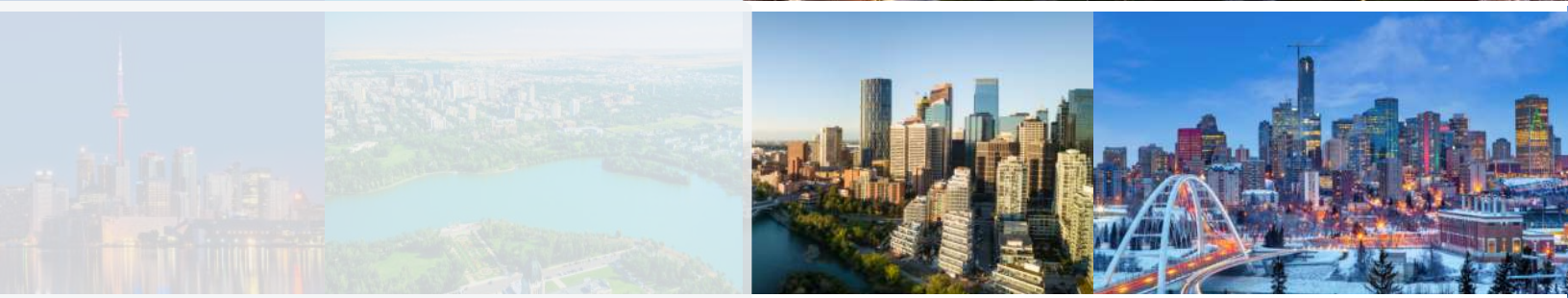
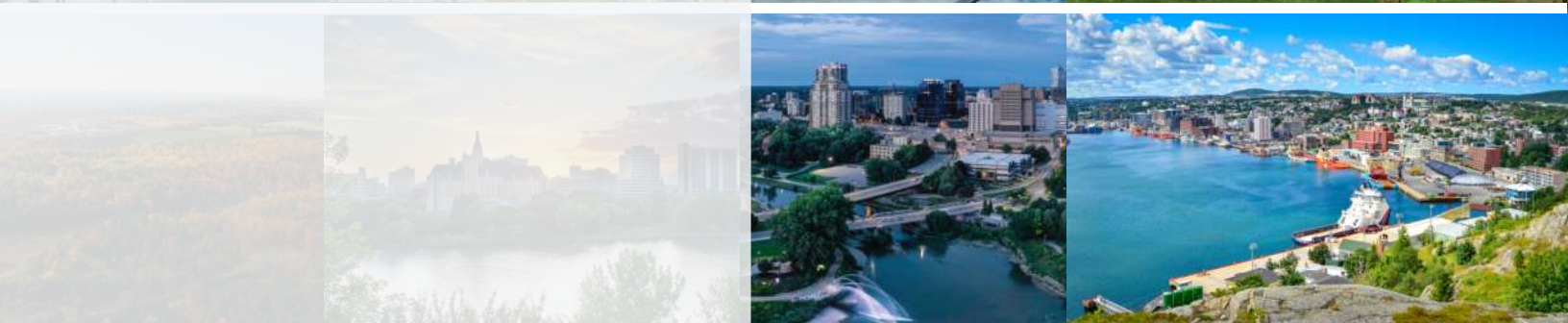


2022



MUNICIPAL BENCHMARKING STUDY



CHBA National Municipal Benchmarking Study

2nd Edition

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EXECUTIVE SUMMARY

Altus Group Economic Consulting was retained by the Canada Home Builders' Association (CHBA) to undertake a study of several factors that may be contributing to housing affordability issues in major housing markets across Canada, such as municipal approval processes, resulting timelines for approvals, and government charges levied by municipalities.

The study compares approaches that Canadian municipalities have in place to deal with the approval and ultimate development of new housing and highlights key features (and associated benefits of those features) in bringing new housing to approval and ultimate construction, as well as the cost implications of the municipal processes and policies. The analysis presented in the study was based on research done into 21 Canadian municipalities across the country.

Affordability Concerns are Driving National and Regional Demographic Shifts

A review of statistical and demographic data in the studied municipalities reveals several trends that are causes of, or effects of, housing affordability issues throughout Canada:

- Every municipality studied recorded an increase in population in each five-year period since 2006, although in most municipalities the rate of population growth is slowing. The average annual population change in these municipalities was 1.55% per year for the 2006-2011 period, 1.46% for the 2011-2016 period and 1.21% for the 2016-2021 period;
- Migration patterns, including international immigration, intraprovincial migration, net interprovincial migration and net non-permanent residents, are affected by housing supply and housing affordability. In the two (2) municipalities with the most severe affordability issues, Toronto and Vancouver, the net outflows of people to other parts of Ontario and BC, respectively has accelerated in recent years. This largely attributable to young adults aged 25-44 years and children aged 0-14 years leaving due to a combination of unaffordable, unsuitable and/or insufficient housing options for families or larger households;
- Apartment units have continued to represent a steadily increasing share of total housing construction in most municipalities and across Canada as a whole. In the five-year period from 2002 to 2006, single-detached units comprised 51.4% of all housing starts in Canada, while over the most recent five-year period (2017-2021), single-detached units were just 26.7% of housing starts;
- The share of rental housing as a proportion of total housing construction increased in 19 of the 21 municipalities examined between the 2012-2016 and 2017-2021 periods. However, the share of rental housing overall remains low compared to national peers in all municipalities in Ontario, Alberta and some municipalities in BC.

-
- The CMHC's recent analysis on housing supply estimated that 553,000 housing units per year for 10 years would need to be built nationally to restore affordability to levels seen previous in the early 2000s. Assuming housing construction rates based on peak years of construction over the last 20 years, the most optimistic scenarios for potential housing construction only achieve 314,800 per year. The amount of housing supply suggested by the CMHC is likely unachievable (or even approachable) without major changes to how new housing is planned for, permitted, and constructed.

Provincial and Municipal Process, and Application Requirements Contributing to Long Approval Timelines

To understand whether municipal processes could be improved to expedite the review of new housing applications, the review of planning approval processes has found that:

- Many municipalities have adopted a high percentage of identified tools and processes that are thought to help make the application process easier and more transparent for applicants, but some municipalities do still not make things such as application requirements, technical study terms of reference, or key planning documents available to applicants, which can hinder the quality of submissions received, and can indirectly impact municipal review timelines.
- Features that could assist with streamlining municipal processes and commenting periods, such as online submission portals and specific terms of reference for technical studies, are not commonly used in all municipalities that were examined;
- Among the municipalities studied, the places with the greatest number of identified features deemed as beneficial to encouraging and expediting housing supply were Edmonton, Oakville, London, Brampton, Ottawa, and Toronto; and
- Many applications are required to submit a wide array of technical studies, and while many are certainly necessary, our analysis has found 60 different types of studies are possible. It is common for 10-20 studies being required for a development application, which increases the amount of time to get to a complete application, adds complexity to municipalities reviewing and commenting on submissions, but also strains the resources of private-sector planning firms (among other related technical experts) as well.

Approval Timelines Longest and Increasing in Ontario, Stable Outside of Ontario

After building a robust database of recently approved development applications, the analysis shows significant variations in the approval timelines of municipalities, ranging from 3.5 to 32 months, depending on the municipality.

- Compared to the 2020 Study findings, municipalities in Ontario saw the timelines worsen, while non-Ontario municipalities saw average timelines improve. The driver of the worsening timelines in Ontario is from municipalities in the Greater Toronto & Hamilton Area.
- The best average approval timelines were found in Charlottetown, and the five (5) municipalities in Manitoba, Saskatchewan and Alberta, all five (5) of whom ranked in the top six (6).

Figure ES- 1 Estimated Average Approval Timelines, by Municipality, 2020 & 2022 Study

Rank	Municipality	Weighted Average - Approval Timelines		Rank		Trend in Time	Rank Trend
		2020 Study	2022 Study	2020 Study	2022 Study		
		<i>Months</i>					
1	Charlottetown	5	3	2	1	better	better
2	Saskatoon	6	4	3	2	better	better
3	Regina	4	4	1	3	worse	worse
4	Winnipeg	8	5	7	4	better	better
5	Calgary	12	5	9	5	better	better
6	Edmonton	7	7	4	6	worse	worse
7	St. John's	7	9	5	7	worse	worse
8	London	7	10	6	8	worse	worse
9	Ottawa	26	13	21	9	better	better
10	Brampton	20	13	16	10	better	better
11	Surrey	12	14	11	11	worse	no change
12	Oakville	11	14	8	12	worse	worse
13	Vancouver	13	15	12	13	worse	worse
14	Pickering	14	19	14	14	worse	no change
15	Bradford West Gwillimbury	24	20	19	15	better	better
16	Halifax	25	21	20	16	better	better
17	Burnaby	27	21	22	17	better	better
18	Hamilton	20	23	15	18	worse	worse
19	Markham	13	23	10	19	worse	worse
20	Toronto	21	32	17	20	worse	worse
Average of All Municipalities		14	14				

Note 1: Delta and Coquitlam included in 2020 Study, but removed for 2022 Study

Note 2: Data for Moncton not shown as insufficient data not found, and none provided by municipality

Source: Altus Group Economic Consulting

- Six (6) of the 20 municipalities have average timelines greater than 20 months, of which four (4) are located in Ontario. The highest-ranked Ontario municipality was London at 10.1 months, with Ottawa, Brampton and Oakville each being below 15 months as well.
- In the 2020 Study, seven (7) of the municipalities had approval timelines greater than 20 months, with five (5) of the seven (7) still having average timelines exceeding 20 months in the 2022 Study.
- The largest ranking improvements were in Ottawa (from 21st to 9th), Brampton (from 16th to 10th), Calgary (from 9th to 5th), and Winnipeg (7th to 4th).

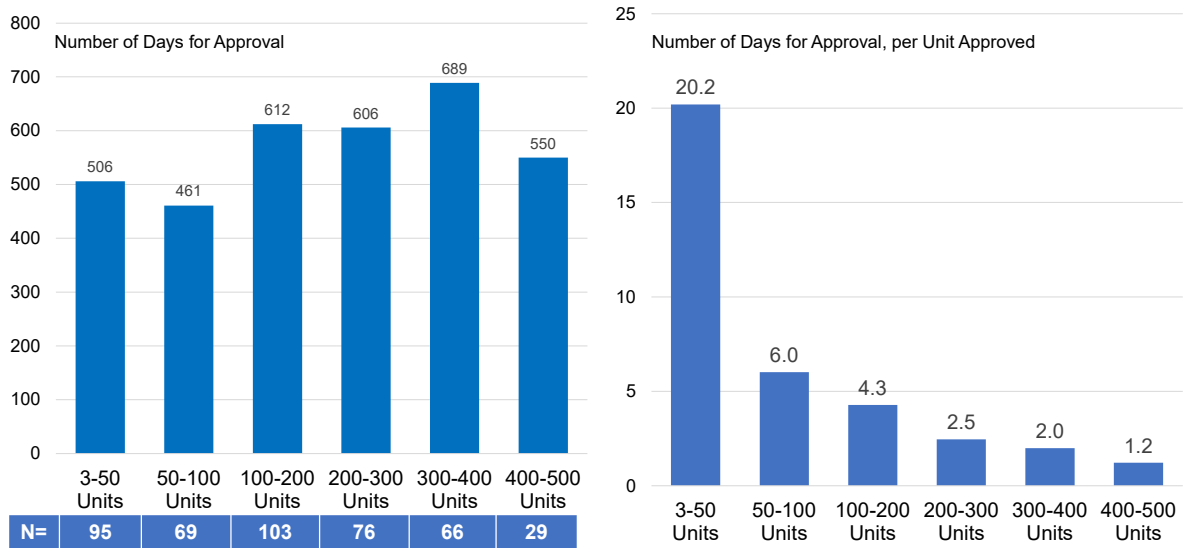
- Of the 10 best ranked municipalities in the 2020 Study, eight remained in the Top 10 for the 2022 Study, with Oakville and Markham falling out of the Top 10 and Ottawa and Brampton moving into it.

Little Time Savings Evident for Smaller Applications Puts Ability of Zoning Reform to Boost Housing Supply At-Risk

- Based on our analysis of high-density development applications within Ontario, there are little differences in approval timelines for smaller applications compared to larger applications – the marginal amount of ‘staff days per unit approved’ is 5-10-times higher for smaller applications (3-50 units) than for larger applications.
- High-density projects in Ontario with 3-50 units took an average of 506 days to get approved (averaging 25 units), taking 20.2 days in review per unit approved, while projects with 400-500 units took a similar average of 550 days to get approved (averaging 451 units among them), but this equated to 1.2 days in review per unit approved.

Figure ES- 2

Average Timelines for Approvals, High-Density Development Projects, Ontario Municipalities



Source: Altus Group Economic Consulting

- It would take 18 separate development applications of 25-units each to reach the same unit yield as the single 450-unit project. Based on average review time of 511 days for each smaller project, it would take approximately 9,100 days combined to reach the get 450 units approved, instead of the total 550 days that the larger single project approved.
- Relying on smaller applications, through initiatives such as those to up-zone stable neighbourhoods to address the significant need for more housing in the region, will have severe implications for the staffing resources needed to review a large ‘caseload’ without the associated

large unit count coming from that review. Zoning reform to allow more fine-grained development in neighbourhoods will need to be matched with significantly streamlined processes for those applications.

- Municipal feedback indicates that a key issue to improving approval timelines include staffing resources, turnaround times for resubmissions and that municipalities are ultimately conforming to requirements of provincial legislation and other related statutes and regulations, and that any attempts to streamline the review and approvals process are often limited by those requirements.

Municipal Charges Disproportionately High on Higher Density Developments, Putting Objectives for Increased Infill and Intensification At-Risk

- The government charges modelling for two hypothetical developments (low-rise and high-rise) found that the charges imposed by municipalities on new housing development are generally the highest in the Greater Toronto Area and Greater Vancouver.

Figure ES- 3

Development Scenario	Average Government Charges per Unit	Average Government Charges per Square Foot
Low-Rise Development	\$61,600	\$29 per square foot
High-Rise Development	\$41,400	\$52 per square foot

- Higher municipal charges (like escalating construction costs or other costs) increase the price ‘floor’ that units need to be sold at to be feasible to the developing landowner and home builder. If fewer units can sell at prices that cover increased costs, fewer units will get built.
- Since the 2020 Study, the low-rise scenario has seen the average municipal charge increase by 25% to \$61,600 per unit. The average municipal charge on high-rise development has increased by 29%, increasing to \$41,400 per unit.
- In many municipalities, but in all Ontario and BC municipalities studied, municipal charges imposed, when expressed on a per square foot basis, are significantly higher for high-rise development than low-rise development.
- Only in Edmonton, Saskatoon, Regina, Winnipeg and St. John’s are per square foot charges on high-rise equal to or less than the charges imposed on low-rise. On average, charges for high-rise were \$52 per square foot, compared to \$29 for low-rise.

Figure ES- 4

Ratio of Municipal Charges per SF, Low-Rise vs High-Rise Scenarios

Rank	Municipality	Charges per SF		Ratio of Costs
		Low-Rise	High-Rise	PSF
		<i>\$ / Square Foot</i>		<i>HR / LR</i>
1	Vancouver	28	157	5.7
2	Markham	73	139	1.9
3	City of Toronto	85	125	1.5
4	Brampton	57	100	1.7
5	Oakville	51	93	1.8
6	Pickering	39	80	2.0
7	BWG	35	67	1.9
8	Surrey	38	61	1.6
9	Hamilton	28	52	1.9
10	Ottawa	21	44	2.1
11	London	17	28	1.7
12	Burnaby	13	24	1.8
13	Calgary	19	21	1.1
14	Halifax	4	13	3.1
15	Edmonton	13	8	0.6
16	Saskatoon	32	8	0.3
17	Regina	15	5	0.3
18	Winnipeg	8	4	0.5
19	Moncton	2	3	1.6
20	St. John's	2	2	0.9
Average		29	52	1.8

Source: Altus Group Economic Consulting

- The disparity in charges imposed on high-rise development is partially owing to the high capital costs of developing in urban environments (transit particularly), but also to the influence of land values on several of the charges imposed on high-rise development, such as Parkland or Community Benefits Charges in Ontario.
- The disproportionate costs per square foot in municipal charges towards high-rise puts at risk municipal objectives for increased infill and intensification. This could hinder utilization of public infrastructure investments in urbanized areas, such as major transit station areas, or transit corridors.

Best Practices – Improvement but Plenty of Room to Continue to Improve

Based on a scan of programs initiated by municipalities, provinces, and locations outside of Canada to improve the development review processes, there are several key themes involved in the process reviews underway, or recently completed:

- Forced changes from COVID that required municipalities to adopt electronic planning and permitting systems has been found to be beneficial for both municipalities and applicants. However, implementation of these digital systems to their fullest extent has been inconsistent and elusive.

-
- Pairing zoning reforms with ‘off-the-shelf’ pre-approved designs, where appropriate, can help communities both reduce administrative burdens from planning for builders and get the housing they prefer to see built more quickly as demonstrated by the City of Kelowna Infill Challenge.
 - Enhancing transparency to the public on municipal decision making. Examples include Winnipeg’s Performance Benchmarking exercises that it undertakes as part of its municipal budgeting process and Nanaimo’s Council Meeting Dashboard that provides the public information in an accessible and easy to read format that allows stakeholders to easily understand councillors voting records, access meetings, and staff agenda items.
 - Reforming provincial planning policies, which is a requirement to improving development timelines as municipalities can only work within the frameworks established by the province they reside in. This is a trend that spans a wide breadth of policies, from adopting Planning Statements of Interests (“PIS”), including policies related to ‘housing options’ in existing PISs, establishing minimum density targets throughout the built boundary, and more.
 - Making municipal decision making more accountable by creating service standards and enhancing appeal rights as Bill 37 did in Manitoba for Winnipeg. As well, implementing some form of auditing or regular review of municipal implementation of provincial planning directives in a proactive manner through the appointment of a ‘Chief Provincial Planner’.
 - Employing service standards for application review but paired with a flexible system that allows municipalities and developers to come to mutually agreed upon timelines, which may be necessary to differentiate standard applications from more complex applications. This is already a well-established practice in municipalities in Alberta.
 - Enhancing the availability of planning data at various levels, such as requiring municipalities to create annual Planning Information Reports (“PIR”) that allow the public to understand where growth is occurring and in what formats. As well, ensuring that relevant planning documents, such as zoning codes, are available in open data formats so that this information can be both disseminated to the public on an individual level, and can also be aggregated through a National Zoning Atlas program to help researchers studying issues related to land-use planning.
 - Experimenting with regulatory changes for social and affordable housing projects, which can be immensely cost prohibitive, both in terms of just the application process in-onto-itself and the requirements of that process (e.g., stacked buildings adhering to angular planes). By providing various forms from relief, for example from technical reporting requirements, urban design guidelines, or the rezoning process entirely, municipalities are finding that they can help to make priority housing projects more feasible to build and built more quickly.

2022 Study Rankings

Figure ES- 5 summarizes the findings from the three (3) major elements studied that feed into housing affordability – getting housing approved, ensuring approvals are done in an expedient manner, and government charges that get borne by buyers/renters. Generally, municipalities from the Metro Vancouver and the Greater Toronto Area are found in the bottom half of the overall ranking – occupying – all are within the 10 lowest ranked municipalities.

Figure ES- 5

Combined Ranking - 2022 Municipal Benchmarking Study - CHBA

Rank	Municipality	Rank by Category			Total Score
		Approval Timelines	Government Charges	Planning Features	
		<i>fastest to lowest</i>	<i>lowest to highest</i>	<i>most to least</i>	
1	Edmonton	6	6	1	4.5
2	Charlottetown	1	1	19	6.4
3	Calgary	5	10	6	6.8
4	London	8	9	3	6.8
5	Regina	3	7	13	7.2
6	Winnipeg	4	5	15	7.6
7	Saskatoon	2	11	12	7.7
8	Halifax	16	4	5	9.1
9	St. John's	7	3	20	9.7
10	Ottawa	9	12	10	10.2
11	Moncton	10	2	21	10.9
12	Vancouver	10	17	8	11.5
13	Surrey	11	15	9	11.6
14	Oakville	13	18	4	11.8
15	Hamilton	18	13	7	13.2
16	Brampton	12	19	11	13.8
17	Burnaby	17	8	16	14.0
18	Toronto	20	21	2	14.9
19	Pickering	14	16	17	15.5
20	Bradford West Gwillimbury	15	14	18	15.6
21	Markham	19	20	14	17.8
Weighting by Category		40%	30%	30%	

Source: Altus Group Economic Consulting



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**APPENDIX A - OVERVIEW OF PLANNING PROCESSES BY
PROVINCE AND DETAIL BEHIND SCORING RE:
MUNICIPAL TOOL**

APPENDIX B – WHITE PAPER ON ZONING REFORM

1 INTRODUCTION

1.1 BACKGROUND & SCOPE OF STUDY

Altus Group Economic Consulting was retained by the Canada Home Builders' Association (CHBA) to undertake a Municipal Benchmarking Study ("MBS") of several factors that may be contributing to housing affordability issues in major housing markets across Canada.

The study looks at several factors such as municipal approval processes, timelines for approvals, government charges levied by municipalities on new housing development, and compares approaches that Canadian municipalities have put in place to deal with the approval and ultimate development of new housing.

This report is the 2nd edition of the CHBA National Municipal Benchmarking Study, with the first edition released in September 2020.

1.2 APPROACH

1.2.1 Topics Covered

This report looks at several areas that have direct links to issues related to housing supply and/or housing affordability, including the costs of developing new housing, as well as factors that impact the timeliness in which developers and landowners are able to bring new housing supply onto the market.

Figure 1

Subject Area	Approach
Demographic and Statistical Overview	Provide overview of trends in housing construction (tenure, form, prices), and shifts in population
Analysis of Municipal Planning Approval Processes	Review of the features in various planning systems in Canada, and associated benefits (or impacts) that these may have on adding new housing supply.
Review of Municipal Charges Imposed on New Development	Using two hypothetical development scenarios, estimate the direct costs that municipalities levy on new housing developments, costs which are ultimately passed on to new home buyers (or renters) through higher prices (or rents).
Sampling of Municipal Approvals Timelines	Estimating the amount of time that typical development applications spend in the municipal approvals process

Analysis and Review of Best Practices	Based on input from CHBA members, a high-level review of recent and ongoing initiatives that municipalities or provincial governments are taking to streamline the approvals processes, reduce costs of development, etc.
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The various sections of this report cover separate elements of the potential causes, effects and impacts of housing affordability in major Canadian municipalities.

