 2.¹²⁷

This underinvestment has been exacerbated by a slow approvals system, with over 100,000 proposed housing units across Ontario are waiting for development.¹²⁸

Some of the most prominent reasons for this flawed approvals process are:

- Outdated processes: Including in areas such as zoning and building and planning permits.
- Poor communication and transparency, specifically pertaining to the relationship between municipalities and the Provincial government.
- No repercussions for municipalities missing targets for updating out of date zoning, resulting in a lack of accountability and no internal direction to solve the issue.
The government has taken steps to resolve these concerns through Bill 108; *The More Homes, More Choices Act 2019*, which includes provisions to develop more housing and mandates a reduction in decision making time. While these steps may address some of the issues, they do not provide the fundamental alterations required to fix the process.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Have the Ministry of Municipal Affairs and Housing conduct a full review of the current process to ascertain which areas can either be removed or streamlined. Specifically identify areas of the process (such as e-permitting) which can be moved to an electronic platform.

Develop a shared common data platform that will help the Province to establish a comprehensive e-permitting system where agencies and municipalities can link together. This can be used to streamline the

application and approvals process to ensure there is no miscommunication between the Provincial and Municipal governments, while simultaneously allowing all parties to track applications.

2. Promote greater transparency in the process, possibly by legislative means or by commissioning a body in place of the OMB/LPAT. At minimum, there should be the aforementioned web-based system which gives both developers and buyers sufficient information to understand the process.