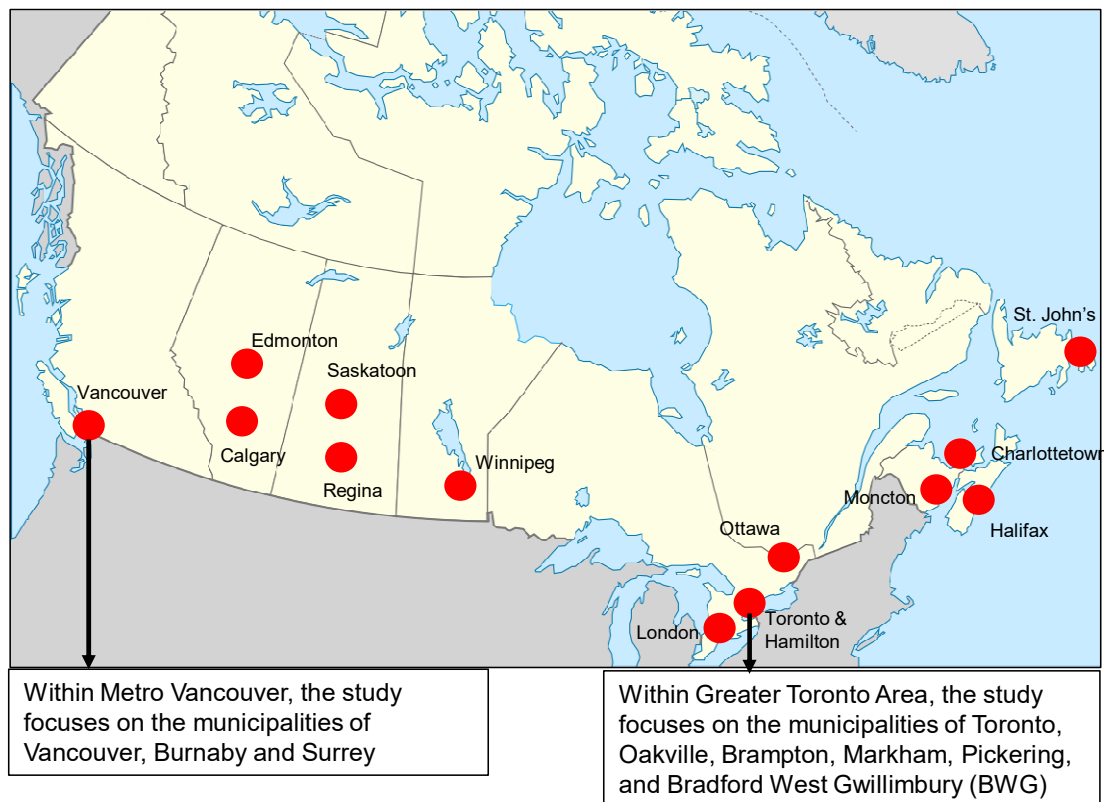
- The section on municipal processes attempts to show how the structures of provincial and municipal planning systems, as well as tools used by municipalities to implement provincial planning directives may impact approval timelines.
- The analysis of municipal timelines examines a robust sample of recent development approvals in municipalities across Canada to understand what typical timelines are.
- The analysis of municipal charges and fees imposed on new development estimates the impact of cumulative costs on the price of housing. These charges increase the costs of developing projects and increase the ‘floor’ price for housing below which projects will no longer be feasible. If the costs of construction, fees, charges, etc. rise enough to make more homes no longer feasible to construct, these charges (like all other costs involved with developing new housing) can have an impact on supply and the affordability of housing that does get constructed.

1.2.2 Geographic Scope

The study looks at the planning approval systems in 21 municipalities, across 14 metropolitan areas in nine (9) provinces. The municipalities reviewed are largely the same as studied in the 2020 MBS, which looked at 23 municipalities across Canada – Delta and Coquitlam BC were included in the 2020 MBS but have been removed from study for the 2nd edition.

Figure 2

Geographic Scope – Study Municipalities



1.3 CAVEATS

This report does not include municipalities in Quebec, as the CHBA's jurisdiction does not include the Province of Quebec.

The information presented in this report is based on interpretation of various municipal policies, by-laws, rate schedules, etc. While every effort has been made to interpret these materials accurately, there can be no certainty that municipal stakeholders will apply their policies and rates in the same manner as interpreted here.

The models at the core of this report frequently rely upon inputs and assumptions, such as assumed land values, and project yields from hypothetical development sites. These inputs and assumptions are intended for the purposes contained herein, and should not be used for any other purpose, or relied upon in any manner other than how they are used within this report.

The data presented in this report is based on the latest data available as of the time of writing the report (Summer 2022), but given the types of data used, the most recent iteration of data may vary from one chart, table, or figure to the next.

For example, CMHC data on housing starts is available to the end of 2019, while some Statistics Canada Census data is only current as of 2016, while other Census data is current as of the 2021 Census.

2 DEMOGRAPHIC AND STATISTICAL OVERVIEW

This section of the report provides a high-level overview of key demographic characteristics in the municipalities studied, and presents some key statistics related to housing development and affordability in these markets.

2.1 DEMOGRAPHIC DATA

2.1.1 Population Change

Figure 3 shows the population in absolute numbers, as well as the average annual change for each of the municipalities examined in each census year since 2006. Every municipality studied recorded an increase in population in each five-year period since 2006. The average annual population change in these municipalities was 1.55% per year for the 2006-2011 period, 1.46% for the 2011-2016 period and 1.21% for the 2016-2021 period.

Several municipalities have seen the population growth rate increase in each successive five-year period – Pickering, Hamilton, London, Winnipeg, and Vancouver recorded increasingly large five-year population growth rates in each five-year period since 2006.

Figure 3 Population and Average Annual Population Change, Selected Municipalities, 2006-2021

Municipality	Population				Average Annual Population Change		
	2006	2011	2016	2021	2006-2011	2011-2016	2016-2021
	Persons				Percent Change		
St. John's	100,646	106,172	108,860	110,525	1.07%	0.50%	0.30%
Halifax	372,769	390,212	403,131	439,819	0.92%	0.65%	1.76%
Moncton	64,128	69,074	71,889	79,470	1.50%	0.80%	2.03%
Charlottetown	32,174	34,562	36,094	38,809	1.44%	0.87%	1.46%
Ottawa	812,129	883,391	934,243	1,017,449	1.70%	1.13%	1.72%
Pickering	87,838	88,721	91,771	99,186	0.20%	0.68%	1.57%
Markham	261,573	301,709	328,966	338,503	2.90%	1.74%	0.57%
Toronto	2,503,281	2,615,060	2,731,571	2,794,356	0.88%	0.88%	0.46%
Brampton	433,806	523,911	593,638	656,480	3.85%	2.53%	2.03%
Oakville	165,613	182,520	193,832	213,759	1.96%	1.21%	1.98%
Bradford West Gwillimbury	24,039	28,077	35,325	42,880	3.15%	4.70%	3.95%
Hamilton	504,559	519,949	536,917	569,353	0.60%	0.64%	1.18%
London	352,395	366,151	383,822	422,324	0.77%	0.95%	1.93%
Winnipeg	633,451	663,617	705,244	749,607	0.93%	1.22%	1.23%
Regina	179,282	193,100	215,106	226,404	1.50%	2.18%	1.03%
Saskatoon	202,408	222,189	247,201	266,141	1.88%	2.16%	1.49%
Calgary	988,812	1,096,833	1,239,220	1,306,784	2.10%	2.47%	1.07%
Edmonton	730,372	812,201	933,088	1,010,899	2.15%	2.81%	1.61%
Surrey	394,976	468,251	517,887	568,322	3.46%	2.04%	1.88%
Vancouver	578,041	603,502	631,486	662,248	0.87%	0.91%	0.96%
Burnaby	202,799	223,218	232,755	249,125	1.94%	0.84%	1.37%
Total	9,625,091	10,392,420	11,172,046	11,862,443	1.55%	1.46%	1.21%

Source: Altus Group Economic Consulting based on 2006, 2011, 2016 and 2021 Census Data

2.1.2 Average Household Size

Figure 4 shows the change in average household size in each municipality studied between 2006 and 2021. In many municipalities, the average household size declined over the 2006-2021 period, which maybe due to demographic

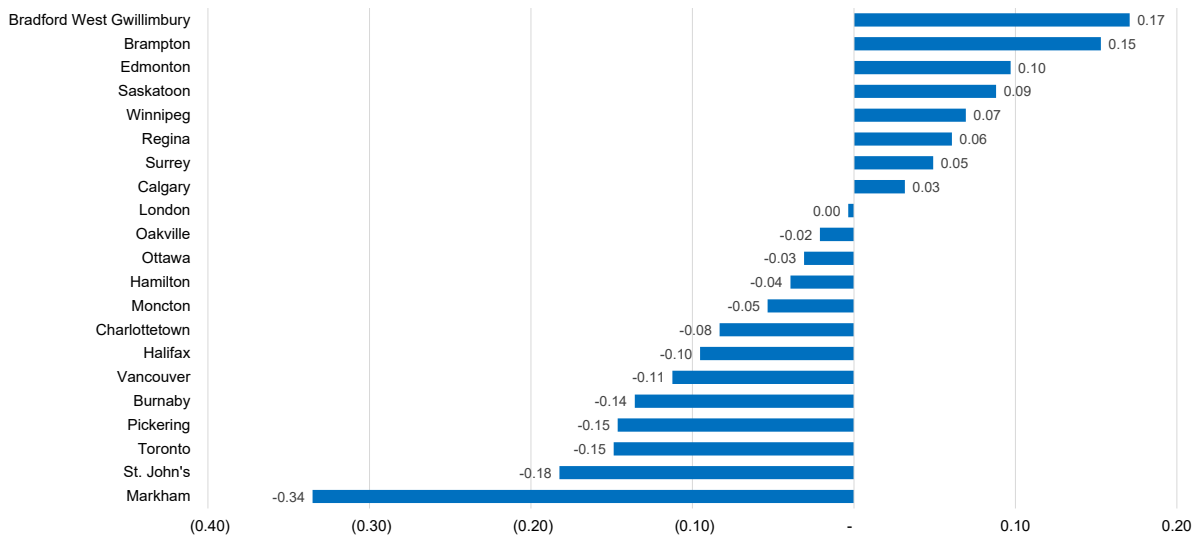
factors including declining fertility rates, empty nesters remaining in their homes, an increase in the number of persons living alone, etc. A shift in overall housing supply towards smaller dwelling units as municipalities build-out or more heavily rely on infill and intensification, can also cause decreases to overall average household sizes.

Regardless of the reasons, a declining average household size has the effect of increasing demand for new housing units even in a scenario where there is no net population growth, or the population is decreasing. The decline in average household size is seen in each Atlantic municipality studied, and in most of the municipalities examined in Ontario (except Brampton and Bradford West Gwillimbury) and British Columbia (except Surrey). In each of the five (5) municipalities studied within Manitoba, Saskatchewan and Alberta, average household size increased over the 2006-2021 period.

Figure 4

Change in Average Household Size, 2006-2021

Persons per Unit



Source: Altus Group based on 2016 and 2021 Census data

2.1.3 Migration Data

Using Statistics Canada data on types of migration by Census Divisions (“CDs”), this study analyzes the sources of population change within each of the CDs that cover the municipalities studied. Beyond demographic factors such as births and deaths, there are four key flows of people into and out of municipalities and regions in Canada:

- **Net Immigration** - persons arriving from outside of Canada (as permanent residents) minus persons that were living in Canada, and are leaving the country;
- **Net Interprovincial migration** – the net number of persons moving from one province to another;

- **Net Intraprovincial migration** – the net number of persons moving into/out of a municipality or metropolitan area, but staying within the same province;
- **Net non-permanent residents** – net inflow or outflow of persons such as temporary workers, students, etc.

For example, over the 10-year period ending mid-year 2021, the City of Toronto has seen several distinct movements of population into and out of the City:

- An **additional** 381,500 persons residing in the City from net international immigration (persons coming from outside of Canada);
- An **additional** 17,300 persons residing in the City from interprovincial migration – persons moving to the City from other places in Canada, outside of Ontario.
- A **net outflow** of 298,400 persons that have left the City to move to other parts of the province of Ontario; and
- An **additional** 83,900 net new non-permanent residents (comprised of international students, temporary workers, etc.).

Combined, these four factors contributed to population growth within the City of Toronto but exhibits that the City has been fully reliant on inflows of people from other parts of the world (total net gain of 465,500 persons combined) and other parts of Canada (net gain of 17,300 from other Provinces) to offset the significant net outflows of Toronto residents to other parts of Ontario (loss of 298,400 persons).

Figure 5 Sources of In/Out Migration by Census Division, 2010/11 to 2020/21, Ranked by Net Intraprovincial Migration

Census Division	Contains Study Municipality	Net Intraprovincial Migration		Net Immigration		Net Interprovincial Migration		Net Non-Permanent Residents		Total	
		Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
		Persons		Persons		Persons		Persons			
Simcoe County	BWG	82,010	1	5,233	19	(7,929)	15	6,114	10	85,428	8
Durham Region	Pickering	64,069	2	19,164	15	(7,923)	14	5,711	11	81,021	9
Halton Region	Oakville	42,124	3	34,330	11	(118)	8	3,990	12	80,326	10
Alberta - Division #11	Edmonton	40,773	4	133,617	5	29,143	2	70	18	203,603	3
Alberta- Division #6	Calgary	31,703	5	156,703	4	26,645	3	(4,848)	19	210,203	2
Hamilton	Hamilton	20,871	6	23,030	13	(2,562)	12	7,919	9	49,258	15
Sask- Division #11	Saskatoon	20,313	7	48,641	9	(18,251)	17	1,924	17	52,627	14
Middlesex County	London	19,708	8	20,362	14	(1,048)	10	17,640	6	56,662	13
Ottawa	Ottawa	18,470	9	51,904	8	22,032	4	19,300	5	111,706	6
Halifax	Halifax	11,546	10	29,705	12	10,086	6	8,182	8	59,519	12
Nfld/Lab - Division #1	St. John's	9,218	11	5,981	18	(5,805)	13	2,622	16	12,016	19
Sask - Division #6	Regina	8,499	12	41,050	10	(18,555)	18	3,561	13	34,555	16
NB- Westmorland	Moncton	6,761	13	10,967	17	1,304	7	3,445	15	22,477	17
PEI- Queens	Charlottetown	2,109	14	14,316	16	(1,335)	11	3,479	14	18,569	18
Manitoba - Division #11	Winnipeg	(7,575)	15	113,440	6	(47,427)	19	19,416	4	77,854	11
York Region	Markham	(17,809)	16	94,929	7	(467)	9	11,789	7	88,442	7
Greater Vancouver	Van/Burn/Surr	(89,294)	17	237,999	3	42,499	1	73,248	3	264,452	1
Peel Region	Brampton	(158,707)	18	254,216	2	(9,891)	16	75,312	2	160,930	5
Toronto	Toronto	(298,403)	19	381,522	1	17,303	5	83,932	1	184,354	4

Source: Statistics Canada, 2020-2021 Annual Demographic Estimates

A similar trend was seen in Greater Vancouver, which recorded an inflow of 311,250 persons from international sources (immigration and non-permanent

residents) and a significant inflow of 42,500 persons from other provinces but lost 89,300 persons to other parts of the province of BC.

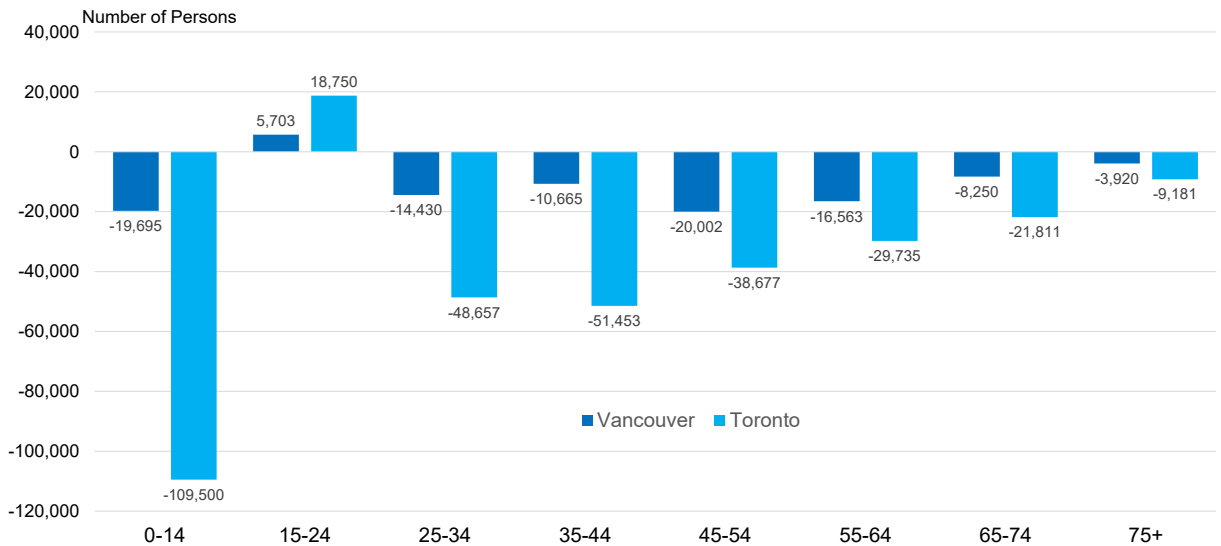
Significant outflows of intraprovincial migration can be due to households leaving an area due to a lack of desired housing options in a municipality (size, type, features, age, etc.), or the unaffordability of the housing options that are available, among other factors.

Figure 6 provides a breakdown of intraprovincial outflows among the studied municipalities, with the largest net outflows to other parts of their respective provinces - the City of Toronto and Greater Vancouver between 2011 and 2021.

- Data for the ten-year period from 2011-2021¹, when broken out by age group, shows that the source of the outflows in Toronto is heavily oriented to adults aged 25-44 years and children aged 0-14 years. This suggests that young families are, on net, the primary source of persons leaving the City for other parts of Ontario;
- Data for Greater Vancouver shows that there were significant net outflows of children aged 0-14 years and adults older than 25 years, although the net outflows are more widespread among all age groups than they are for the City of Toronto.

Figure 6

**Intraprovincial Migration by Age Group, 2011-2021,
City of Toronto and Greater Vancouver**



Source: Altus Group based on Statistics Canada, Annual Demographic Estimates, 2020-2021

Within the Greater Toronto and Hamilton Area (“GTHA”), the City of Toronto and Peel Region, which borders Toronto to the immediate west, saw similarly significant net outflows of persons aged 25-44 years and children aged 0-14 years. Farther outlying and generally more affordable areas in the GTHA, such

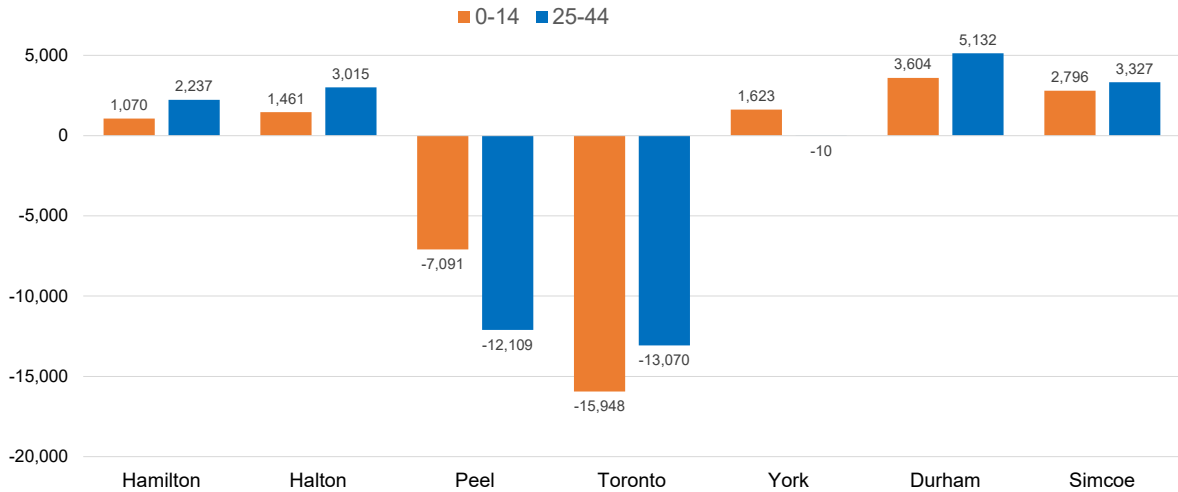
¹ Statistics Canada, Annual Demographic Estimates

as Durham Region, Halton Region, Hamilton and Simcoe County, have seen positive inflows of persons from those age groups. The most affordably priced locations within the GTHA (Durham Region and Simcoe County) have seen the largest net inflows of people from elsewhere in Ontario (likely mostly from Toronto).

Figure 7

Intraprovincial Migration for Age Groups 0-14 and 25-44, 2020-2021, Greater Toronto & Hamilton Area

10,000 Number of Persons



Source: Altus Group based on Statistics Canada, Annual Demographic Estimates, 2018-2019

2.1.4 Households by Tenure

An analysis of the tenure of occupied dwellings shows that there has been an increase in the share of renter households in most of the municipalities examined, except for Burnaby, Edmonton and Saskatoon (see Figure 8).

An increase in the share of renter households does not necessarily mean that there was an increase in the amount or share of housing built as “purpose-built rental”. Instead, this may mean there has been an increase in the size of the secondary rental market (rented single-detached, basement or secondary suites, semi-detached, townhouse units and condominium apartment units).

Figure 8

Household Tenure in Studied Municipalities, Ranked by Highest Share of Renter Households in 2016

Municipality	Province	Share of Renter Households			% Increase in Households by Tenure	
		2006	2016	Change in Pct. Points	Owner	Renter
		<i>Percent Share</i>			<i>Percent Change</i>	
Vancouver	BC	51.9%	53.1%	1.2	9%	15%
Charlottetown	PEI	47.2%	51.8%	4.6	7%	29%
Toronto	Ontario	45.6%	47.2%	1.6	10%	18%
Moncton	NB	40.8%	41.3%	0.6	15%	18%
Halifax	Nova Scotia	36.0%	39.9%	3.9	5%	24%
London	Ontario	37.7%	39.9%	2.2	8%	19%
St. John's	Nfld & Lab.	36.4%	38.6%	2.2	11%	22%
Burnaby	BC	38.5%	37.9%	(0.6)	19%	16%
Edmonton	Alberta	37.1%	35.7%	(1.4)	24%	17%
Winnipeg	Manitoba	34.9%	35.1%	0.2	7%	8%
Ottawa	Ontario	34.0%	34.3%	0.3	16%	17%
Saskatoon	Sask.	36.1%	33.2%	(2.9)	22%	7%
Hamilton	Ontario	31.7%	32.4%	0.7	8%	11%
Regina	Sask.	31.6%	32.1%	0.5	16%	19%
Surrey	BC	24.8%	28.8%	4.1	23%	51%
Calgary	Alberta	27.2%	28.6%	1.4	19%	27%
Coquitlam	BC	25.1%	28.3%	3.3	19%	41%
Delta	BC	18.7%	21.2%	2.4	3%	20%
Brampton	Ontario	18.5%	20.0%	1.5	31%	44%
Oakville	Ontario	15.9%	18.3%	2.4	14%	35%
Bradford West Gwillimbury	Ontario	17.2%	17.3%	0.1	46%	47%
Markham	Ontario	11.3%	13.9%	2.7	29%	64%
Pickering	Ontario	10.9%	12.6%	1.7	7%	26%

Source: Altus Group Economic Consulting based on 2006 and 2016 Census of Canada

2.2 HOUSING DATA

2.2.1 Housing Starts by Dwelling Type

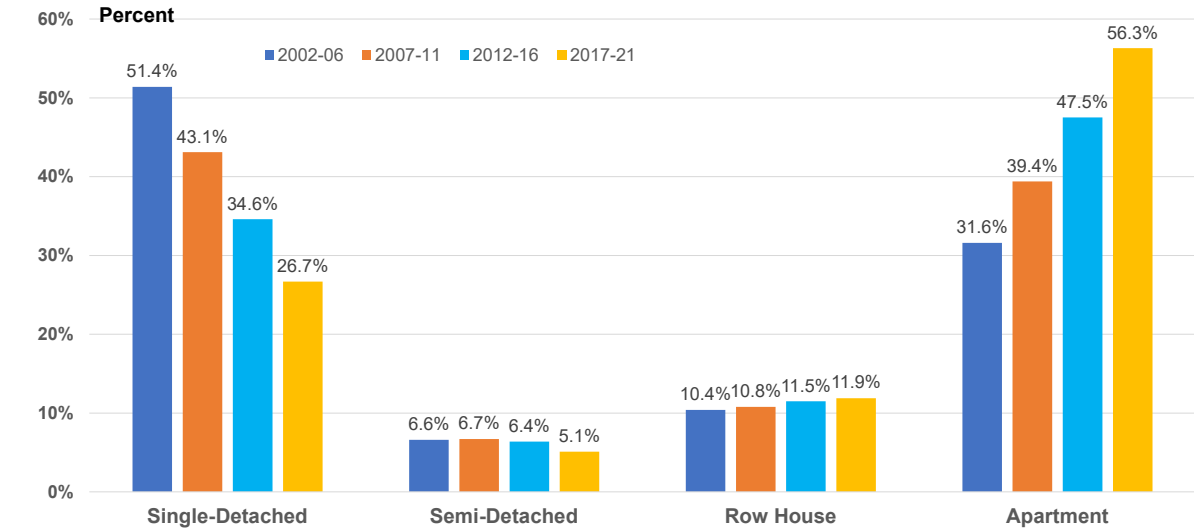
Over the 20-year period from 2002 to 2021, apartments have been steadily increasing as a proportion of housing starts, while ground-related housing forms (single-detached, semi-detached and row houses) have combined to decline in share (see Figure 9) across Canada.

- In the five-year period from 2002 to 2006, single-detached units comprised 51.4% of all housing starts in Canada, while apartments were just 31.6% of housing starts; and
- Over the most recent five-year period (2017-2021), single-detached units were just 26.7% of housing starts, while apartments increased to 56.3% of starts.

Figure 9

Change in Housing Starts by Structure Type

Canada, 2002-2021, by 5-Year Period



Source: Altus Group based on CMHC Housing Starts data

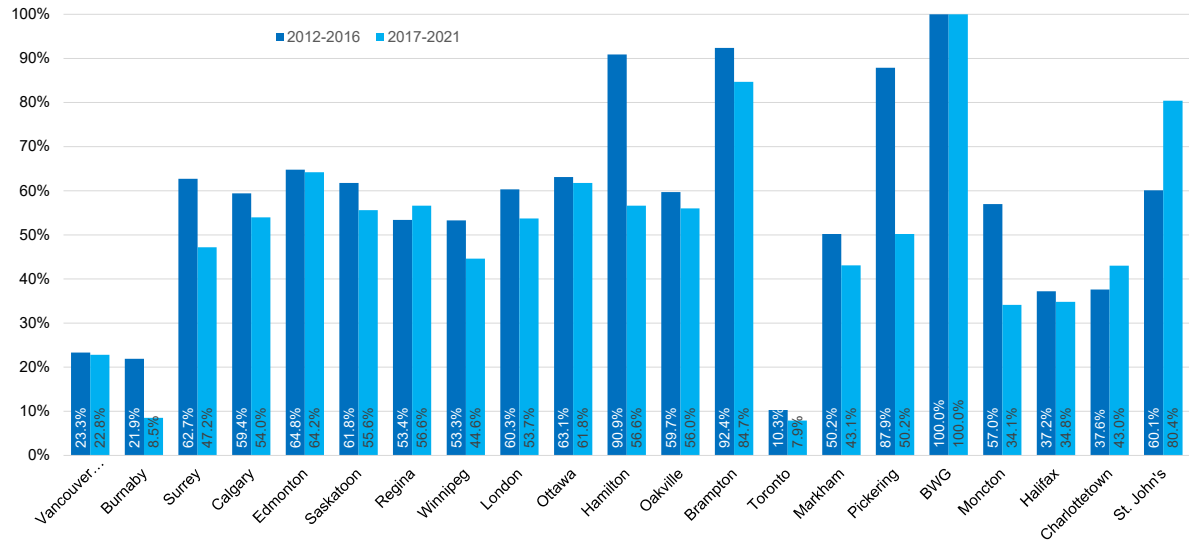
Among the municipalities studied, 17 of the 21 municipalities saw the combined share of housing starts in ground-related housing forms decline from the last five-year period (2012-2017) to the most recent five-year period (2017-2021). Only Charlottetown, St. John’s and Regina observed increases, while Bradford West Gwillimbury held at 100% in each period.

Between the 2012-2016 and the 2017-2021 periods, the five (5) largest declines in the share of ground-related housing starts as a proportion of total starts were seen in the following municipalities:

- Pickering - share of ground-related starts fell from 87.9% in the 2012-2016 period to a 50.2% share in the 2017-2021 period, a decline of 37.7 share points;
- Hamilton - decline of 34.3 share points;
- Moncton - decline of 22.9 share points;
- Surrey - decline of 15.5 share points; and
- Burnaby - decline of 13.5 share points.

Figure 10

**Change in Share of Ground-Related Housing Starts by Municipality
2012-2016 vs. 2017-2021**



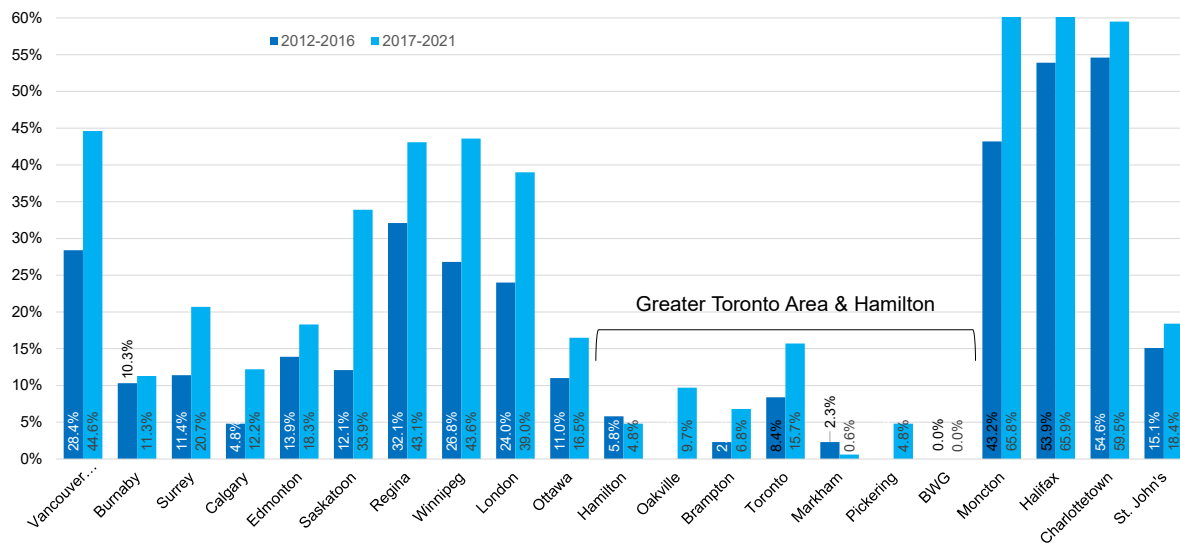
Source: Altus Group based on CMHC data

2.2.2 Housing Starts by Tenure

An increase in the share of annual purpose-built rental housing starts, as a proportion of total housing starts, was observed in 19 of the 21 municipalities examined between the 2012-2016 and 2017-2021 periods. The only municipalities that saw declines in share of rental-tenure housing starts were Hamilton and Markham (see Figure 11).

Figure 11

Change in Share of Rental Tenure Housing Starts by Municipality 2012-2016 vs. 2017-2021



Source: Altus Group based on CMHC Housing Now data

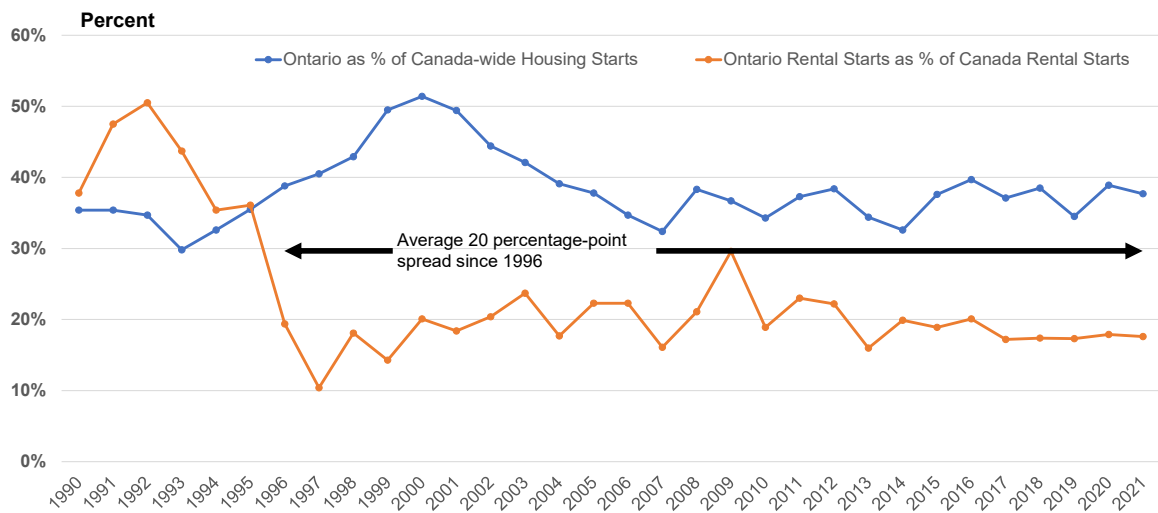
The key trend depicted in Figure 12 is the ongoing lack of rental tenure housing construction in the GTHA. Of the 21 municipalities studied, Ontario municipalities were responsible for the six (6) lowest ratios - Bradford West Gwillimbury, Markham, Pickering, Hamilton, Brampton and Oakville. Of the bottom 10 municipalities with the lowest shares of rental housing starts, Burnaby (11.3% share) and Calgary (12.2% share) are the only non-Ontario municipalities.

In the latest five-year period 2017-2021, the City of London was the only Ontario municipality where purpose-built rental comprised more than 17% of the share of housing starts. The City of Ottawa had the second-highest share of purpose-built rental starts among Ontario municipalities. However, while Ottawa had 167% more total housing starts than London during the most recent five-year period, it had only 13% more total purpose-built rental housing starts than London.

Between 1996 and 2021, Ontario has accounted for 38.8% of all Canada-wide housing starts, but only 18.9% of all Canada-wide purpose-built rental housing starts, a gap that has persisted in size for the past 25 years, with Ontario never once exceeding its 'fair share' of rental housing starts relative to overall housing production.

Figure 12

Ontario Housing Starts as % of Canada-Wide Housing Starts As % of Total and as % of All Rental Housing Starts



Source: Altus Group based on CMHC data

The relative lack of purpose-built housing starts in Ontario has largely been filled by a high proportion of condominium apartments being rented out on the secondary rental market. According to CMHC data, roughly 34.2% of all condominium apartments in the five (5) major Ontario CMAs (Hamilton, Kitchener-Waterloo, London, Ottawa and Toronto) are rented out to end-users. In these five (5) CMAs alone, there are 177,850 condominium apartments rented by end-users, which is roughly similar to the total amount of purpose-built rental housing starts seen in Ontario since 1990 (184,000).

2.2.3 Housing Starts by Province

Figure 13 summarizes historic (2002-2016) and recent (2017-2021) annual average housing starts by province. In the past five (5) years, the annual average housing starts increased by 15% relative to the historic average from the preceding 15-year period. Six (6) of the 10 Canadian provinces saw an increase in housing starts in the past five (5) years compared to the prior 15 years, except for Alberta (-14%), Saskatchewan (-29%), Nova Scotia and Newfoundland (-1% and 61%). Prince Edward Island recorded the largest jump in housing starts in the past five years, at a rate that was 70% above the historic 15-year average.

Figure 13 also shows the highest single year for housing starts in each province since 2002. In 2021, five (5) of the 10 provinces reached a 20-year peak in housing starts, as did Canada as a whole, with a total of 244,141 new housing starts.

Figure 13

Historic and Recent Annual Average Housing Starts by Province, 2002-2016 and 2017-2021, and Peak Housing Starts

Province	Historic Average (2002-2016)	Average Last Five Years (2017- 2021)	% Increase / Decrease vs. Historic Average	Peak Housing Starts (Last 20 Years)	Year of Peak
	<i>Units</i>		<i>Percent Chg.</i>	<i>Units</i>	
British Columbia	27,594	40,218	46%	43,360	2021
Alberta	30,647	26,398	-14%	40,882	2006
Saskatchewan	4,448	3,149	-29%	7,941	2012
Manitoba	3,840	6,356	66%	6,609	2017
Ontario	67,715	78,046	15%	92,284	2021
Quebec	38,448	45,924	19%	57,309	2021
PEI	532	905	70%	1,114	2019
New Brunswick	3,380	4,247	26%	5,310	2021
Nova Scotia	2,469	2,448	-1%	3,348	2021
Newfoundland	1,842	726	-61%	2,544	2012
Total Canada	180,914	208,417	15%	244,141	2021
Potential Total if Every Province Reached Peak				260,701	

Source: Altus Group Economic Consulting

Figure 13 also presents what Canada-wide housing starts totals could approach if all 10 provinces each reached their 20-year peak in total. In this optimistic scenario, overall housing starts would equate to 260,700 units of housing starts.

As the most optimistic tally of housing supply potential possible, if every province, were able to achieve their 20-year peaks for each unit type respectively, the total amount of housing activity would be approximately 314,800 housing starts per year.²

The CMHC’s recent report³ on housing supply shortages found the “business as usual” scenario will produce approximately 2,259,000 housing units over the 10-year period from 2021 to 2030, or roughly 225,000 units per year. To achieve affordability targets in each province based on the levels seen in the early 2000s, the CMHC found that another additional 3,530,000 housing units will be required to be built over the same period.

While the CMHC’s analysis is not necessarily meant to reflect an estimate of demand for housing, it does consider the amount of supply required to get to its targeted affordable housing prices/rents in each province. This would require 5,530,000 housing units in total over a 10-year period, or 553,000 housing units per year. Based on even the most optimistic scenarios of housing production of

² For example, in BC, this estimate would equate to 49,276 units, based on the 20-year high of single-detached starts of 12,329 units reached in 2004, the 20-year high of 1,901 semi-detached units in 2008, the high of 4,722 townhouse units in 2021, and the high of 30,324 apartment units in 2019.

³ CMHC. *Canada’s Housing Supply Shortage: Estimating what is needed to solve Canada’s housing affordability crisis by 2030*. June 2022

all unit types, in all provinces, this amount of new housing is likely unachievable (or even approachable) without major changes to how new housing is planned for, permitted, and constructed.

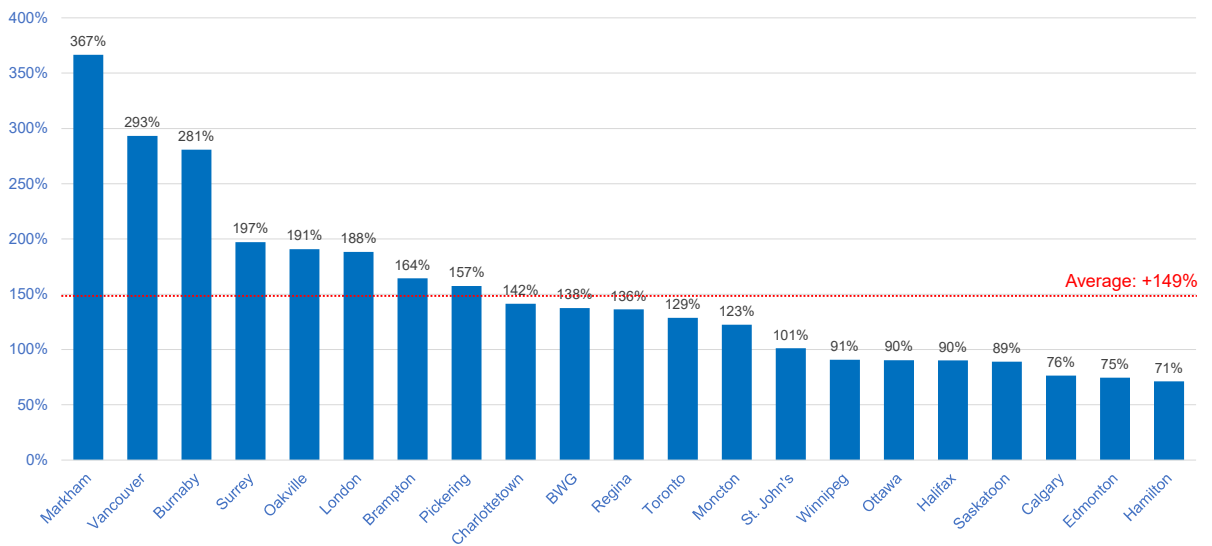
2.3 HOUSING PRICES

Housing prices in the Canadian municipalities studied in this report have increased significantly in recent years. Using CMHC data for the 2006-2021 period, average prices of absorbed single-detached homes increased by 149%, which equates to an average annual increase of 6.3%, compounded annually.

Figure 14 shows the changes in absorbed single-detached housing prices over the 2006-2021 period. There are eight (8) municipalities that have seen increases greater than 150%, including all three (3) municipalities in the Metro Vancouver area (Vancouver, Burnaby, Surrey), and five (5) in Ontario, including four (4) in the GTA (Markham, Oakville, Brampton and Pickering) and the City of London.

Figure 14

Change in Absorbed Single-Detached Housing Prices 2006-2021



Source: Altus Group based on CMHC data

2.4 SUMMARY OF FINDINGS

Based on a review of demographic and statistical information for the municipalities studied, the findings are as follows:

- Every municipality studied recorded an increase in population in each five-year period since 2006, although in most municipalities the rate of population growth is slowing. The average annual population change in these municipalities was 1.55% per year for the 2006-2011 period, 1.46% for the 2011-2016 period and 1.21% for the 2016-2021 period;

-
- Migration patterns, including international immigration, intraprovincial migration, net interprovincial migration and net non-permanent residents, are affected by housing supply and housing affordability. In the two (2) municipalities with the most severe affordability issues, Toronto and Vancouver, the net outflows of people to other parts of Ontario and BC, respectively has accelerated in recent years. This largely attributable to young adults aged 25-44 years and children aged 0-14 years leaving due to a combination of unaffordable, unsuitable and/or insufficient housing options for families or larger households;
 - Apartment units have continued to represent a steadily increasing share of total housing construction in most municipalities and across Canada as a whole. In the five-year period from 2002 to 2006, single-detached units comprised 51.4% of all housing starts in Canada, while over the most recent five-year period (2017-2021), single-detached units were just 26.7% of housing starts;
 - In the last five years (2017-2021), in almost all municipalities studied, there has been a significant increase in the share of annual purpose-built rental housing starts as a proportion of total housing starts. Increases were observed in 19 of the 21 municipalities studied from the amount of new housing starts between the two five-year periods 2012-2016 and 2017-2021; and
 - Since 2006, average prices of absorbed single-detached homes increased by an average of 149%, which equates to average annual increase of 6.3%, compounded annually. Eight (8) municipalities recorded increases greater than 150%, including all three municipalities studied from the Metro Vancouver area (Vancouver, Burnaby, Surrey), as well as five (5) others in Ontario, including four (4) in the GTA (Markham, Oakville, Brampton and Pickering) and the City of London.

3 MUNICIPAL UTILIZATION OF TOOLS AND PROCESSES

This section of the report reviews, in each province being studied, the legislated processes that may be applicable to development applications, and the mandated timelines for each process, where available. A comparison is also made among the various processes and approaches to yield a list of key features of each system, and the perceived benefits of those features.

3.1 SCORECARD ON PLANNING SYSTEM FEATURES

3.1.1 Approach

Based on a review of provincial planning systems across Canada, features of those systems have been identified that can help or hinder the timely approval and construction of new housing. These features may involve legislated planning processes, mandated timelines for decisions on development applications, municipality-specific approaches to application review, and the presence and structure of a planning appeals system.

Each municipality is scored on whether they (or their province) have features that can support an efficient planning approvals system, and increase transparency for developers, the public, or other interested parties. Full details of the scoring criteria can be found in the Appendix. The rankings of municipalities are organized into three scoring clusters per theme. The range for the clusters was determined by the ultimate score distribution received by the studied municipalities.

3.1.2 Scoring

After an internal review and feedback from both the development community and municipalities of our last study, the process has been amended to both expand the features that we scored and to readjust the criteria used for marking. In many instances, scores from the last study are not interoperable with current marking scheme unless otherwise stated.

As an example of the changes made, the scoring of development tracking systems in the first edition considered the availability of active application data and the presentation of that information in an interactive map embedded into a single score. In this edition, the scoring of these two features has been separated out and three new features have also been added in an overall theme of 'Development Application Tracking' to provide further contrast between municipalities capabilities.

Municipalities have been organized into tiers according to the level of improvements required, instead of providing specific rankings or scores for each feature. Only national scores for features and themes are provided in order to indicate common deficiencies. The purpose of this change is to encourage municipalities, even those with high rankings, to re-examine their processes for

potential improvements, while providing them guidance on the best-in-class examples they can emulate.

The 23 features have been organized into 6 themes as follows:

Figure 15

Theme	Elements
Development Guidance	Development Guidance Information Application Support Materials
Development Application Tracking	Active Applications Status Indication Historical Application Information Map of Development Data Development Application Supporting Records
Electronic Submission and Payment Capabilities	Ability to e-submit applications Ability to e-pay application fees Ability to e-submit building permit application Ability to e-pay building permit fees
Availability of Key Planning Documents	Dedicated Interactive Zoning Map Available of GIS Zoning Open Data Available Municipal Official Plans and Secondary Plans
Accountability	Availability of municipal staff directory Availability of meeting minutes, agendas, agenda items
Provincial Legislation and Oversight	Ability to appeal land-use decisions Provincial statements of interest / policy Mandated timelines for appeal decisions Appeal rights triggered after defined number of days Timed Review of development resubmissions re: complete application status Requirement to review municipal plans on regular basis Requirement to have minimum supply of designated lands and approved housing

More information on scoring criteria and individual municipal scores can be found in Appendix.

3.1.3 Caveat

While this exercise provides insights into the level of sophistication of the municipal planning administrations being examined, the ratings do not necessarily reflect individual experiences an applicant may have when they submit a development application.

There are many aspects in the planning process that cannot be given a score but still influence the overall application experience. These can include the disposition of councils towards agreeing to new development, staff members rigidity or interpretation of policy, community temperament towards new housing, etc.

As an example, a municipality can have an outstanding development application system that makes submissions relatively frictionless, and/or staff that provide recommendations in a timely manner. However, without Council and/or public support for more housing units being approved and ultimately built, the development application processes, and related systems, alone cannot make up for issues associated with obstructionism or overall planning policy deficiencies.

3.2 THEME-BY-THEME SCORING OVERVIEW

3.2.1 Development Guidance

3.2.1.1 Overview and Rationale for Inclusion

The Development Guidance theme consists of two (2) features that try to assess the breadth and the depth of information available associated with the requirements of the application process. There are two scoring elements:

- **Development Guidance:** Based on the availability of 20 parameters of basic information setting out process and procedures in the application process that include, but not limited to, overviews of application types to explanations on how fees can be paid. The full list of parameters can be found in the Appendix.
- **Application Support Materials:** Often referred to as a 'term of reference' or 'glossary', this information provides a list of reporting requirements necessary for an application, and the outline or explanation of what reports should address. This information is important for both developers and their consultants to meet municipal reporting requirements.

These elements provides both small and large, as well as new and experienced applicants, with guidance on how the development process proceeds and what is required to provide a complete submission. With clear guidance, this can help increase the quality of submissions and cut down on the number of basic non-value-added tasks that consume staffing resources, such as handling inquiries

for explanations of basic procedures (e.g. application fees/cost, application submission guidance, request for forms, etc).

3.2.1.2 Scoring

Scores for development guidance information was based on best efforts to explore municipal webpages, applications forms, documents and guides that were available. Municipal websites were reviewed between March 2022 and August 2022.

Figure 16

Summary of Scoring - Theme 1 - Development Guidance				
	Average Score			
Development Guidance Information	93%			
Application Support Materials	58%			
Overall Score	76%			
	Needs Improvement			100%
	0% to 60% Significant Improvement	60% to 79% Moderate Improvement	80% to 99% Minor Improvement	Best in Class
Score by Municipality				
St. John's		X		
Halifax			X	
Moncton	X			
Charlottetown	X			
Ottawa				X
Pickering	X			
Markham	X			
Toronto				X
Brampton				X
Oakville				X
Bradford West Gwillimbury	X			
Hamilton				X
London			X	
Winnipeg			X	
Regina		X		
Saskatoon		X		
Calgary		X		
Edmonton			X	
Surrey			X	
Vancouver		X		
Burnaby	X			

Source: Altus Group Economic Consulting

Many municipalities have updated their websites in recent years - while these updates have generally resulted in more complete development guide information, some websites are still poorly organized with respect to how information is laid out or have limited information. Municipalities were not scored on the layout of information presented, but only if the information was present or not. Many municipalities also continue to not provide basic lists of potentially required studies in their term of references beyond basic drawings and general statements that more information will be provided in a pre-application process.

Figure 17

Common Issues	Best Practices
<ul style="list-style-type: none"> • Failing to state how applications fees could be paid or providing unclear language about payments that may be required. For example, a statement that payment options after applications were submitted would be sent to the applicant but further information about actual methods of payment were not included. • Application support material requirements missing from main development guide webpages and instead presented in difficult to find places, such as the bottom of application forms. • In some instances, municipalities have an updated webpage or development guide but have contradictory statements in other application forms. For example, application forms state that paper copies of documents are required even though the municipality had indicated on another webpage that document submission is required by email. • Websites having numerous dead links on both webpages and hyperlinks in documents. Municipalities should have a regular review of links on their webpages or documents to ensure they are working as intended. 	<ul style="list-style-type: none"> • Review the organization of existing information to ensure it is in places that are easy to find or noticeable. • Ensure that all parameters set out for development guidance information is available and accounted for. • Include checklists for applications both on main webpages and inside application forms. • Make sure documentation and webpages are consistent. • Seek out feedback from both new applicants and applicants with experience on user friendliness of websites and guides. • At a minimum, municipalities should be providing lists of report requirements for applications in their development guide as a first step before creating a term of references that is fully fledged. • Municipalities that have application report requirement information in municipal plans, such as those in Ontario, should either post links to that section of their municipal plan in development guides or use the text to form the basis of their terms of reference. • At a minimum, provincial authorities should require municipalities to list all information requirements in their municipal plans. In Ontario this is a requirement in the Planning Act (section 22(5)) • Provincial authorities should require municipalities to list information requirements on their websites to be allowed to request that information from an applicant.

3.2.2 Development Application Tracking

3.2.2.1 Overview and Rationale for Inclusion

The Development Application Tracking theme consists of five (5) features that try to assess the level of information availability for on-going and historic development data. The five (5) features are described as follows:

- **Active Applications:** Reviews the basic availability of active development application information. There are three (3) places that active application data can be found: in agenda items for council meeting minutes; open data portals; and dedicated webpages. This feature strictly accounts for the availability of information from open data portals or dedicated webpages as data availability from agenda items are covered by in another feature.
- **Status Indicator:** This feature provides tracking information on applications as they move through the planning process.
- **Historical Application Data:** This feature allows for stakeholders to understand what recent developments have been approved by a municipality.
- **Map of Development Applications:** This feature is indicator of transparency and is also a useful resource to understand how a municipality is growing.
- **Development Application Supporting Records:** This tracks the availability of records associated with development beyond just high-level information. As well, it provides an insight to the public, researchers, and potential applicants, to the level of reporting requirements.

Providing transparent information to the public on the status of development occurring in a municipality is crucial in understanding how municipalities are changing and growing. This information can be critical when making decisions about where to invest and what kinds of housing to build. Furthermore, the ability to embrace technology is an indicator of an organization's dynamism and ability to incorporate data and information in evidence-based policy making.

3.2.2.2 Scoring

The majority of municipalities, at a minimum, now provide information on active applications organized by municipal ward boundaries. The lowest scoring municipalities were generally in the Atlantic Region (except Halifax).

Of the 21 municipalities, 17 provide active application tracking in some form. Some municipalities only provide lists in PDF formatted files that are released on a scheduled basis, while others have more interactive systems (although not always a map-based), that updates as new applications come in.

Only 11 of the 21 municipalities provide development application information through an interactive map. In some cases, these maps were only available on

the municipality's open data catalogue and not linked to their main development application information webpage.

Figure 18

Summary of Scoring - Theme 2 - Development Application Tracking

	Average Score			
	0% to 60% Significant Improvement	60% to 79% Moderate Improvement	80% to 99% Minor Improvement	100% Best in Class
Active Applications				81%
Status Indicator				62%
Historical Application Data				57%
Map of Development Applications				57%
Supporting Records/Studies				36%
Overall Score				59%
Score by Municipality	0% to 60% Significant Improvement	60% to 79% Moderate Improvement	80% to 99% Minor Improvement	100% Best in Class
St. John's	X			
Halifax			X	
Moncton	X			
Charlottetown	X			
Ottawa				X
Pickering	X			
Markham	X			
Toronto				X
Brampton			X	
Oakville			X	
Bradford West Gwillimbury	X			
Hamilton		X		
London			X	
Winnipeg	X			
Regina		X		
Saskatoon	X			
Calgary			X	
Edmonton			X	
Surrey			X	
Vancouver			X	
Burnaby	X			

Source: Altus Group Economic Consulting

Some municipalities, such as Regina and Vancouver, incorporate the ability to submit public commentary with their development application trackers.

Most municipalities have existing record keeping capabilities that suggest they can report yearly timelines for all applications that are approved, denied, or are on-going without excessive administrative burden. Provinces where these municipalities reside should consider requiring them to provide standardized reporting, made available to the public, on an annual basis (See Section 6's discussion about a Planning Information Return "PIR").

Figure 19

Common Issues	Best Practices
<ul style="list-style-type: none"> • Many municipalities provide active information on applications in lists that appear in PDF documents. • Many municipalities have still not embraced interactive maps. • Some municipalities have interactive maps for active developments in their open data portals, but these are not properly linked to their planning department or development guide webpages. • Very few municipalities provide supporting documents with information on active applications. This includes traffic studies, housing reports, hydrology reports, etc. Not having these reports available to the public dilutes overall transparency in the development process. 	<ul style="list-style-type: none"> • Some municipalities provide dedicated webpages for major applications. • Organizing active application tracking by some sort of geography (ward, district, etc.) can provide meaningful orientation as to where and what kind of growth is occurring. • At a minimum, municipalities should be transparent about what documents were included with an application and provide them by request.

3.2.3 Electronic Submission and Payment Capabilities

3.2.3.1 Overview and Rationale for Inclusion

The electronic submission and payment theme consists of four (4) features that try to assess the ease at which an applicant can submit their application and pay associated fees. The four features are described as follows:

- Ability to Submit Planning Applications Electronically
- Ability to Pay Planning Application Fees Online
- Ability to Submit Building Permit Applications Electronically
- Ability to Pay Building Permit Fees Online

Providing applicants with online submission options and a wider array of payments choices allows for an easier process for both applicants and staff members charged with intake. This allows applicants to focus on providing higher quality submissions and can enable automation of various tasks that can help lower municipalities' own internal process burden and error rate.

Staff dedicated to intake applications can spend more time reviewing the completeness and correctness of application submissions, which is a task that provides more value than checking their own submission errors. Finally, payments for applications, which many municipal departments rely on as a funding source for staff time associated with development application review, can

be done more efficiently, expeditiously, and with fewer delays, benefiting everyone in the process.

3.2.3.2 Scoring

Since the start of the COVID pandemic, the number of municipalities that provide some kind of electronic submission capability (email, digital drop box, or portal) has increased to 46%, up from 14% in our 2020 study.

Five (5) of the 21 municipalities examined for this study provide a dedicated e-planning portal system for all application types, while another four (4) municipalities provide portals only for some application types. A further eight (8) municipalities permit applications to be submitted by email or digital drop box.

Figure 20

Summary of Scoring - Theme 3 - Electronic Submission and Payment Capabilities

Score by Municipality	Average Score			
	Needs Improvement			
	0% to 60% Significant Improvement	60% to 79% Moderate Improvement	80% to 99% Minor Improvement	100% Best in Class
Planning Applications	50%			
Planning App. Payments	43%			
Building Permit Submissions	75%			
Building Permit Payments	65%			
Overall Score	58%			
St. John's	X			
Halifax			X	
Moncton	X			
Charlottetown	X			
Ottawa	X			
Pickering		X		
Markham				X
Toronto		X		
Brampton	X			
Oakville		X		
Bradford West Gwillimbury	X			
Hamilton		X		
London		X		
Winnipeg	X			
Regina		X		
Saskatoon			X	
Calgary			X	
Edmonton				X
Surrey	X			
Vancouver		X		
Burnaby	X			

Source: Altus Group Economic Consulting

For this benchmarking study we have expanded our examination to include both payments and building permit submissions. Only seven (7) municipalities have the capability to accept online payments for planning applications, including some that do not permit the electronic submission of applications. In addition,

some municipalities have caps on the amount that can be transferred electronically.

For building permits, 14 municipalities allow all or at least some building permit types (e.g., single family dwelling permits) to be submitted online, but only 13 municipalities allow online payments and in some cases those payments are capped at particular dollar amounts. Some municipalities only allow registrations to be completed for their portal systems by contacting staff, at which point a unique link is provided. Other municipalities have self-service portals that allow registration without the need to contract staff. No distinction was made in the marking between these two systems, but a self-service model is more optimal as it requires less staff resources and it is suggested that municipalities that do not have this feature make improvements towards it.

Figure 21

Common Issues	Best Practices
<ul style="list-style-type: none"> • Inconsistent adoption of digital systems. Some municipalities allow plans or permits to be transmitted online but not payments or vice versa. • Adoption of online submission and payment capabilities lags significantly for planning applications compared to building permits. • A majority (76%) of municipalities have not adopted full e-planning systems and continue to rely on either email or physical submissions for some or all their planning applications. • Some municipal systems capped payments for fees at rates that would make in-practical for use in larger development projects. • Lack of a self-service portal even where there is a electronic permit system. 	<ul style="list-style-type: none"> • Many municipalities that fully adopted e-planning or e-permit systems provided both user guides in written format and video. • The best user guides for e-planning or e-permit systems explained all steps of the submission process, include naming conventions for file formats, how payments could be made, and included some terms of reference materials.

3.2.4 Availability of Key Planning Documents

3.2.4.1 Overview and Rationale for Inclusion

The Availability of Key Planning Documents theme consists of three (3) features that try to assess the level of property and planning information accessibility. The three (3) features are described as follows:

-
- **Dedicated Interactive Zoning Map:** Assess the availability of zoning information for each parcel in a digital format that is easy to use by members of the public.
 - **Availability of Geographic Information System (“GIS”) Zoning Open Data:** Provides an indication of parcel data availability for members of the public that wish to create advanced analyses of land use planning or stakeholders who may seek to gain an understanding of how their property is zoned.
 - **Availability of Municipal and Secondary Plans:⁴** Assess the availability of fundamental policy documents such as Official Plans, Secondary Plans, etc.

Having key planning information readily available is important for members of the public, such as the development community to assess opportunities, for consultants to provide advisory services more efficiently and accurately, for researchers exploring various topics on land-use policy, and other members seeking knowledge about how their municipality is guiding growth.

Key planning information should be made available to the public in formats that are easily accessible. Having information available helps public planners receive more constructive feedback on growth related proposals and applications that more accurately account for existing land use policies.

3.2.4.2 Scoring

Toronto was given full marks for both zoning features in this theme despite not making information available from its pre-amalgamation municipalities, as its harmonized zoning by-law does not apply to all lands within the city’s boundaries. The City was categorized as needing improvement despite having full marks.

⁴ Also known as community, neighbourhood, or area plans in various jurisdictions

Figure 22

Summary of Scoring - Theme 4 - Availability of Key Planning Documents

Average Score	
Dedicated Interactive Zoning Map	48%
Availability of GIS Zoning Open Data	88%
Availability of Municipal Plans	100%
Overall Score	79%

Score by Municipality	Needs Improvement			100% Best in Class
	0% to 60% Significant Improvement	60% to 79% Moderate Improvement	80% to 99% Minor Improvement	
St. John's	X			
Halifax			X	
Moncton	X			
Charlottetown	X			
Ottawa	X			
Pickering		X		
Markham				X
Toronto		X		
Brampton	X			
Oakville		X		
Bradford West Gwillimbury	X			
Hamilton		X		
London		X		
Winnipeg	X			
Regina		X		
Saskatoon			X	
Calgary			X	
Edmonton				X
Surrey	X			
Vancouver		X		
Burnaby	X			

Source: Altus Group Economic Consulting

Likewise, Pickering was scored based on the availability of only two (2) of its six (6) zoning bylaws - for Seaton and the City Centre. While the City does have an interactive map based on its new zoning code, it was not scored based on the availability of this feature as that code is still in the draft zoning by-law stage and is not in-force.

Municipal-specific insights are as follows:

- Based on changes to the scoring criteria Winnipeg and Markham marks were adjusted downwards in comparison to the last study in the dedicated interactive zoning feature, although their zoning portals have not substantially changed.
- Most municipalities offer accessible information to the public on parcel and area-wide planning policies. The provision rate of dedicated

interactive zoning maps increased from 79% of municipalities sampled⁵ in the first CHBA benchmarking study to 88% in this edition.

- 17 of the 21 municipalities examined had full-fledged interactive maps, while another three (3) municipalities offered either a hybrid of interactive and static maps, PDFs of zoning schedules, or a property record search engine that include zoning information in text format.
- Smaller municipalities, such as Bradford West Gwillimbury, have their interactive zoning map hosted by their county. It is recommended that for smaller municipalities, which may lack the web hosting technical resources, their larger county or regional authority provide this service.
- Only 10 of the 21 municipalities offer their zoning information in an open data format that can be downloaded. This data is critical for various members of the public to have access to, such as consultants providing land-use advisory services or researchers trying to do an analysis of zoning in a city or metro area. More municipalities should consider adopting open data standards for key planning documents and should be encouraged to do so by provincial authorities, or the federal government through grants (See Section 6’s discussion about a National Zoning Atlas).

All municipalities studied provide municipal plans with schedules for key policy areas, such as land-use designations, heritage areas, protected natural features, etc, and for secondary plan boundaries. There is a wide range of formats that this information is presented in, including interactive web portals, open data GIS files, and static PDF formatted maps. While municipal plan schedules are critically important to have, having parcel level data is not as critical in this area of information as it is for zoning. Therefore, the distinction has not been made how this information was made available.

Figure 23

Common Issues	Best Practices
<ul style="list-style-type: none"> • Many municipal open data catalogues that receive regular data uploads but do not include zoning GIS data. • Some municipalities only have interactive zoning maps in their open data catalogues but not on their main webpages. These should be linked on their main planning or development webpages as the feature is present but not easily found. • Some interactive maps have poorly designed user interfaces and make 	<ul style="list-style-type: none"> • Many interactive maps only provide very high-level information, such as just the zoning parcel colouring. The best interactive zoning maps also provided links to relevant bylaw text in zoning descriptions found when clicking on a polygon boundary. • Display links that send users to static or interactive maps more prominently beside development

⁵ Score accounts for criteria adjustments and the exclusion of Delta and Coquitlam from the average that were included in the first CHBA benchmarking study.

<p>selecting the zoning display difficult. Either the option to view zoning takes many steps to find or only works at extremely closely zoomed-in levels.</p>	<p>guide information for zoning to enhance interfaces.</p> <ul style="list-style-type: none"> • Provide, at a minimum, yearly consolidated versions of zoning bylaw text and maps that incorporated amendments that get passed by a municipality.
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3.2.5 Accountability

3.2.5.1 Overview and Rationale for Inclusion

The Accountability theme consists of two (2) features that try to assess the availability of municipal staff and the transparency of municipal council records. The two (2) features are described as follows:

- Availability of Municipal Staff Contact Information: provides an assessment on how accessible municipal organizations make their staff to inquiries from the public and other stakeholders. Being able to contact someone directly can often expedite the resolution of an issue, particularly minor ones or questions of clarification
- Availability of Meeting Minutes, Agendas, and Items: having a record of deliberations provides the development community, researchers, and the general public the ability to understand a council's decision-making process, and the reasons and rationale for the decisions made.

3.2.5.2 Scoring

All municipalities, except for Moncton, offer their agenda and meeting minutes online and include the agenda of meeting minute items (e.g staff reports, communications, etc). Moncton provides minutes and agendas online but does not provide agenda items, which are sometimes but not always found in 'media packages' that the city releases.

All municipalities also offer video recordings of at least their council deliberations. However, in some municipalities, not all committees have video recordings. The historical availability of online agendas, minutes, packages, and video recording varies greatly, with many municipalities having archives that do not go beyond 2018 in their current format.

Figure 24

Summary of Scoring - Theme 5 - Accountability

Average Score	
Availability of Staff Contact Information	71%
Availability of Agendas/Minutes/Items	98%
Overall Score	85%

Score by Municipality	Needs Improvement			100% Best in Class
	0% to 60% Significant Improvement	60% to 79% Moderate Improvement	80% to 99% Minor Improvement	
St. John's		X		
Halifax		X		
Moncton	X			
Charlottetown				X
Ottawa			X	
Pickering			X	
Markham				X
Toronto			X	
Brampton			X	
Oakville	X			
Bradford West Gwillimbury			X	
Hamilton			X	
London			X	
Winnipeg			X	
Regina	X			
Saskatoon			X	
Calgary				X
Edmonton				X
Surrey				X
Vancouver				X
Burnaby			X	

Source: Altus Group Economic Consulting

Five (5) out of the 21 municipalities either offer a general email and/or phone number to contact the department or require the public to contact a central service hub, such as dialling 311. Another 10 municipalities offer either individual business unit contacts that can be reached by phone and/or email or provide individual staffing contact information but only include either phone numbers or emails but not both. The other six (6) municipalities include directories of all their staff members, generally organized by function, and include both emails and phone numbers. Some municipalities in the highest achievement category also provide search engine functionality with their staff directories.

Figure 25

Common Issues	Best Practices
<ul style="list-style-type: none"> • Not including both emails and phone numbers for either staff or business unit directories. • Putting staff contact information in difficult to find locations on webpages. • Not providing descriptions of business unit or staff members function beyond name or title. • Only providing contact information for executive directors' offices instead of individual staff members. • Not properly linking agenda or minutes to items. Sometimes these items are available in separate systems, such as a documents folder found on the municipality's website. 	<ul style="list-style-type: none"> • Provide search functionality with staff directory. • Include both emails and phone numbers for either business unit or staff members. • Organize staff members by a category - geography, business unit, or function. • Include staff members job title and the division or department they belong in. • Create a central staff directory that is connected to the planning or building department webpage 'contact us' link.

3.2.6 Provincial Legislation and Oversight

3.2.6.1 Overview and Rationale for Inclusion

The scoring scheme for provincial legislation and oversight from the 2020 Study has largely been retained other than to add scoring for the presence of provincial policy statements. There are no scoring criteria provided in the Appendix for this theme as the features deals with legal procedures that cannot always be neatly defined for every development scenario. Therefore, some subjective analysis has been used to provide a grading.

In total, this theme consists of seven (7) elements that seek to assess the level of provincial oversight on the development application process, which are:

- Ability to Appeal Land Use Decisions: Examines the presence of an appeal system to protect against politically motivated decisions that may not be consistent with provincial interests and policy direction.
- Appeal Rights Triggered After Defined Number of Days: Assess the requirements for hard deadlines on decisions process for municipalities.
- Provincial Statements of Interest: Studies the use of a particular planning legislative tool that allows provinces the ability to provide more direction to municipalities over land use planning and the development application process.
- Mandated Timelines for Appeal Decisions: Measures the requirement to minimize the lag time between hearing and decision.

- Timed Review of Development Submissions to Notify Whether Complete Application Status is Reached: Evaluates the potential to prevent development applications from becoming 'stalled' due to a lack of clear communication regarding how development applications are falling short of municipal requirements.
- Requirement to Review Municipal Plans on Regular Basis: Measures how current municipal plans are kept accounting for recent and emerging trends.
- Requirement to have minimum supply of designated lands, approvals: Gages how frequently the supply of residential development is reviewed to avoid future shortages and ensure that housing supply is sufficient to meet future demand.

3.2.6.2 Scoring

The only scoring changes in comparison to the 2020 edition have come from either the weight changes from the removal of municipalities that were in the previous study, or the changes made by Bill 37 in Manitoba. Before the implementation of Bill 37, appeals to the Manitoba Municipal Board for development applications could only be brought by the minister, as well, the Bill added service standards that triggered appeal rights after a set number of days.

Figure 26

Summary of Scoring - Theme 6 - Provincial Legislation and Oversight

	Average Score
Ability to Appeal Land Use Decisions	86%
Appeal Rights Triggered after Defined Number of Days	64%
Provincial Statement of Interest	62%
Mandated Timelines for Appeal Decisions	33%
Timed Review of Development Submissions / Complete	69%
Requirement to Review Municipal Plans on Regular Basis	83%
Requirement for Minimum Supply of Land / Approvals	50%

Source: Altus Group Economic Consulting

Before the Red Tape Reduction Act in Alberta, municipalities could set their timelines through a by-law, however since the passage of the Act, these timelines have been harmonized. Since decision timelines were still required before the Act's changes, no scoring changes have occurred in this study for Calgary and Edmonton.

3.2.6.3 Decision Timelines

The table below provides a matrix of decision timelines in the four (4) provinces where this feature is present by application type and includes information such as number of days a decision must be rendered before an appeal is triggered and any limitations that may apply.

Figure 27

Decision Timelines Before an Appeal can be Triggered				
Application Type	Ontario	Manitoba	Saskatchewan	Alberta
Municipal Plan Amendments	120 Days	150 days for Secondary Plan Amendments		
Zoning By-law Amendments	90 Days	150 Days	60 days for an application related to a holding provision or an interim-control bylaw	
Subdivision	120 Days or 90 days for severances ⁶	150 Days for council or 90 days where the decision was made by a designated employee	30 Days	60 days
Development Permits		90 days	30 days in particular circumstances.	40 days
Site Plans	60 Days			

Generally, Manitoba is the most generous with decision timelines standards, while Alberta and Saskatchewan are the least generous. However, it should be noted that while the two latter provinces have the least generous timelines, decision timelines also apply to the fewest number of development scenarios.

⁶ A division of two (2) or fewer lots.

3.2.6.4 Appeal Bodies

The table below provides an overview of all the appeal boards, tribunals, and commissions by province, although some are municipally administered.

Figure 28

Appeal Boards	
Province	Name(s)
British Columbia	Board of Variance, Judge of the Supreme Court in case of subdivisions in Vancouver
Alberta	Subdivision & Development Appeal Board (SDAB), Land and Property Rights Tribunal
Saskatchewan	Development Appeals Board, Saskatchewan Municipal Board (SMB)
Manitoba	Manitoba Municipal Board
Ontario	Ontario Land Tribunal (OLT), Toronto Local Appeal Board (TLAB)
New Brunswick	Assessment and Planning Appeal Board (APAB)
Prince Edward Island	Island Regulatory and Appeals Commission (IRAC)
Nova Scotia	Nova Scotia Utility and Review Board (NSUARB)
Newfoundland and Labrador	Regional Appeal Board

All provinces provide the ability to appeal some forms of development applications, however, the scenarios in which an appeal can be made varies between provinces. BC generally provides the narrowest set of appeal rights, while Ontario provides the widest, although some non-application specific appeal rights have been removed or limited in recent years.

In many provinces, appeal boards are generally run in a quasi-judicial manner - that is proceedings follow a judicial format, but the adjudicator does not necessarily have a legal background but rather may be a professional with experience in land-use planning. There are also places or cases where appeals are made to commissions made up of multiple members or even municipal councils in scenarios where there is a dispute with an employee of the municipality who has been designated approval authority.

The basis for which an appeal can be made varies greatly. In some provinces an appeal can be made on a refusal or non-decision that is treated as a refusal, on

the basis that a council decision does not conform with provincial policy or policies set out in the municipal plan, as well for the terms of an approval that council sets. Generally, but not in all cases, where an applicant is able to make an appeal, other aggrieved parties, or ‘third-parties’, can also make appeals. There is variation between provinces on who may have party status to an appeal.

An increasingly important issue are third-party appeals where the appeal system is abused for purposes of delaying development, especially in cases where the local Council approved the development. This was an issue highlighted by the Housing Affordability Task Force in Ontario, with particular emphasis given to the effect these appeals can have on affordable housing projects, which are noted as being projects that are a particular target for appeals.

3.2.6.5 Provincial Statements of Interest

The table below lists all the provinces with Provincial Statements of Interest and provides the local nomenclature used to refer to this feature.

Figure 29

Provincial Statements of Interest	
Province	Name(s)
Saskatchewan	Statements of Provincial Interest
Manitoba	Provincial Planning Regulation
Ontario	Provincial Policy Statement
Nova Scotia	Statements of Provincial Interest

Provincial Statements of Interest are generally enabled in local planning legislation and are a provincial cabinet approved document. They vary in length and scope between provinces and even within the same province they can change significantly with the turnover of governments. While only a minority of provinces do not use statements of interest, more provinces are moving towards adopting them, particularly in the Atlantic Region where New Brunswick is currently in the drafting stages and Prince Edward Island has been advised by a commission to the benefits of assuming one.

These documents allow provinces to provide additional guidance on the planning processes that promote the goals and aims of a government, as well as flexibility, since changes can be made to the planning framework without requiring the undertaking of the legislative process. The statements of interest can be used in conjunction with other planning tools and legislation, such as growth plans. They can also shape growth management outside of a growth plan area.

In Ontario, the government has used its Provincial Policy Statement, in conjunction with provisions in the Planning Act, to ensure that municipal decisions are consistent with provincial policy.

Figure 30

Common Issues	Best Practices
<ul style="list-style-type: none"> Lack of Provincial Statements of Interest Lack of service standards for municipal decisions Lack of service standards for appeal boards Narrow ability to review municipal decisions 	<ul style="list-style-type: none"> Applying service standards for municipal decisions Applying service standards for appeal boards Allowing costs to be awarded for appeals that are determined to be frivolous in nature.

3.3 COMBINED SCORE

In combining the scores across all six (6) themes, and weighting the categories, the City of Edmonton ranks highest in utilizing tools and features that are thought to have an impact on the ability of municipalities and applicants to deliver housing supply in a timely and efficient fashion.

Figure 31

Municipal Scoring, All Planning Tools and Features

Rank	Municipality	Overall Weighted Score	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	Theme 6
1	Edmonton	91%	88%	80%	100%	100%	100%	67%
2	Toronto	90%	100%	100%	63%	100%	88%	83%
3	London	86%	88%	80%	75%	100%	88%	83%
4	Oakville	85%	100%	80%	75%	100%	50%	83%
5	Halifax	85%	88%	80%	81%	100%	75%	75%
6	Calgary	85%	75%	80%	88%	100%	100%	67%
7	Hamilton	78%	100%	60%	69%	67%	88%	83%
8	Vancouver	76%	75%	90%	63%	100%	100%	17%
9	Surrey	76%	88%	90%	44%	100%	100%	17%
10	Ottawa	75%	100%	100%	25%	67%	88%	83%
11	Brampton	74%	100%	60%	50%	67%	88%	83%
12	Saskatoon	70%	75%	40%	81%	67%	88%	67%
13	Regina	69%	75%	60%	75%	67%	50%	75%
14	Markham	65%	50%	50%	100%	33%	100%	83%
15	Winnipeg	59%	88%	0%	56%	50%	88%	75%
16	Burnaby	59%	50%	40%	50%	100%	88%	17%
17	Pickering	53%	25%	50%	63%	50%	88%	83%
18	Bradford West Gwillimbury	50%	50%	50%	0%	67%	88%	83%
19	Charlottetown	47%	50%	20%	38%	50%	100%	42%
20	St. John's	47%	75%	0%	13%	67%	75%	50%
21	Moncton	43%	50%	0%	13%	100%	50%	33%

Source: Altus Group Economic Consulting

The City of Edmonton's score in this area was 91%, with points lost only in Theme 1 (Development Guidance), Theme 2 (Development Application Tracking)

and Theme 6 (Provincial direction). There are six (6) municipalities with scores above 80% - Edmonton, Toronto, London, Oakville, Halifax and Calgary.

Three (3) of the four (4) Atlantic Canada municipalities (Halifax being the exception) are below 50%, largely driven by low scores in Theme 2 (Development Application tracking), Theme 3 (e-submission/e-payments) and Theme 6 (Provincial direction).

3.4 RANGE AND SCOPE OF STUDY REQUIREMENTS

Many of the types of planning applications, which are summarized in the Appendix Section of this report, require numerous studies, plans and technical reports to satisfy municipal staff regarding the impacts and nature of a proposal. While the studies can vary significantly based on the type of housing being proposed, the context in which it is to be built (greenfield, infill), and the types of planning instruments that need to be approved (zoning, site plan, subdivision, etc.), almost all development applications require a substantial number of technical reports and studies filed as part of a complete application.

Development guides for eight (8) municipalities were reviewed in detail to identify the list of potential studies that may be required, depending on the circumstances of the development. A list of potentially required documents/reports is presented in Figure 32 below.

Across the municipalities that were examined, a total of 60 different types of studies were identified. Most application types usually requiring some combination of 10-20 of these studies, depending on the municipality, type of building(s) and uses being proposed, and the location of the development, etc.

3.5 CONCLUSIONS

The review of planning approval processes has found that while most provinces generally apply the same broad planning instruments, the method of implementation, level of transparency, and processes regarding decision-making can differ significantly from one province or municipality to the next.

Some features, which could potentially help reduce development approval timelines are not used extensively. These include mandated timelines for appeal decisions to be rendered, the triggering of appeal rights after a certain number of days, etc.

Other features that could assist with streamlining municipal processes and commenting periods, such as online submission portals and specific terms of reference for technical studies, are not commonly used in all municipalities that were examined.

A review of the list of studies that may be required by municipalities was found to often be onerous. The required quantity and variety of technical studies, even if valid to ensure that developments are in the public interest, results in significant

costs to retain experts necessary to complete these studies and adds significant time for the studies to be completed, and then reviewed by municipal staff.

Figure 32

	Municipality							
	Toronto	Edmonton	Winnipeg	Halifax	Oakville	Hamilton	Brampton	Vancouver
Affordable Housing Report						X	X	
Agricultural Impact					X	X		
Air Quality Study					X	X		
Arborist Tree Preservation Report	X		X		X	X	X	
Archeological Assessment	X		X		X	X	X	
Climate Adaptation Strategy							X	
Community Services and Facilities Study	X		X				X	
Construction Cost Estimates				X				
Contaminated Site Assessment	X							
Cycling Route Analysis						X		X
Design Brief / Rationale	X			X	X	X	X	
Electromagnetic Field Management Plan	X	X						
Energy Strategy	X						X	
Environmental Impact Study	X	X		X	X	X	X	
Erosion Hazard Assessment	X					X	X	
Fire Access Plan		X						
Financial Impact Study			X		X	X		
Fish Habitat Assessment					X	X		
Floodplain Report		X						
Geotechnical Study / Soils Report	X	X	X		X	X	X	
Growth Management Strategy							X	
Cultural Heritage Impact Statement	X	X	X	X	X	X	X	
Housing Issues Report	X						X	
Hydrogeology / Groundwater Assessment	X	X	X	X	X	X	X	
Landfill Impact Study						X		
Landscaping Plan	X		X	X	X	X	X	X
Lighting Plan	X			X	X			
Loading Study	X							
Market Analysis					X	X	X	
Natural Heritage Impact Study	X				X		X	
Neighbouring Windows Plan		X						
Noise Impact Study	X	X	X		X	X	X	
Odour, Dust, Light Assessment						X		
Parking Study	X	X	X		X	X		
Parkland Impact Study / Recreation Needs		X				X		
Pedestrian Route and Sidewalk Analysis					X	X		
Phasing Strategy							X	X
Planning Rationale / Justification	X			X	X	X	X	X
Property Value Appraisal Report		X						
Public Consultation Strategy Report	X		X			X	X	
Residential Land Supply Study			X					
Right-of-Way Impact Assessment						X		
Servicing Report	X	X		X	X	X	X	
Site Signage Plan				X				
Skyline Study								X
Stormwater Management / Drainage Report	X	X	X	X	X	X	X	
Streetscape Plan					X			
Sustainability Score / Checklist	X				X		X	
Sun/Shadow Study	X	X	X	X	X	X	X	X
Topographical Survey	X							
Traffic Operations Assessment	X			X				
Transit Assessment						X		
Transportation Demand Mgmt Strategy					X	X		
Transportation Impact Study	X	X	X		X	X	X	
Vegetation Inventory						X		
Vibration Study	X		X		X	X		
View Corridor Plan				X				
View Impact Analysis								X
Wildlife Passage Report		X						
Wind Study	X	X	X	X	X	X		

Note: Some studies shown as not being required may actually be required within other larger studies shown, depending on the specific terms of reference for each study. In most instances, the studies listed may only be required for some application types, or only in some circumstances.

Source: Altus Group Economic Consulting based on information available from municipalities

4 ESTIMATES OF MUNICIPAL APPROVAL AND PERMIT TIMELINES

A common complaint of development industry stakeholders is the lengthy timelines involved with getting municipal approval for development applications. This section reviews findings from exhaustive research into timelines for recently approved applications in most of the municipalities studied in this report.

4.1 APPROACH

Altus Group has endeavoured to estimate typical approval timelines for development applications – from complete application to planning approval in the 21 study municipalities.

The approval timelines were measured (where possible) from the date a municipality provided acknowledgement that an application was deemed complete to when a planning approval was provided by the municipality. The nature of the ‘planning approval’ can take many forms – and may include some combination of a municipal plan amendment, zoning by-law amendment, site plan approval, plan of subdivision and/or development permit.

Although contingent on the data made available by municipalities, it was possible to undertake a few types of analyses of approval timelines for different application types. However, not every municipality made available all necessary information to do the analysis for all application types, and there are some municipalities where certain types of applications are relatively rare (i.e., subdivision applications in the City of Toronto). Only in instances where it was possible to obtain robust samples for a particular application type are findings shared. An overview of the sources for data informing our analysis are summarized in the following table.

Figure 33

Data Source	Description
Municipal Application Status Lists	Some municipalities provide comprehensive lists of currently active development applications, as well as recently approved applications. Often, data can be extracted from the published records about date of complete application, date of approval(s), etc.
Council / Committee Agendas, Minutes and Associated Staff Reports	Each municipality studied makes some amount of information regarding development approvals through agendas, minutes, and associated documents and reports available through Council / Committee meeting portals. Council / committee agendas were carefully reviewed to tabulate development approvals, with searches then undertaken for data which recorded the date of complete application – often this information is contained within the staff report recommending an approval.

Open Data Portals	Some municipalities make datasets available on their Open Data Portals for recently approved development applications, which often include data regarding the date of complete application, and approval (and for which planning instruments planning approvals were obtained).
Correspondence to Municipal Staff	Further to our presentations to municipal stakeholders after the release of the first edition of the Benchmarking Study, we have added to our approach to seek data directly from municipalities to cross-check what we have collected, and/or add to our database if appropriate.

It is noted that this analysis does not factor in several other major time-intensive elements of the entire development process including:

- There are also significant timelines associated with the process of getting vacant land designated for urban uses (e.g. greenfield development) – often this process can take several years, and in some cases can take upwards of 10 or more years.
- The significant period of time that an application may take to achieve a ‘complete application’ status (i.e. “pre-submission”),
- The period of time from development approval to building permit approval.

It was noted by municipal stakeholders that once an application was deemed complete and after staff were able to do their initial review and provide comments to the applicant, the resulting time spent by the applicant working on addressing comments is included in the tabulated time for the approvals in our database. It was expressed that the time applicants spend reviewing and responding to comments isn’t the fault of the municipality. However, in many cases, this time spent can at least be in part indirectly attributed to the often lengthy, complex and/or vague list of requirements for technical studies for development applications.

As the data for the first edition was for approvals through February 2020, the data for this second edition is for all municipal approvals received since March 2020. It is acknowledged that in many municipalities, due to the initial shutdowns associated with the COVID-19 response, development applications that may have been slated for processing or approval in Spring 2020 could have been delayed because of waiting for staff to return or the necessary statutory meetings to occur. Conversely, some workplaces have found that ‘work from home’ led to productivity improvements, which may have ultimately improved approval times to the extent utilized by some municipalities. These two effects could affect some of the results of this study in comparing them to the results of the first study – comparisons made between the two studies should be done with caution.

4.2 FINDINGS - DEVELOPMENT APPROVAL TIMELINES

The analysis summarized below is based on a significant amount of work to collect a robust sample in as many of the municipalities studied as possible. Overall, the samples obtained includes nearly 1,000 applications that have received approval in recent years. This estimate does not include the quantity of data provided by municipalities

The timeline data gathered was for developments submitted to a municipality and approved by municipal Council (or other delegated authority where applicable). The analysis does not account for a few other routes that a development can take to obtain ultimate approval, which means that the estimated average development approval periods in some municipalities is understated. The analysis does not include timelines associated with the following:

- Developments that were refused by the municipality and may have been subject to the appeals process (in this instance, likely appealed by the applicant). Where those applications are ultimately approved by an appeal board, this adds considerable time to the approvals process; and
- Appeal periods related to developments that were approved by the municipality, but appealed by other stakeholders, which would add considerable time onto the approval period – this additional time is not accounted for in this study.

The data presented below only looks at how long a single planning application type took to approve, and so does not account for applications with multiple application types. The timelines for these types of applications is analyzed separately and presented in a later section of this report.

Several safeguard protocols were also instituted for the data collection to ensure that our data sample and resulting estimates of approval timelines is as conservative as possible:

- To ensure that our data sample is relatively free of outlier applications, median timelines were calculated and compared to average timelines to ensure that the sample distribution dataset was not overly skewed by applications with severely long-term approval periods;
- In cases where a date of complete application was not certain, we have used other known post-date application milestones that necessarily would have come after the date of complete application.

Accounting for these outliers and using conservative assumptions is likely the driver for why the Altus Group collected data sample, when compared with the six (6) datasets provided by some of the municipalities examined, generally produces lower average timelines than municipally provided data. A table comparing the Altus Group dataset findings and the findings from the municipal datasets is presented later in this chapter.

4.2.1 Average Approval Timelines by Municipality

The analysis shows significant variations in the approval timelines of municipalities, ranging from 3 to 32 months. The best average approval timelines were found in Charlottetown, and the five (5) municipalities in Manitoba, Saskatchewan and Alberta, all five (5) of whom ranked in the top six (6).

Six of the 20 municipalities have average timelines greater than 20 months, of which four are located in Ontario. The best ranked Ontario municipality was London at 10.1 months, with Ottawa, Brampton and Oakville each being below 15 months as well.

Figure 34

Estimated Average Approval Timelines, by Municipality

Rank	Municipality	Weighted Average Months
1	Charlottetown	3.4
2	Saskatoon	4.1
3	Regina	4.2
4	Winnipeg	5.0
5	Calgary	5.4
6	Edmonton	7.2
7	St. John's	9.4
8	London	10.1
9	Ottawa	12.9
10	Brampton	13.4
11	Surrey	13.8
12	Oakville	13.9
13	Vancouver	15.2
14	Pickering	19.3
15	Bradford West Gwillimbury	20.4
16	Halifax	20.8
17	Burnaby	20.9
18	Hamilton	22.9
19	Markham	23.5
20	Toronto	32.0
Average of All Municipalities		13.9 n=2205

Note 1: Weighted average based on proportionate usage of various application types across all municipalities

Note 2: Average by individual unit type only shown where sample size is five or greater

Note 3: Insufficient data available for Moncton

The averages shown in Figure 34 show the weighted overall average for each municipality based on the share of each application type in the entire study-wide sample.⁷

Where data was supplied by municipalities, the lower weighted average timeline between the Altus Group dataset and the municipal dataset provided was used

⁷ The sample of approvals consists of 15% OPAs, 41% ZBLAs, 12% site plan, 16% plan of condominium, 17% plan of subdivision

for the tables shown in this report. Although, as will be discussed later, the two data sources yielded results that were within 10% of each other where both Altus Group and municipal data sets were compared.

4.2.2 Comparison with 2020 Study Findings

The table below compares the overall average timelines by municipality with the findings from our 2020 Study. Of the 20 municipalities in common between the two studies, 11 municipalities have seen worsening approval timelines than estimated in the 2020 Study.

Compared to the 2020 Study findings, there are some notable shifts in average approval timelines:

- Municipalities studied in Ontario saw the average timelines **worsen** by 3% (from 18.1 to 18.6 months),
- Non-Ontario municipalities saw average timelines **improve** by 10% (from 11.2 months to 10.0 months).
- Within Ontario, the municipalities the Greater Toronto Area + Hamilton (GTHA) saw approval timelines **worsen by 18%**.

The overall average across all municipalities has remained static at 14 months in each study, though it is acknowledged that part of this increase may be due to the 2-to-3-month period starting in March/April 2020 where Council meetings were frequently postponed or cancelled.⁸

In the 2020 Study, seven (7) of the municipalities had approval timelines greater than 20 months, with five (5) of the seven (7) still having average timelines exceeding 20 months in the 2022 Study.

The largest ranking improvements were in Ottawa (from 21st to 9th), Brampton (from 16th to 10th), Calgary (from 9th to 5th), and Winnipeg (7th to 4th). Of the 10 best ranked municipalities in the 2020 Study, eight (8) remained in the Top 10 for the 2022 Study, with Oakville and Markham falling out of the Top 10 and Ottawa and Brampton moving into it.

⁸ The data sample for the 2020 Study included approvals through February 2020. The 2022 Study uses a period of March 2022 onwards.

Figure 35 Estimated Average Approval Timelines, by Municipality, 2020 & 2022 Study

Rank	Municipality	Weighted Average - Approval Timelines		Rank		Trend in Time	Rank Trend
		2020 Study	2022 Study	2020 Study	2022 Study		
		<i>Months</i>					
1	Charlottetown	5	3	2	1	better	better
2	Saskatoon	6	4	3	2	better	better
3	Regina	4	4	1	3	worse	worse
4	Winnipeg	8	5	7	4	better	better
5	Calgary	12	5	9	5	better	better
6	Edmonton	7	7	4	6	worse	worse
7	St. John's	7	9	5	7	worse	worse
8	London	7	10	6	8	worse	worse
9	Ottawa	26	13	21	9	better	better
10	Brampton	20	13	16	10	better	better
11	Surrey	12	14	11	11	worse	no change
12	Oakville	11	14	8	12	worse	worse
13	Vancouver	13	15	12	13	worse	worse
14	Pickering	14	19	14	14	worse	no change
15	Bradford West Gwillimbury	24	20	19	15	better	better
16	Halifax	25	21	20	16	better	better
17	Burnaby	27	21	22	17	better	better
18	Hamilton	20	23	15	18	worse	worse
19	Markham	13	23	10	19	worse	worse
20	Toronto	21	32	17	20	worse	worse
Average of All Municipalities		14	14				

Note 1: Delta and Coquitlam included in 2020 Study, but removed for 2022 Study

Note 2: Data for Moncton not shown as insufficient data not found, and none provided by municipality

Source: Altus Group Economic Consulting

4.2.3 Findings by Application Type

When the findings are broken out by application type, they are generally consistent regardless of specific planning application approval sought. This analysis can identify where the major chokepoints in municipal processes may lie.

While the full range of application types is not shown in the figure below, the one not shown given the lack of national use is development permits, where timelines are generally the most expedient. In Calgary, the average approval timeline for Development Permits is roughly 5.1 months, while in Regina it is 3.3 months.

Figure 36 Estimated Average Approval Timelines, by Municipality, by Application Type

Overall Municipality	Rezoning		Official Plan / Municipal Plan Amendment		Subdivision	
	Approval Timelines	Rank	Approval Timelines	Rank	Approval Timelines	Rank
	<i>Months</i>		<i>Months</i>		<i>Months</i>	
1 Charlottetown	3.4	2	3.4	2	**	n.a.
2 Saskatoon	4.5	4	2.8	1	**	n.a.
3 Regina	3.4	1	9.5	6	3.6	1
4 Winnipeg	4.5	3	**	n.a.	4.2	3
5 Calgary	6.6	5	6.6	4	4.0	2
6 Edmonton	6.9	6	8.2	5	**	n.a.
7 St. John's	9.3	7	16.2	10	**	n.a.
8 London	10.4	8	6.4	3	19.7	8
9 Ottawa	13.1	11	13.0	8	13.6	5
10 Brampton	13.0	10	**	n.a.	**	n.a.
11 Surrey	13.9	12	12.4	7	14.1	6
12 Oakville	15.8	14	**	n.a.	15.6	7
13 Vancouver	12.7	9	n.a.	n.a.	n.a.	n.a.
14 Pickering	17.1	15	14.4	9	12.9	4
15 Bradford West Gwillimbury	14.8	13	31.5	14	20.3	10
16 Halifax	19.2	16	23.0	11	23.4	11
17 Burnaby	20.9	17	n.a.	n.a.	n.a.	n.a.
18 Hamilton	24.5	18	25.5	13	19.9	9
19 Markham	24.8	19	**	n.a.	**	n.a.
20 Toronto	30.3	20	25.1	12	54.8	12
Average of All Municipalities	13.5		14.6		16.2	

Note 1: Average by individual unit type only shown where sample size is five or greater
Source: Altus Group Economic Consulting

4.3 MUNICIPAL FINDINGS

4.3.1 Data Received by Municipalities

In mid-2022, Altus Group contacted key persons in each municipality studied, receiving data from 10 of the 21 municipalities:

- Altus received data from eight (8) of the 21 municipalities studied in this report.
- Of these, two were received rapidly and after verifying the data received, obviated the need for continued analysis, and in these instances (Regina and Charlottetown), the municipal data set was used;
- Among the other six, municipal data sets were received after Altus Group had completed its data collection. Altus data findings regarding approval timelines were lower than the municipal data showed in five of these six cases.
- Two other municipalities (London and Hamilton) provided existing data compilations to assist with our analysis.

For those instances where Altus Group undertook data collection and subsequently received a separate dataset from a municipality, the in-house

analysis typically yielded results similar to, and often less than, what was provided by participating municipalities.

In converting the findings from the approval timelines analysis into the ultimate scoring metric, the lower result from the two datasets (Altus Group and municipally provided) was used.

Figure 37

Comparison of Approval Timelines - Altus Data Collection vs. Municipal Data Provided

Application Type	Weighted Average Timelines		
	Altus Data	Municipal Data	Months Difference
	Months		Percent
Brampton	13.4	19.1	5.7
Calgary	8.1	5.4	(2.7)
Edmonton	7.2	10.5	3.3
Ottawa	12.9	13.0	0.1
Pickering	19.3	20.7	1.4
Winnipeg	4.2	5.0	0.7
Average	12.2	12.9	0.8

Note 1: Municipal data received was filtered to remove non-residential applications, and applications with fewer than 3 residential units

Note 2: in responding to requests for information, both London and Hamilton each provided useful information regarding existing reports already produced, but not provide a separate dataset to merit inclusion in the above comparison

Note 3: both Regina and Charlottetown quickly responded to data requests ahead of Altus' completion of data collection, which upon review was used, rather than duplicating efforts of the municipalities, and therefore are not shown in this table

Source: Altus Group Economic Consulting

There are several reasons for the Altus Group estimates being generally lower than the municipal supplied data, mainly due to wanting to be as conservative as possible in the estimates provided:

- Some differences will be due to the data samples differing slightly – what Altus Group was able to find on the public record versus the more complete data set provided by municipalities.
- The Altus Group analysis excluded major outliers that exceeded the average by a significant margin – enough outliers were removed to bring the municipal median as close to the municipal average as possible;
- The Altus Group analysis excluded some periods of time associated with resubmissions, using only the submission date of application for the submission version ultimately decided upon;
- Where a specific ‘complete application’ date could not be verified with the materials on the public record or made available by the municipality, we

chose a date that necessarily came after that date as a conservative proxy (e.g., date of first public meeting or notice date).

In the case of the municipalities that did not provide data, in some cases key municipal contacts did reply to emails seeking data for this study, but in most cases municipal contacts cited a lack of staffing resources to enable them to fulfill the request. In some select cases, no response or reply was received despite repeated attempts to contact municipal staff.

4.3.2 Feedback from Municipalities re: Approval Timelines

In both presenting the findings of our 2020 Benchmarking Study, and in the process of communicating with municipal contacts in the research process for this study, we received significant amounts of feedback regarding issues that municipalities are seeing first-hand that are impacting approval timelines. These include the following:

- Rather than refusing applications, some municipalities prefer to work with applicants as long as necessary to reach a mutually agreeable development application approval. Many municipalities noted that a longer approval process is obviously preferable to a quick refusal;
- Resubmissions take long periods of time that can impact approval timelines, driven by time constraints and similar staffing issues among private consultants as found in the public sector;
- The quality of submissions (and resubmissions) was found in some cases to be poor and required significant additional staff time to steer applicants and/or their consultants in the right direction;
- In some cases, applicants submit site plan applications concurrently with rezoning applications, meaning when the rezoning is approved, the site plan review process begins even though the application date was significantly prior to the actual undertaking of the review;
- Some municipalities may, in some cases, issue conditional building permits before all plans are approved (assuming a certain level of comfort). While approvals may not yet be fully obtained, in these cases, construction may have already commenced despite lacking a full approval; and
- Some site plan applications may require minor variances approval from Committees of Adjustment (“CoA”) (or other planning bodies and/or delegated staff), which if the CoA application gets appealed, the site plan timelines can be overly extended;

4.4 ADDITIONAL INSIGHTS

4.4.1 Larger Applications vs. Smaller Applications

The large dataset permits an analysis of approval timelines by size of application. The data presented in the Figure 38 below shows average approval timelines for

high-density development projects, by size of project as measured by dwelling unit counts.

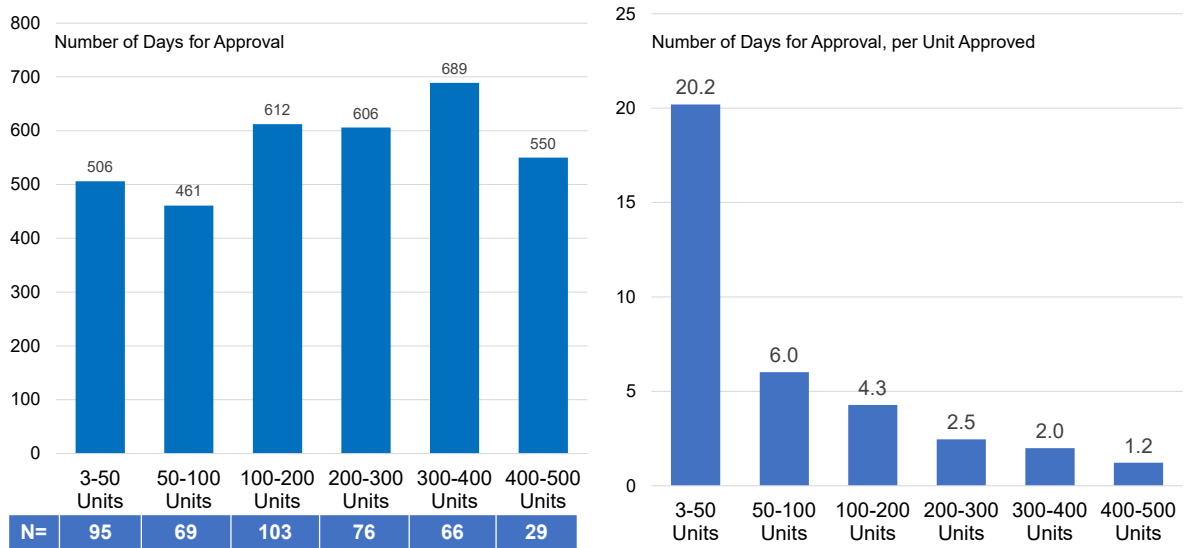
The data is exclusive to Ontario municipalities and combines all 9 Ontario municipalities studied in this report in addition to the 11 additional Ontario municipalities included in the BILD Benchmarking Study not covered in this report.⁹

The analysis shows that there is little to no difference in how long it takes to gain municipal approval, regardless of development size. Among the 400+ high-density projects in our database across Ontario:

- High-density projects with 3-50 units take an average of 506 days to get approved (averaging 25 units), taking 20.2 days in review per unit approved; and
- High-density projects with 400-500 units take an average of 550 days to get approved (averaging 451 units among them), equating to 1.2 days in review per unit approved.

Figure 38

Average Timelines for Approvals, High-Density Development Projects, Ontario Municipalities



Source: Altus Group Economic Consulting

Using the above averages to illustrate the implications, if a 450-unit project takes 550 days to gain approval, and similarly that every 25-unit project takes 511 days to approve, to get the same quantum of 450 units approved through smaller projects:

⁹ Burlington, Milton, Mississauga, Caledon, Vaughan, Richmond Hill, Oshawa, Clarington, Whitby, Barrie and Innisfil

- It would take 18 separate development applications of 25-units each to reach the same unit yield as the single 450-unit project; and
- Based on average review time of 511 days for each smaller project, it would take approximately 9,100 days combined to reach the get 450 units approved, instead of the total 550 days that the larger single project approved.

Simply put, unless major changes are made to streamline approval processes for smaller applications, the extremely high ‘per unit’ time investments being made in the municipal review process will make housing forecasts difficult to achieve and put a significant strain on finite staffing resources.

4.5 COSTS OF DELAY

Based on Altus Group Cost Consulting analysis, every three (3) months of delay before construction can commence, or the longer than construction periods are drawn out has significant implications for construction costs:

Figure 39

Period	Every 3 Months/Quarter:
Pre-Construction	+\$8 to \$10 per square foot
During Construction	+\$4 to \$6 per square foot from general conditions and interest on loans Plus \$1 per square foot for every rise of interest rates by 100 basis points.

For a hypothetical high-density development (consistent with the scenario used in this report to model municipal charges), each month of delay equates to cost escalation of \$2.60 to \$3.30 per square foot per month, a 20-50% increase from the estimated per month costs in our 2020 Study.

On a per unit basis, the costs of delay and resulting exposure to additional construction cost escalation amounts to \$2,600 to \$3,300 in additional construction costs per residential unit.

Over a 6-month period, this would amount to \$16,000 to \$20,000 per unit in additional construction costs associated with time spent in the development application process.

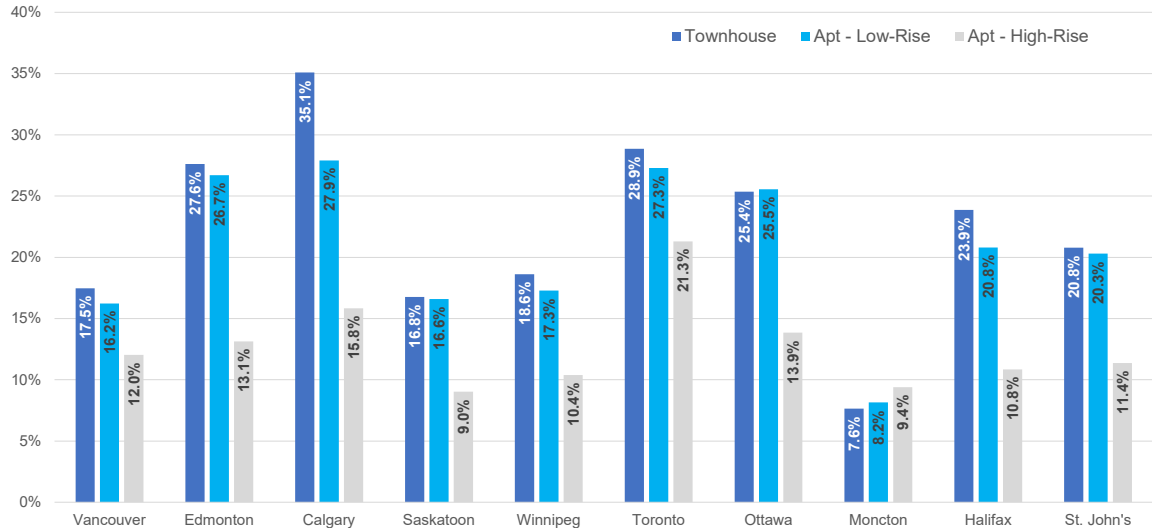
Statistics Canada data on construction costs show that in the twelve months ending Q1 2022, construction costs for residential construction have increased by an average of 22.6%, including an average of:

- +25.5% for townhouses – increases have been highest in Calgary, Edmonton and Toronto, with Calgary exceeding 35% cost increases in the last 12 months;

- +21.4% for low-rise apartment buildings – increases have been highest in Edmonton, Calgary, Toronto and Ottawa – all above 25%; and
- +17.1% for high-rise apartment buildings – increases have been highest in Toronto (+21.3%), with Calgary and Ottawa also exceeding 13% cost escalation.

Figure 40

**Change in Construction Costs by Residential Unit Type,
Census Metropolitan Areas, Last 12 Months: Q1 2021 to Q1 2022**



Source: Altus Group based on Statistics Canada Table 18-10-0135-01

4.6 CONCLUSIONS

The analysis of development application approval timelines allows for several conclusions to be made:

- Approval times have worsened in many municipalities, with approval timelines worsening in 11 of the 20 municipalities studied.
- The best average approval timelines were found in Charlottetown, and the five (5) municipalities in Manitoba, Saskatchewan and Alberta, with all of the Prairie municipalities ranked in the top six (6) out of 21 municipalities studies.
- The worst average approval timelines were found in Toronto, Markham, Hamilton, Burnaby and Halifax, with these five municipalities having average approval timelines ranging from 20 to 32 months.
- Compared to the 2020 Study findings, the overall average timelines has remained at approximately 14 months, however municipalities in Ontario saw the average timelines worsen by 3%, while municipalities in GTA saw average timelines worsen by 18%. Timelines in non-Ontario municipalities improved by roughly 10%.

-
- Approval times are as long for smaller applications as they are for larger applications. On a per-unit basis, they occupy a disproportionate amount of staff time, which could have serious implications for staffing requirements if smaller-scale development is being more heavily relied upon to address overall housing supply issues, unless the process is significantly simplified for these applications;
 - Time spent in approvals process has significant implications for building costs, as each 3-month period of delay results in \$8-\$10 per square foot in additional construction costs, with construction cost escalation continuing to accelerate; and
 - Municipal feedback indicates that a key issue to improving approval timelines include staffing resources, turnaround times for resubmissions, municipalities are ultimately conforming to requirements of provincial legislation and other related statutes and regulations, and that any attempts to streamline the review and approvals process are often limited by those requirements.

5 MUNICIPAL CHARGES AND FEES

This section of the report aims to provide a high-level overview of government charges levied by municipal governments and attempts to quantify the costs these charges and fees generate for developers, home builders, and ultimately, home buyers.

5.1 QUANTIFICATION OF MUNICIPAL CHARGES AND FEES

5.1.1 Scenarios

To estimate the charges and fees imposed by the municipalities studied in this report, the model is based on two development scenarios – one ‘low-rise’ consisting of single-detached and townhouses, and one ‘high-rise’ consisting of a condominium apartment building.

Figure 41

Attribute	Low-Rise Scenario	High-Rise Scenario
Unit Types	75 single-detached, 50 townhouses	125 condominium apartment units (75 2+bedrooms, 50 bachelor and 1-bedroom)
Land Area	6.91 hectares (17.06 acres)	0.52 hectares (1.29 acres)
Unit Sizes	Single-detached: 2,500 sf Townhouses: 1,800 sf	Large apartments: 900 sf Small apartments: 650 sf

5.1.2 Charges Reviewed

The analysis includes a review of charges imposed by municipalities on new housing development, including:

- **Infrastructure Charges** – fees imposed to help finance capital costs for both hard infrastructure (roads, water works, sewage works, etc.) and soft services (libraries, recreation, child care) required by the growth that the charges are being levied on;
- **School Charges** – fees imposed by local school boards and/or local municipalities (or collected by municipalities on behalf of school boards) to finance school site acquisition or certain elements of school buildings;
- **Planning & Approval Fees** – includes planning fees, engineering fees, building permit fees, etc.;
- **Parkland Contributions** – includes direct contributions of land for park or other public purposes, which may also be provided as cash payments in lieu of providing land;
- **Land Transfer Taxes** – typically levied by Provincial governments (which are not covered in this report), but the City of Toronto has the authority to levy their own land transfer tax through the City of Toronto Act;

- **Community Benefits Charges** – to be imposed by Ontario municipalities starting September 2022, replacing the former density bonusing tool under Section 37 of the Planning Act; and
- **Density Bonusing** – in-kind contributions or cash payments paid to municipalities in return for additional density over-and-above the otherwise permitted amount (Community-Amenity Contributions).

5.2 FINDINGS

5.2.1 Low-Rise Scenario

The modelling of charges imposed on low-rise development was done for all 21 municipalities. The average charges per unit amount to approximately \$61,600 per unit, or \$28 per square foot (psf) for the scenario utilized.

Figure 42

Municipal Charges per Unit, Low-Rise Scenario, Study Municipalities

Rank	Municipality	Low -Rise	
		Charges per Unit	Charges per SF
		\$ / Unit	\$ / SF
1	City of Toronto	189,325	85
2	Markham	162,348	73
3	Brampton	126,907	57
4	Oakville	113,635	51
5	Pickering	86,884	39
6	Surrey	84,678	38
7	BWG	77,527	35
8	Saskatoon	71,555	32
9	Hamilton	61,431	28
10	Vancouver	61,414	28
11	Ottawa	46,320	21
12	Calgary	42,800	19
13	London	37,163	17
14	Regina	34,370	15
15	Burnaby	29,533	13
16	Edmonton	29,359	13
17	Winnipeg	17,589	8
18	Halifax	9,629	4
19	St. John's	4,750	2
20	Moncton	3,897	2
21	Charlottetown	2,109	1
	Average	61,582	28

Source: Altus Group Economic Consulting

The municipal imposed charges in the six (6) Greater Toronto Area municipalities studied all rank in the top seven (7), owing to the significant amount of development charges typically imposed on new housing development in GTA municipalities.

5.2.2 High-Rise Scenario

The analysis of municipal charges imposed on high-rise development scenarios looked at the charges in 20 of 21 municipalities (Charlottetown was not included in this part of the analysis).

Based on the scenario utilized, the charges for a high-rise development average \$41,400 per unit. The charges for high-rise are highest in the City of Markham, followed by the City of Vancouver, and the four (4) of the remaining GTA municipalities (Toronto, Brampton, Oakville and Pickering). The average charges for high-rise amount to \$52 psf. Of the 20 municipalities, four (4) have charges that exceed \$100 psf for high-rise development, of which all are either located in BC or Ontario.

Figure 43

Municipal Charges per Unit, High-Rise Scenario, Study Municipalities

Rank	Municipality	High-Rise	
		Charges per Unit	Charges per SF
		\$ / Unit	\$ / SF
1	Vancouver	125,542	157
2	Markham	110,892	139
3	City of Toronto	99,894	125
4	Brampton	79,645	100
5	Oakville	74,636	93
6	Pickering	64,076	80
7	BWG	53,845	67
8	Surrey	48,654	61
9	Hamilton	41,690	52
10	Ottawa	35,079	44
11	London	22,275	28
12	Burnaby	19,256	24
13	Calgary	16,990	21
14	Halifax	10,744	13
15	Edmonton	6,599	8
16	Saskatoon	6,457	8
17	Regina	3,959	5
18	Winnipeg	3,070	4
19	Moncton	2,300	3
20	St. John's	1,463	2
	Average	41,353	52

Source: Altus Group Economic Consulting

5.3 COMPARISON OF LOW-RISE AND HIGH-RISE COSTS PER SF

Municipal charges and fees imposed on high-rise development are often much higher on a per square foot basis than low-rise development.

In many municipalities this is owing to the influence of high land values on charges imposed on high-density development, such as parkland

dedication/cash-in-lieu, or density bonusing charges seen in others such as Vancouver, Surrey and Halifax.

Some of the other costs, such as development charges (“DCs”) in Ontario, are heavily influenced by high land costs, resulting in DCs that tend to be higher in high-land value municipalities like Toronto, Markham, and Brampton, compared to lower land-value municipalities like BWG, Hamilton or London.

Across all municipalities studied, high-rise charges are on average 80% higher per square foot than low-rise charges. Only Edmonton, Saskatoon, Regina, Winnipeg and St. John’s have per square foot charges that are higher for low-rise than for high-rise. Many land dedication requirements in Western Canada are applicable only to developments requiring land subdivision, which is often not required for high-rise developments.

Figure 44

Ratio of Municipal Charges per SF, Low-Rise vs High-Rise Scenarios

Rank	Municipality	Charges per SF		Ratio of Costs
		Low -Rise	High-Rise	PSF
		<i>\$ / Square Foot</i>		<i>HR / LR</i>
1	Vancouver	28	157	5.7
2	Markham	73	139	1.9
3	City of Toronto	85	125	1.5
4	Brampton	57	100	1.7
5	Oakville	51	93	1.8
6	Pickering	39	80	2.0
7	BWG	35	67	1.9
8	Surrey	38	61	1.6
9	Hamilton	28	52	1.9
10	Ottawa	21	44	2.1
11	London	17	28	1.7
12	Burnaby	13	24	1.8
13	Calgary	19	21	1.1
14	Halifax	4	13	3.1
15	Edmonton	13	8	0.6
16	Saskatoon	32	8	0.3
17	Regina	15	5	0.3
18	Winnipeg	8	4	0.5
19	Moncton	2	3	1.6
20	St. John's	2	2	0.9
Average		29	52	1.8

Source: Altus Group Economic Consulting

In many cases, low-rise development is directly responsible for building and funding ‘local’ infrastructure needed to bring services from major linear infrastructure works (trunk mains, arterial roads) to housing units being constructed. These costs would not be accounted for in our analysis.

5.4 NOTABLE CHANGES SINCE 2020 STUDY

There have been some changes to major municipal-imposed fees in various municipalities studied:

- The City of Regina had imposed an “Intensification Levy” from October 2019 to November 2021, but Council voted to repeal this levy and instead opt to use the “tax lift” from intensified development in the City’s “Established Area” to fund growth-related infrastructure;¹⁰
- In July 2020, a Manitoba court decision determined that the “Impact Fees” that the City of Winnipeg was imposing was a “constitutionally invalid indirect tax” and ordered the City to refund funds it had received since first imposing the fees in May 2017¹¹;
- Many GTA municipalities have undertaken a review of Parkland by-laws, including updated rates for land conveyance or cash-in-lieu (“CIL”) of dedication. Many of these parkland CIL amounts have been adopted and are in-force in full, others are adopted and phased in over several years (Mississauga, Vaughan) or delayed in their implementation (Toronto), and others are in draft but likely to be adopted in September 2022. At the time of writing this report, given the disparity of status of these by-laws, and that some municipalities have not yet fully adopted their Parkland by-laws and some have adopted (or are proposing to adopt) CIL rates that would be lower than the prior approach would require, this study uses adopted/formally proposed rates, or in cases where phase-in or transition was incorporated into the by-law, the full phased-in rates were used.
- Many GTA municipalities have or will adopt Community Benefits Charges (“CBCs”) imposing a charge of up to 4% of land value for high-density developments with 5-or-more storeys and 10-or-more residential units. Where a CBC by-law has been adopted or is proposed, these charges have been incorporated into our analysis, even if not yet in-effect until September 18, 2022 as per the legislation.
- After the Province of New Brunswick adopted the Community Planning Act enabling municipalities to utilize a new infrastructure financing tool, in 2020 & 2021, the City of Moncton adopted two development charge by-laws, one for the Humphreys Brook¹² area in the City’s east-end, and another for the Twin Oaks area in the City’s north-end.

¹⁰ <https://www.regina.ca/business-development/land-property-development/land-development/>

¹¹ <https://udimanitoba.ca/winnipeg-impact-fees-legal-challenge-update/>

¹² https://www5.moncton.ca/docs/bylaws/By-Law_Z-1519_Development_Charge_Arrete_redevance_amenagement.pdf

5.5 COMPARISON WITH 2020 STUDY

5.5.1 Low-Rise

As compared to our 2020 Study, the average municipal charge on low-rise development has increased by 25%, from \$49,400 per unit to \$61,600 per unit, or an increase of nearly \$12,200 per unit.

It is noted that this per unit average is a weighted average blend of municipal charges on single-detached units and townhouses, with the low-rise scenario including 75 single-detached units and 50 townhouse units.

It was found that municipal charges increased for all but two (2) of the municipalities examined (Regina and Winnipeg), with increases ranging upwards of 62% (Surrey).

In the 2020 study, three (3) municipalities had low-rise charges that exceeded \$100,000, whereas in this study, four (4) municipalities exceed \$100,000 all of which are in the Greater Toronto Area.

Figure 45

Municipal Charges per Unit, Low-Rise Scenario, Study Municipalities, 2020 vs. 2022 Study

Rank	Municipality	Low -Rise		% Change
		2020	2022	
		\$ / Unit		
1	City of Toronto	156,117	189,325	21%
2	Markham	120,372	162,348	35%
3	Brampton	100,172	126,907	27%
4	Oakville	84,211	113,635	35%
5	Pickering	59,564	86,884	46%
6	Surrey	52,204	84,678	62%
7	BWG	63,093	77,527	23%
8	Saskatoon	68,665	71,555	4%
9	Hamilton	41,358	61,431	49%
10	Vancouver	47,698	61,414	29%
11	Ottawa	41,806	46,320	11%
12	Calgary	37,286	42,800	15%
13	London	32,765	37,163	13%
14	Regina	42,642	34,370	-19%
15	Burnaby	20,672	29,533	43%
16	Edmonton	21,896	29,359	34%
17	Winnipeg	30,029	17,589	-41%
18	Halifax	6,823	9,629	41%
19	St. John's	4,414	4,750	8%
20	Moncton	3,718	3,897	5%
21	Charlottetown	2,181	2,109	-3%
Average		49,414	61,582	25%

Source Altus Group Economic Consulting

5.5.2 High-Rise

Compared to the 2020 Study, the average municipal charge on high-rise development has increased by 34% since the 2020 Study, increasing from \$31,900 per unit to \$41,400 per unit, or an increase of \$9,500 per unit.

It is noted that this per unit average is a weighted average blend of municipal charges on small and large apartments, with our high-rise scenario including 75 two-bedroom units and 50 one-bedroom units.

It was found that municipal charges increased for 19 of the 20 study municipalities, with increases being as high as 65% over the two-year span since our 2020 Study.

In the 2020 Study, only one municipality exceeded \$100,000 per unit for high-rise units, but in this study, two (2) municipalities have charges that exceed the \$100,000 threshold (Vancouver and Markham).

Figure 46

Municipal Charges per Unit, High-Rise Scenario, Study Municipalities, 2020 vs 2022 Study

Rank	Municipality	High-Rise		% Change
		2020	2022	
		<i>\$/ Unit</i>		
1	Vancouver	100,679	125,542	25%
2	Markham	85,731	110,892	29%
3	City of Toronto	76,378	99,894	31%
4	Brampton	57,724	79,645	38%
5	Oakville	60,526	74,636	23%
6	Pickering	43,621	64,076	47%
7	BWG	40,958	53,845	31%
8	Surrey	35,554	48,654	37%
9	Hamilton	34,443	41,690	21%
10	Ottawa	26,860	35,079	31%
11	London	19,184	22,275	16%
12	Burnaby	12,485	19,256	54%
13	Calgary	10,289	16,990	65%
14	Halifax	9,016	10,744	19%
15	Edmonton	4,443	6,599	49%
16	Saskatoon	6,078	6,457	6%
17	Regina	8,514	3,959	-54%
18	Winnipeg	3,040	3,070	1%
19	Moncton	2,009	2,300	15%
20	St. John's	1,461	1,463	0%
	Average	31,950	41,353	29%

Source Altus Group Economic Consulting

5.6 INCLUSIONARY ZONING

Many municipalities have in the past two (2) years adopted (or will soon adopt) inclusionary zoning ("IZ"), such as the City of Toronto and the City of

Mississauga, with many others likely following suit in the coming months (Richmond Hill, Burlington, Brampton, etc.)

The model does not include costs associated with IZ for several reasons:

1. Many of the municipalities that are likely to adopt IZ policies have not yet released enough information to attempt modelling the cost implications;
2. The municipalities that have adopted IZ policies are often providing significant transition for otherwise eligible applications, and so while IZ may be adopted, applications submitted in mid-2022 would not be subject to the requirements;
3. Where IZ is adopted, beyond the transition for applications submitted a certain date, the municipalities have adopted a phased-in approach with set-aside rates increasing over a multi-year period;
4. While some municipalities have adopted IZ policies, many of them have stated that incentives may be provided through other instruments that have not yet been finalized (DC by-laws, CBC by-laws, Community Improvement Plans, etc.); and
5. Estimating the costs of IZ, through the modelling of lost revenues and impacts on pricing, is an extremely detailed calculation depending on set-aside rates, term of affordability, determination of market rental rates, calculation of affordable prices/rents, discount rates, rent escalation rate assumptions, etc. Given that only a few municipalities have adopted or have released firm proposals for their approach to IZ, at this point, the modelling would be too speculative to rely on for the purposes of this report.

Where IZ by-laws have been adopted, estimates of costs of the policy on market-units within a development range from \$25,000 to \$60,000 per unit, which would make IZ the second or third most significant municipal-imposed cost along with Development Charges and Parkland Dedication/CIL, depending on the municipality.

5.7 CONCLUSIONS

The government charges analysis found that in many municipalities there are significant municipal-imposed charges on new development, but that these charges can vary significantly from one municipality to the next. However, charges imposed by municipalities on new housing development are generally the highest in the Greater Toronto Area.

- For the municipalities studied, the average charges imposed by on the low-rise scenario amount to \$61,600 per unit or \$28 per square foot;
- The charges for low-rise scenario range from \$2,100 per unit in Charlottetown to \$189,300 in the City of Toronto. The six (6) GTA

municipalities have six (6) of the seven (7) highest municipal charges per unit out of the entire study group for low-rise development;

- The charges imposed on high-rise developments vary widely by municipality, but average \$41,400 per unit or \$52 per square foot;
- The charges for the high-rise scenario range from \$1,460 per unit in St. John's to \$125,500 in Vancouver;
- Compared to the 2020 Study, the average municipal charge on low-rise development has increased by 25%, while high-rise charges have increased by 29%; and
- The charges for high-rise development, on a per square foot basis, are approximately 80% higher than for low-rise development. Higher municipal charges for high-density housing, which is already more expensive to build from a construction cost perspective, puts municipal objectives for increased intensification and infill development at risk. If the municipal costs (or any other costs) increase costs to the point that projects are infeasible, even if the market determines the selling price, higher costs of all kinds can have a direct impact on housing supply and housing affordability.

6 TRENDS, RECENT INITIATIVES AND EMERGING IDEAS

This section of the report scans for best practices for improving municipal processes. While this study is generally limited to the municipalities studied, the scan in this section includes any community within Canada that may be undertaking positive steps towards improving municipal approval processes, and also include some international examples.

6.1 OVERVIEW OF RECENT TRENDS AND INITIATIVES

6.1.1 Forced Change Driven by COVID-19 Pandemic

In the 2020 Benchmarking Study, only a few of the municipalities examined provided applicants the ability to apply online for any planning application and/or building permit, including the City of Edmonton, and others in select circumstances (Calgary, Saskatoon, Markham and Moncton).

Due to the COVID-19 pandemic, most municipalities were forced to adopt some sort of online portal for development applications or building permit submissions.

Conversations with municipal staff have showed that in general, the move to online portals has been a positive one, in that they:

- Provide good customer service;
- Allow for a more efficient tracking of permits;
- Provides an opportunity for municipal staff to work remotely or in the event of office closures.

In addition, conversations with development industry stakeholders have shown that the move to online portals for development and planning applications was a positive one in that it reduces paper needs and allows contractors to do paperwork later in their workday rather than taking time out of their schedules to submit documents in-person at the municipal offices.

The potential impacts of moving to online submission portals on approval timelines is not yet known. This is because many applications submitted after March 2020 may not have been approved yet, particularly those in the last 12 months that may have seen the benefits of the new system once both applicants and staff ironed out early issues with the transition.

6.1.2 City of Kelowna – RU7 Zone – Infill Challenge

Through a City of Kelowna project called the “Infill Challenge”, community members, design professionals, builders and developers worked to find ways to increase housing in central City neighbourhoods. The project included a design challenge with two winning submissions for infill housing designs chosen.

The City has applied the “RU7” zone to over 800 parcels in urban neighbourhoods in central Kelowna, with landowners within the RU7 zone

allowed to add between 2 to 4 additional residential units to their parcels, depending on lot width.

Each RU7 development proposal is required to obtain a Development Permit and a Building Permit. The Development Permit evaluates the aesthetic form and character of the proposal, while the Building Permit ensures compliance with the provincial building code.

Applicants are able to avoid requiring a Development Permit and obtain an expedited Building Permit if one of the two winning designs is chosen, saving the applicant time and associated Development Permit application fees.¹³

6.1.3 Toronto – Concept 2 Keys

The City of Toronto has undertaken a review of their development application review process through a program called “Concept 2 Keys” (C2K). This program was created to transform organizational structures, processes, and technology.

One element of the C2K program is a set of criteria to prioritize certain development applications that include the provision of affordable housing. The City found that this prioritization leads to a savings of three (3) weeks of staff review time, over all other development applications in the City:

A significant contributor to the overall time required to secure approvals is the time required to secure approvals is the time required for City staff to review applications and provide comments for revisions. Within the affordable housing review stream, the average time for City staff to review and provide comments to the applicant has been five weeks per round of review. This compares to an average duration of eight to nine weeks per review round for all development applications across the City.

Some of the technological improvements include:

- Application Submission Tool;
- File Circulation Platform; and
- Online Mapping and Analysis Tool

The City’s C2K program also provides a very useful application tracking dashboard for affordable housing developments throughout the City, with those applications receiving priority development review. The June 2022 version of the dashboard was presented to the City’s July 5 Planning and Housing Committee.¹⁴ This version shows the types of planning applications required for the development applications, status by development stage (complete application, planning approval, building permit approval), with specifics provided for each

¹³ City of Kelowna, RU7 Zoning Information
https://www.kelowna.ca/sites/files/1/docs/related/bulletin_ru7_zoning_factsheet.pdf

¹⁴ City of Toronto C2K Priority Development Stream, Program Dashboard (June 20, 2022)
<https://www.toronto.ca/legdocs/mmis/2022/ph/bgrd/backgroundfile-227731.pdf>

individual application, including unit counts, stage of approvals, circulation time and applicant response time.

6.1.4 Winnipeg – Performance Benchmarking

As part of its annual budget process, City of Winnipeg publishes a highly detailed and rigorous “Community Trends and Performance Report”, which includes numerous statistics and performance measures that summarize dozens of community and financial trends affecting the City. These may reflect the ongoing performance of the City’s administration and compare many of these metrics to other major Canadian cities. The report includes metrics related to:

- Changes in population and components of growth;
- Residential housing and commercial markets;
- Housing affordability;
- Economic trends;
- Municipal financial trends; and
- Surveyed opinions and detailed metrics regarding municipal service delivery and cost effectiveness.

The City is to be commended for the depth and breadth of analysis included in the annual report.

6.1.5 Kamloops – KAMPLAN Indicators Report

The City of Kamloops Indicators Report sets out numerous performance measures broken down into 23 separate categories and includes statistics on residential growth, urban footprint, housing diversity, industrial land supply, transit ridership and housing affordability.

The Report also includes a table of action items that are in progress by the City and its planning department, with status updates and anticipated timing for completion. Some of the initiatives include items such as reviewing neighbourhood plans, reviewing, and updating the zoning by-laws and developing land acquisition strategies etc.

6.1.6 Nanaimo – Council Meeting Dashboard

The City of Nanaimo provides a useful tool to allow the public and stakeholders to explore the decisions made at Council meetings, allowing the user to filter results by Council member, votes and meeting dates, with links for each item on the agenda as well as a summary of Council direction for each item.

Figure 47

City of Nanaimo – Council Meeting Dashboard



6.1.7 Manitoba – Legislative Change

Bill 37 is a Provincial legislation that gives the ability to stakeholders in the City of Winnipeg to challenge decisions on zoning by-law amendments and secondary plan amendments at the Municipal Board and gives landowners and applicants the right to appeal to Council or planning board decisions on development proposals and missed timelines.

According to a bulletin provided by the Province:

The new planning legislation complements existing authority of Manitoba municipalities to create, administer and enforce their own development plans, zoning and other bylaws respecting land use and development in their municipality. If municipalities undertake effective and timely decision-making processes, with up-to-date development plans and zoning bylaws, fewer appeals could result. However, if local decision-making is not transparent, if development plans and zoning by-laws are unclear, or if municipal officials are unable or unwilling to explain their outcomes to applicants, the appeals process will ensure a fair and unbiased decision is ultimately made by the Municipal Board.¹⁵

¹⁵ https://www.gov.mb.ca/mr/mfas/pubs/mmo/bulletins_2021/2021-27_upcoming_changes_planning_system_appeals.pdf

As the approach taken by Manitoba is found to be similar to the Ontario Land Tribunal appeals system, it ensures that each development application is given a fair and objective hearing of its merits and impacts on the public interest, whether at Council or at the appeal body.

6.2 EMERGING IDEAS

6.2.1 Chief Provincial Planner / Independent Planning Auditor

The Ontario Professional Planners Institute (“OPPI”) released a set of recommendations to tackle issues in the Province related to housing supply and affordability.

The first recommendation was to create an Office of the Chief Planner of Ontario (“CPO”) as an independent, non-partisan Office of the Legislative Assembly, with the objective of being able to “provide oversight of municipal implementation of provincial land use plans and policies.”¹⁶

The basis for the recommendation comes from the OPPI’s findings that:

- Minimal information is available on the outcomes of policies associated with the Growth Plan for the Greater Golden Horseshoe. The Province has only once reported on municipal implementation progress since the Plan’s inception.
- Many municipalities are falling short of targets in the Plan. Only four (4) of the 25 Urban Growth Centres are on pace to meet their density targets by 2031.
- Municipalities receive insufficient guidance on how to implement policies in provincial plans. In a survey of municipal planners, 70% of respondents said they lacked sufficient guidance or direction from provincial staff.

Under OPPI’s recommendation, the CPO would:

- Oversee and provide advice to municipalities on the implementation of provincial planning policy;
- Publish an annual report on progress towards meeting provincial growth targets, and identify which policies or targets are not being met;
- Provide recommendations to municipalities that are misaligned with provincial plans; and
- Assist in resolving differences among Provincial ministries on land use planning policies and plans at a municipal level.

¹⁶ Ontario Professional Planners Institute, https://ontarioplanners.ca/OPPIAssets/Documents/Policy-Papers/OPPI_Top_10_Recommendations.pdf

6.2.2 Establishing Population/Density Targets for Existing Neighbourhoods Experiencing Population Declines

The Ontario Growth Plan for the Greater Golden Horseshoe (the “Growth Plan”) imposes minimum densities for numerous elements of a municipality’s urban structure, including:

- Minimum densities for Urban Growth Centres;
- Minimum densities for new Designated Greenfield Areas; and
- Minimum densities for Major Transit Station Areas.

While there are requirements to plan for a minimum percentage of new housing units in a municipality to be directed to the existing built-up area, the Growth Plan does not impose any density or population targets for existing neighbourhoods. The Growth Plan contains a policy to “encourage intensification generally throughout the delineated built-up area”, but most intensification and infill is largely directed to Urban Growth Centres, Major Transit Station Areas, or other major intensification areas.

However, while population growth is surging in many Urban Growth Centres, Major Transit Station Areas (MTSAs) and transit corridors, population is declining in many mature GTA neighbourhoods and has recorded significant decreases, not only recently (5 or 10 years ago), but also from their peak population, recorded shortly after they were first developed.

The ongoing declines in population within existing mature neighbourhoods places significant additional pressure on other parts of a municipality to take-on the necessary housing unit growth to not only see a municipality grow, but also in part to make-up for the lost population in existing neighbourhoods relative to their original designed capacity.

Adding housing units to existing built-up neighbourhoods that have experienced population decline can help ensure that available public services and infrastructure can be utilized as designed, rather than leaving excess capacity than is left unused.

6.2.3 National Zoning Atlas

While the availability of GIS data on zoning has improved since the last benchmarking study, there are still inconsistencies among municipalities in providing this information to the public. Only nine (9) of the municipalities in the CHBA Benchmarking Study provide this data to the public.

In the United States, Cornell University operates the “National Zoning Atlas’, a program to collect zoning by-laws nationally and present key attributes in an online user-friendly map.

The purpose of the program is to help disseminate information on zoning to broaden participation in land use decisions, identify opportunities for zoning reform and narrow the asymmetry of information between participants in land and

housing markets. According to the National Zoning Atlas, they provide cross-jurisdictional comparisons, highlight regional and statewide trends, and strengthen national planning for housing production, transportation infrastructure, and climate response.

To better understand the impact of zoning on housing and track national trends in local decision making, it is recommended that the federal government, provincial governments, and municipalities, with possible coordination by an educational institution, undertake a national zoning atlas program in Canada. The federal government could provide grant money to municipalities to digitize their zoning maps and funding for an education institution to operate the program, while provinces could use directives, for example extending the Ontario Digital Data Directive to include municipalities and planning datasets, to promote municipalities' co-operation.

6.2.4 Planning Information Return (“PIR”)

Several provinces have annual financial statements that municipalities submit to their respective provincial ministry. In Ontario, Financial Information Returns (“FIRs”), are an annual form of standardized reporting of a municipality’s financial activities. The purpose of these returns is to provide the public and ministry staff an overview of the fiscal standing of each municipality with accounting standards that permit an ‘apples-to-apples’ comparison.

A key takeaway from conducting the necessary research to undertake this study is the amount of work it takes to compare municipalities on performance related to things such as, approval timelines, number of units approved, under application, the amount of municipal owned lands or vacant employment lands, etc.

Issues about the availability of planning data to enable better evidence-based decision making was also highlighted by the Auditor General of Ontario’s report¹⁷ in 2021 on land-use planning practices in that province.

All this suggests that the time has come to implement a ‘Planning Information Return’ (“PIR”), which would follow the same principle as an FIR. The concept envisions a yearly report, like FIRs, providing the province and the public data on various planning metrics with established standards.

The State of Victoria in Australia provides some guidance how unified reporting standards can be created as they have an existing established monthly reporting system called the ‘Planning Permit Activity Reporting System’ (“PPARS”).

Some Canadian provinces have also already begun this process. According to the Rural Municipalities of Alberta¹⁸, one of the non-legislative changes the province implemented through its Red Tape Reduction Act in 2020 was to require

¹⁷ Value-for-Money Audit: Land-Use Planning in the Greater Golden Horseshoe (2021)

¹⁸ Rural Municipalities of Alberta. *Bill 48 Introduces Changes to Municipal Planning and Development*. <https://rmaalberta.com/news/bill-48-introduces-changes-to-municipal-planning-and-development/>

municipalities to report development and subdivision approval timelines. Section 577(2) in Alberta’s Municipal Government Act empowers the minister to direct a municipality to provide any information or statistics within a prescribed timeframe. The statistical information return (“SIR”) section in Alberta municipal SIRs for 2020 and 2021¹⁹ provide several planning metrics, including:

- Date of the last time a Municipal Development Plan was approved;
- Number of development permits applications received;
- Number of development permits issued;
- Average number of days from a development permit application to approval;
- Number of building permits issued;
- Number of subdivision applications received;
- Number of subdivision applications approved;
- Average number of days from subdivision application to approval;
- Number of amendments to the land use bylaw; and
- Number of Subdivision and Development Appeal Board appeals heard.

One weakness of Alberta’s dataset is that it provides aggregate data of planning statistics. This limits the ability of researchers to understand several useful attributes such as:

- Approval/Refusal Rate;
- Average number of units approved per application;
- Break down of approvals or denials by structure size;
- Timelines of approvals by structure size; and
- Location of approvals and refusals.

There are many useful forms of analysis not listed that could be generated by researchers but requires a break down of specific application approvals that includes address, complete application date, status of application, date of decision rendered, number of units included in the proposal, total gross floor space (“GFA”) of non-residential portions, etc.

We also recommend that this data be collected on an ongoing basis and only include applications that were submitted at the beginning of the year or where a decision was rendered at the beginning of year be included. Attempting to gather historical data may be overly onerous compared to the benefit generated.

It may also be prudent to limit this level of information requirement to municipalities of a particular size, which would have the capability and capacity to produce such reports. Finally, we also believe that this requirement could also

¹⁹ The FIR for 2022 was not available at the date of this report

help encourage more municipalities to adopt e-planning platforms, which would help automate much of the required data gathering process.

Eleven (11) of the twenty-one (21) municipalities already collect the necessary status information in their public development trackers to produce the suggested PIR requirements.

One piece of feedback that municipalities provided was that many development applications are delayed because of the lengthy and inconsistent timelines for provincial ministries or agencies on providing commentary that was requested. Without any source of data, such as meeting minutes or a PIR like file, it is not possible to track the extent of the problem or to offer analysis to provincial responsibility in delaying development application approvals.

6.3 PROVINCIAL SELF IMPROVEMENT

6.3.1 Provincial Statements of Interest

Provincial Statements of Interest (“PSI”) provides flexibility to governments in how they can address the day-to-day planning issues. PSIs are typically enabled through local planning or municipal governance acts and allow changes to the planning framework to be made without the requirement to pass new legislation. The nomenclature for the name of this document also varies between provinces.

There are currently four (4) provinces that have implemented a PSI – Nova Scotia, Ontario, Manitoba, and Saskatchewan. New Brunswick is currently in the process of drafting one and is expected to finish the process by 2023, while it has been suggested that PEI also adopt this planning tool.

The depth of issues that PSIs deal with and the length that they can take on, vary greatly between provinces and can also vary significantly between different periods of time within a province.

Ontario’s Provincial Policy Statement (“PPS”) 2020 update added significant language about ‘housing options’ with nine (9) occurrences of this term appearing in the text of the document. The PPS defines housing options as:

Housing options: means a range of housing types such as, but not limited to single-detached, semi-detached, rowhouses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi-residential buildings. The term can also refer to a variety of housing arrangements and forms such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, land lease community homes, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses.

Much of the current discussion about increasing housing options in neighbourhoods taking place in several municipalities in Ontario can trace back

to changes made to the PPS. For example, on Mississauga's website for consultations that are part of its official (municipal) plan review, it notes:

We understand our city needs more diverse types of housing for families, workforce, older adults, and newcomers.

The Province of Ontario is now requiring municipalities to permit

Two additional residential units on lots with a detached, semi-detached, or rowhouse. Examples of these are garden suites or garage conversions [from change to the Planning Act]

A range and mix of housing types such as duplexes and triplexes, and different living arrangements such as co-ownership and home share. [from changes to the Provincial Policy Statement]

While current up-zoning efforts in Ontario municipalities have yet to result in by-law reforms moving past only providing permissions for gentle density forms, such as garden and laneway units, the PPS housing option statement has still spurred a great deal of discussion, examination, and study on higher density forms, such as multiplexes.

Stronger language in the PPS could help to see actual reform implemented in Ontario. Likewise, provinces looking for methods to at least begin the conversation on zoning reform should consider adopting a PSI that includes housing option language. Even where a PSI already exists, those provinces should also consider adopting language around the promotion of housing options to further promote zoning reforms that will greatly help to alleviate the development process.

6.4 IMPROVING THE DEVELOPMENT PROCESS

6.4.1 E-Planning Systems

Choosing an appropriate vendor to facilitate a digital e-planning, e-permit, or payment system (referred to as "e-planning systems" hereafter for the aggregate of all three) is beyond the scope of this report. However, there are several recommendations that can be suggested to aid in the implementation of such systems.

It is advisable for municipalities, especially those in a two-tier governmental structure²⁰, to coordinate their technological adoption with each other, their upper-tier administration, and any other relevant agencies, such as a conservation authority that may regularly provide comments on development applications.

However, where coordination is not possible or would significantly delay the adoption of e-planning systems, it is advisable for municipalities to press forward

²⁰ Where several smaller municipalities belong to either a region or county.

independently, but they should ensure that the systems they have procured provide Application Programming Interface (“API”)²¹ capabilities.

Where an organization previously did not have such technological capabilities, adopting any form of enterprise resource planning (“ERP”) systems or customer resource management (“CRM”) software, which e-planning systems often stem from, causes significant change management requirements. This change management can be time consuming, difficult, and often changes the very nature of work for many employees. However, moving from one ERP or CRM system to another does not require as much change management as the initial move to digital work from paper copies.

A key area of focus should be the interoperability of e-planning systems between each other. For example, ensuring that online e-payments apply correctly to the right application in an e-planning system, and with other systems, such as a development application tracker that a municipality hosts on its website. The goal should be to minimize the amount of staff resources required to transfer information between systems by maximizing automation. The ultimate purpose of digital system is to minimize non-value add administration work and to maximizing value-add analysis work, such as time spent preparing commentary on various facets of an application or reading submitted reports.

What municipalities should also focus on with their system adoption is the ultimate customer experience. Several of the e-payment systems that were examined for this report either had caps on them or required contact with staff. Caps on payments can quickly make a convenience a useless feature for larger projects. As well, the more human action required in the process increases the potential error rate where payments may be applied to the wrong project or inquires to make a payment missed or overlooked, leading to significant delays and administrative burdens.

Finally, examination of regulations that may be impeding the adoption of e-planning systems should be undertaken. For example, it was noted during the debate for Bill 137 in Nova Scotia that before its enactment, the Charter for Halifax specified that paper copies for planning documents related to development applications was required as a matter of law. In Bradford West Gwillimbury’s Fees and Charges By-law, it is specifically stated that e-payments/online banking is only an accepted method for recreation programs and water and waster fees.²² Both provinces and municipalities have a role to play in the regulatory review process affecting the adoption of digital systems.

6.4.2 City/Developer Application Review Timeline Agreements

Conversations with City of Calgary staff indicated that a successful approach being undertaken to improve application review timelines is a process that sees

²¹ API is a way for two or more computer programs to communicate with each other. It is a type of software interface, offering a service to other pieces of software.

²² See By-law 2021-80 Section 4.4

the City and applicants come to an agreement to set a 'deadline' for providing comment and decision on development applications. Calgary staff indicated this was a useful process in establishing mutually understood terms in the application review process and to set reasonable expectations that reflect application-specific nuance, or current staff commitments that blanket timeline requirements cannot capture.

The ability for a municipality in Alberta to establish alternative timelines for development permits is enabled in the MGA by section 684, which states:

(1) The development authority must make a decision on the application for a development permit within 40 days after the receipt by the applicant of an acknowledgment under section 683.1(5) or (7) or, if applicable, in accordance with a land use bylaw made pursuant to section 640.1(b).

(2) A time period referred to in subsection (1) may be extended by an agreement in writing between the applicant and the development authority.

There is similar language also covering agreements for extensions of the complete application period for development permits and subdivision applications.

While it is very important to have service standards that set time limits for municipalities to render decisions, it can be difficult to establish a single window that is appropriate for all scenarios. Complex proposals do require some reasonable amount of time to review, while less complex proposals should be required to be processed more quickly. However, without a mechanism that allows a sufficient distinction to be made between application types, a substitute is to maintain a single service standard, as a number of provinces already do for various application types, while allowing municipalities and developers to come to mutual agreement on alternative timelines.

One strength of having the added ability to create an alternate timeline by agreement is that it gives the ability for developers and municipalities to establish goodwill between each other in what can be at times a continuous process. Municipalities would still be held accountable to meet a minimum service standard, while developers that wish to work with municipalities more congenially to mutually beneficial outcomes, will be incentivized to offer extended time periods for their applications that have a complex nature.

This could also reduce the number of cases that appear before a municipal board for an automatic refusal or non-decision, where that is applicable, and allow staff resources to be better prioritized between complex and non-complex applications.

6.4.3 New Approaches to Allocating and Accounting for Staff Time

The current economic climate in relation to labour shortages and housing costs has also been reported to be affecting planning departments and related provincial ministries across the country.

The Land Matters Advisory Committee in PEI noted in their July 2021 report examining planning in the province that:

The Committee also heard that the provincial government lacks planning capacity, and planning staff in particular...

If internal planning staff and capacity is not currently sufficient, then the provincial government should obtain external planning support to complete the work.

The City of Toronto's planning department reported in June 2022 that they had an overall vacancy rate of 12.8%, and roughly one-quarter of their staff had worked there for less than 3 years as of April 2022.

Issues cited in the report as causes of turnover and vacancies include, but not limited to:

- Compensation competitive with the private market;
- Limited flexibility to provide competitive offers, such as only being able to offer temporary employment status instead of permanent, vacation, and benefit entitlement restrictions; and
- Toronto being a comparatively expensive city with regards to cost of living in relation to wages.

When turnover occurs during the development application process, it can lead to significant instability in the communication of expectations leading to delays. The new planner on the file needs time to get up to speed, they may have different interpretations of policies or objectives causing significant re-work of plan, and they may also be bringing their casework from their previous position with them in addition to dealing with the new workload taken up from their departing colleague.

Suggested approaches to resolve these issues could include the following:

- External planning support - many private planners have public community planning experience, and it is common practice in smaller municipalities in Ontario that cannot afford a full staff complement to contract out the development review process. Retaining outside planning consultants for court/tribunal matters or large-scale studies is already common practice, and may need to be considered for day-to-day tasks as well, even if only temporarily, and where conflicts allow it;
- Municipalities could enact a method to allow recognition of staff availability when requesting reports or studies. In June 2022 it was reported by Spacing Magazine that the City of Toronto had 393 reports

that were overdue.²³ . Municipalities could create a public registry of all requests and their statuses with regular updates. Improving public accountability will both ensure that staff are completing the work assigned to them by council and that council is not creating work requests that take resources away from other time-sensitive areas of work.

- An approach to budgeting and accounting for available staff resources would be to give each councillors an equal yearly pool of hours that they could use to assign staff to undertake studies or prepare reports.

6.4.4 Streamlining and Eliminating Technical Studies for Affordable Housing

While many municipalities act to reduce the technical studies required, or may seek to fast-track affordable housing projects, many treat affordable housing projects no differently than any other type of development. It is not atypical to see a long list of professional and technical studies to secure approvals at the local municipal level, even when the project proponent is the upper-tier municipality responsible for housing services.

Some studies are technical in nature and unavoidable such as engineering studies. However, studies such as Market Impact studies, Planning Justification reports, and potential many other types of studies would appear to add little value to the consideration of the project, and instead only contribute to slowing the process, review and approval applications to deliver much needed affordable housing.

Many municipalities attempt to incentivize projects to include affordable housing through promising 'fast tracking', such as Toronto's Open-Door Program.

An alternative benefit to fast-tracking review of projects that include affordable housing would be to either allow such projects to be waived through the development application process entirely by making these kinds of proposals as-of-right or through reducing the regulatory burden by eliminating or minimizing the requirement to adhere to certain policies or guidelines.

In April 2021, the City of Vancouver approved a by-law allowing developments up to six storeys in certain zoning codes where 100% of the floor space was developed as social housing, or in conjunction with a child day care facility. In May 2021, it was proposed to provide further zoning relief for up to 12 storeys with a corresponding increase in the floor space ratio ("FSR"). This proposal was defeated, but noted that:

Rezoning for a non-profit typically takes a year or longer, and can add approximately \$400,000-\$800,000 onto the cost of a project, as well as requiring significant municipal staff time. This results in rents that are higher at occupancy and/or means that limited capital subsidies from senior levels of government get expended more quickly, meaning less

²³ Dylan Reid. *Sixty-two Pages of Overdue Staff Report*. Spacing, June 2022

housing overall. Reducing the cost, time and risk required to build non-profit and coop housing will result in savings for residents and deeper affordability in the new housing created.

In April 2022, the City of Victoria passed the Rapid Deployment of Affordable Housing initiative, which seeks to speed up development proposals by non-profit, government or co-op housing organizations by no longer requiring rezoning or public hearings for projects when they are consistent with the City's Official Community Plan and related design guidelines.²⁴ Approvals of qualifying developments are also delegated to staff including development permits and variances. Victoria estimates that this package of policies will reduce timelines by approximately 9 months and save approximately \$2 million for typical projects.

In April 2022, the City of Toronto passed an Official Plan Amendment (OPA) and urban design guidelines for the Danforth Avenue.²⁵ One of the items within the OPA was to mandate the support of affordable and supportive housing development by allowing site specific modifications without requiring a municipal plan amendment. Furthermore, the Chief City Planner was tasked with exploring built form strategies to support the inclusion of affordable housing within the policy area.

The examples from Vancouver, Victoria, and Toronto show a growing trend of municipalities, becoming more aware of the adverse impacts a lengthy or unnecessarily burdensome regulatory regime can have, especially with regards to affordable or social housing projects.

²⁴ City of Victoria. *Fast Lane for Affordable Housing Approvals*. April 2022, <https://www.victoria.ca/EN/main/news-events/news/news-archives/2022-archive/fast-lane-for-affordable-housing-approvals.html>

²⁵ Site and Area Specific Policy 772

7 FINDINGS AND RECOMMENDATIONS

Based on a review of municipal planning processes, planning features, government charges, and other elements of research undertaken into the studied municipalities, there several overarching findings about how municipalities compare, and recommendations for municipalities

7.1 SUMMARY OF RANKINGS

Figure 48 summarizes the findings from the three (3) major elements studied that feed into housing affordability – getting housing approved, ensuring approvals are done in an expedient manner, and government charges that get borne by buyers/renters. Generally, municipalities from the Metro Vancouver and the Greater Toronto Area are found in the bottom half of the overall ranking – occupying – all are within the 10 lowest ranked municipalities.

Figure 48

Combined Ranking - 2022 Municipal Benchmarking Study - CHBA

Rank	Municipality	Rank by Category			Total Score
		Approval Timelines <i>fastest to lowest</i>	Government Charges <i>lowest to highest</i>	Planning Features <i>most to least</i>	
1	Edmonton	6	6	1	4.5
2	Charlottetown	1	1	19	6.4
3	Calgary	5	10	6	6.8
4	London	8	9	3	6.8
5	Regina	3	7	13	7.2
6	Winnipeg	4	5	15	7.6
7	Saskatoon	2	11	12	7.7
8	Halifax	16	4	5	9.1
9	St. John's	7	3	20	9.7
10	Ottawa	9	12	10	10.2
11	Moncton	10	2	21	10.9
12	Vancouver	10	17	8	11.5
13	Surrey	11	15	9	11.6
14	Oakville	13	18	4	11.8
15	Hamilton	18	13	7	13.2
16	Brampton	12	19	11	13.8
17	Burnaby	17	8	16	14.0
18	Toronto	20	21	2	14.9
19	Pickering	14	16	17	15.5
20	Bradford West Gwillimbury	15	14	18	15.6
21	Markham	19	20	14	17.8
Weighting by Category		40%	30%	30%	

Source: Altus Group Economic Consulting

7.2 FINDINGS AND IMPLICATIONS

Based on our research, we are able to make the following conclusions, as well as identify potential implications for the delivery of housing.

Affordability Concerns are Driving National and Regional Demographic Shifts

A review of statistical and demographic data in the studied municipalities reveals several trends that are causes of, or effects of, housing affordability issues throughout Canada:

- Every municipality studied recorded an increase in population in each five-year period since 2006, although in most municipalities the rate of population growth is slowing.
- Migration patterns, including international immigration, intraprovincial migration, net interprovincial migration and net non-permanent residents, are affected by housing supply and housing affordability. In the two (2) municipalities with the most severe affordability issues, Toronto and Vancouver, the net outflows of people to other parts of Ontario and BC, respectively has accelerated in recent years. This largely attributable to young adults aged 25-44 years and children aged 0-14 years leaving due to a combination of unaffordable, unsuitable and/or insufficient housing options for families or larger households;
- The CMHC's recent analysis on housing supply estimated that 553,000 housing units per year for 10 years would need to be built nationally to restore affordability to levels seen previous in the early 2000s. Assuming housing construction rates based on peak years of construction over the last 20 years, the most optimistic scenarios for potential housing construction only achieve 314,800 per year. The amount of housing supply suggested by the CMHC is likely unachievable (or even approachable) without major changes to how new housing is planned for, permitted, and constructed.

Provincial and Municipal Process, and Application Requirements Contributing to Long Approval Timelines

To understand whether municipal processes could be improved to expedite the review of new housing applications, the review of planning approval processes has found that:

- Many municipalities have adopted a high percentage of identified tools and processes that are thought to help make the application process easier and more transparent for applicants, but some municipalities do still not make things such as application requirements, technical study terms of reference, or key planning documents available to applicants, which can hinder the quality of submissions received, and can indirectly impact municipal review timelines.
- Many applications are required to submit a wide array of technical studies, and while many are certainly necessary, our analysis has found 60 different types of studies are possible. It is common for numerous technical studies to be required for a development application, which

increases the amount of time to get to a complete application, adds complexity to municipalities reviewing and commenting on submissions, but also strains the resources of private-sector planning firms (among other related technical experts) as well.

Approval Timelines Longest and Increasing in Ontario, Stable Outside of Ontario

- Compared to the 2020 Study findings, municipalities in Ontario saw the average timelines worsen, while non-Ontario municipalities saw average timelines improve moderately. The worsening approval timelines in Ontario were driven by municipalities within the Greater Toronto & Hamilton Area.
- The best average approval timelines were found in Charlottetown, and the five (5) municipalities in Manitoba, Saskatchewan and Alberta, all five (5) of whom ranked in the top six (6).
- Six (6) of the 20 municipalities have average timelines greater than 20 months, of which four (4) are located in Ontario. The highest-ranked Ontario municipality was London at 10.1 months, with Ottawa, Brampton and Oakville each being below 15 months as well.
- In the 2020 Study, seven (7) of the municipalities had approval timelines greater than 20 months, with five (5) of the seven (7) still having average timelines exceeding 20 months in the 2022 Study.
- The largest ranking improvements were in Ottawa (from 21st to 9th), Brampton (from 16th to 10th), Calgary (from 9th to 5th), and Winnipeg (7th to 4th).
- Of the 10 best ranked municipalities in the 2020 Study, eight (8) remained in the Top 10 for the 2022 Study, with Oakville and Markham falling out of the Top 10 and Ottawa and Brampton moving into it.

Little Time Savings Evident for Smaller Applications Puts Ability of Zoning Reform to Boost Housing Supply At-Risk

- Based on our analysis of high-density development applications within Ontario, there are little differences in approval timelines for smaller applications compared to larger applications – the marginal amount of ‘staff days per unit approved’ is 5-10-times higher for smaller applications (3-50 units) than for larger applications.
- High-density projects in Ontario with 3-50 units took an average of 506 days to get approved (averaging 25 units), taking 20.2 days in review per unit approved, while projects with 400-500 units took a similar average of 550 days to get approved (averaging 451 units among them), but this equated to 1.2 days in review per unit approved.
- Relying on smaller applications, through initiatives such as those to up-zone stable neighbourhoods to address the significant need for more

housing in the region, will have severe implications for the staffing resources needed to review a large 'caseload' without the associated large unit count coming from that review. Zoning reform to allow more fine-grained development in neighbourhoods will need to be matched with significantly streamlined processes for those applications.

- Municipal feedback indicates that a key issue to improving approval timelines include staffing resources, turnaround times for resubmissions and that municipalities are ultimately conforming to requirements of provincial legislation and other related statutes and regulations, and that any attempts to streamline the review and approvals process are often limited by those requirements.

Municipal Charges Disproportionately Imposed on High-Density Developments, Putting Objectives for Increased Infill and Intensification At-Risk

- The government charges modelling for two hypothetical developments (low-rise and high-rise) found that the charges imposed by municipalities on new housing development are generally the highest in the Greater Toronto Area and Greater Vancouver.
- Since the 2020 Study, the low-rise scenario has seen the average municipal charge increase by 20% from \$49,400 per unit to \$61,600 per unit. The average municipal charge on high-rise development has increased by 34%, increasing from \$31,900 per unit to \$41,400 per unit.
- In many municipalities, but in all Ontario and BC municipalities studied, municipal charges imposed, when expressed on a per square foot basis, are significantly higher for high-rise development than low-rise development. Only in Edmonton, Saskatoon, Regina, Winnipeg and St. John's are per square foot charges on high-rise equal to or less than the charges imposed on low-rise. On average, charges for high-rise were \$52 per square foot, compared to \$29 for low-rise.
- The disproportionate costs per square foot in municipal charges towards high-rise puts at risk municipal objectives for increased infill and intensification. This could hinder utilization of public infrastructure investments in urbanized areas, such as major transit station areas, or transit corridors.

Best Practices – Improvement but Plenty of Room to Continue to Improve

Based on a scan of programs initiated by municipalities, provinces, and locations outside of Canada to improve the development review processes, there are several key themes involved in the process reviews underway, or recently completed:

- Forced technological changes from COVID;
- Pairing zoning reforms with 'off-the-shelf' pre-approved designs;

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- Enhancing transparency to the public on municipal decision making;
 - Reforming provincial planning policies;
 - Making municipal decision making more accountable by creating service standards and enhancing appeal rights to ensure conformity and consistency with provincial policy;
 - Employing service standards for application review but paired with a flexible system to enable context-specific considerations that may merit longer timelines;
 - Vastly enhancing the availability of data, and requiring standardized annual reports on significant planning matters such as housing approvals and approval timelines.
 - Providing regulatory and financial relief for affordable housing projects.

Appendix A
Overview of Planning Processes by Province
and Detail Behind Scoring re: Municipal Tools

OVERVIEW OF COMMON PLANNING PROCESSES AND TERMINOLOGY

Planning in Canada between provinces is not uniform in practice, nor does it use a singular naming convention for many of the same processes or procedures. The following sections are intended to familiarize readers with the terms used across the country, as well as provide a broad explanation of the terms.

Municipal Plan

A “municipal plan” is a statutory (legal) document that municipalities are required by provinces to produce that outline their vision for how they will meet the needs of current residents and grow into the future. The plan they create must also respect various provincial policy objectives that apply to land development (e.g. greenbelt, growth plans, affordable housing, etc.). Municipal plans typically include land-use designation maps that broadly outline intended uses (e.g. industrial, commercial, residential, mixed use) for different parts of the municipality.

While municipal plans are typically broad in nature, they may also include area-specific plans for places of importance (e.g. downtown, business district, waterfront, etc.) that provide greater policy details. Such details could include where future roads or parks are expected to be placed or outlying the future intended nature of a site or area to be developed. These more specific plans are referred to as site-specific plans, secondary plans, district plans or area plans.

Municipalities are often required by provinces to periodically review and update their plans so that they stay relevant to current conditions, as the assumptions and forecasted trends (e.g. demographic / employment growth, household size changes, land consumption needs etc.) used to create the policies within the plan may become outdated over time. Some municipalities may have a self-imposed period in which they choose to review their municipal plan.

Developers will sometimes request that municipalities amend their plan so that they can build a structure or add a land use to a site or an area that wasn't envisioned for such structures or uses when the plan was first created. Applications to amendment municipal plans are often considered to be a significant request and can result in extended review periods. The cost of the review process can be quite high for the developer in terms of both time and money.

Nomenclature across Canada:

- Newfoundland and Labrador – Municipal Plan
- Prince Edward Island – Official Plan
- Nova Scotia – Municipal Planning Strategy
- New Brunswick – Municipal Plan
- Ontario – Official Plan
- Manitoba – Development Plan

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- Saskatchewan – Official Community Plan
 - Alberta – Municipal Development Plan
 - British Columbia – Official Community Plan

Zoning

While a municipal plan sets the vision and objectives for land development through broad policies, municipalities create zoning by-laws as a mechanism to provide specific implementation of the plan's policies. Zoning by-laws will often provide each property within a municipality's boundaries a "code" (e.g. R-1, RD, etc.) that would often include the following:

- Permitted (allowing specific uses), prohibited (allowing any use not specifically prohibited) and/or discretionary uses (uses that may be allowed, subject to municipal approval)²⁶;
- Types of structures that are allowed (e.g. single detached, stacked townhomes, apartments, etc.);
- Where on the site the building can be located (setbacks from street, neighbouring buildings, etc.)
- The height the building can be;
- The ground coverage they can have (building footprint relative to site area);
- Density of the building (gross floor area relative to site area);

A developer may need to apply for a rezoning amendment for a multitude of reasons, however, most typical applications are one of the three types:

6. **Joint Municipal Plan / Zoning Amendment Applications:** A developer needing to apply for rezoning along with an application for a municipal plan amendment. Changing a municipal plan land-use designation for a property does not automatically confer changes to the zoning code. For example, a redesignation of a property from industrial to residential would require an amendment to the municipal plan, but also would require the application of new zoning rules to specify what form the residential uses shall take. Some municipalities offer application fee discounts for joint municipal plan and zoning by-law amendment applications, due to the economies of scale that can arise from planning staff reviewing two applications associated with the same property.
7. **Conformity with General Land Use, but Significant Changes Required to Permitted Built Form from Existing Zoning:** A developer may need to apply for a rezoning application, even if the

²⁶ A discretionary permission provides clarity to landowners as to what may be allowed but gives municipalities a higher degree of control than the 'permitted' or 'prohibited' approach would provide.

general land use conforms to the municipal plan, as zoning by-laws often do not necessarily align with municipal plans.

8. **Conformity with General Land Use, but Minor Changes Required to Existing Zoning:** A developer may request a zoning amendment due to a minor deviation with what is permitted in the zoning by-law. For example, a proposal to build an apartment may have slight deviations from the prescribed setbacks from the street or adjacent buildings. These types of zoning by-law amendments are commonly referred to as a minor zoning amendment, minor variances, or variances. There is a wide-ranging difference between municipalities in what they classify as a minor or major zoning change request. One municipality may classify a parking deviation request as minor while another municipality would consider the same case as major. Councils may sometimes delegate some decision-making authority to staff or citizen-run approval bodies to handle these types of minor requests, so as to ensure Council's time is spent on more significant matters.

Subdivision

Subdivision is the process by which a single parcel of land is legally separated and turned into multiple smaller parcels, each with their own title. Many "plan of subdivision" approvals include 'subdivision agreements' that are made between landowners and municipalities and set out how the developer is to provide certain services like roads, sewers and other hard infrastructure on their lands, or adjoining public lands. Given the detailed nature of these plans, and the significant engineering and design that is required to allow for the installation of water works, sanitary sewer works, roads, storm water management facilities, etc., the subdivision approval process can require long periods of time.

Condominium/Strata

Another type of approval that municipalities provide is for plans of condominium or strata (heretofore referred as condominium or "condo"). Plans of condominium can be for any type of building (residential or non-residential), and any form (single-detached, semi-detached, townhouses, apartments). For residential plans of condominium, these plans typically show the boundaries, shape and dimension of each unit, the "common elements" that may include parking areas, private roads, sidewalks, lobbies, etc. A condominium corporation is created to pay for the operation and maintenance of these common elements.

Site Plan

Municipalities utilize site plan control to ensure that a proposed development is properly planned, addressing issues including the layout of buildings, building massing, parking, landscaping, and building access. Given the detailed nature of the elements under review during site plan processes, this stage of approval can be one of the more time-consuming stages. An October 2013 study for the Ontario Architects Association (OAA) by Bousfields Inc. and Altus Group

Economic Consulting found that in Ontario, most site plan submissions took over six (6) months to gain approval, with many taking more than nine (9) months. Further, most site plan submissions required more than three re-submissions to the municipality before gaining approval.²⁷

Development Permits

Many municipalities in Canada utilize a development permit system, which is a permit that gets approved by an administrative authority with delegated powers, typically known as a Development Officer. A development permit system expedites many elements of the planning approvals process, but combining things such as zoning, site plan and minor variance processes into one application and approval.

In some municipalities, a development permit study is undertaken for an area that pre-defines what the permitted built form and look of an area will be, as guided by a public consultation process. Then, once the development permit by-law is approved, development applications can proceed in a much more expedient manner than if they each had to individually submit rezoning and site plan applications and be subject to a separate public consultation process.

In other municipalities, a development permit is a delegated approval process that allows development to proceed by confirming that all requirements of land-use by-laws and other planning documents have been met, with some conditions that may be added to stipulate what permitted uses are, density, building height, site coverage, etc.

PLANNING AND DEVELOPMENT PROCESS ACTIVITY SINCE LAST STUDY

Since the last *CHBA Benchmarking Study* in 2020, there has been significant activity across the country in examining planning processes. Several task forces, panels, commissions, and other bodies have examined various aspects of planning in several provinces. However, legislative improvements to the development application framework have tended to mostly be minor in nature, with few exceptions.

There has been some minor zoning reform in various parts of the country, in particular with permissions around accessory dwelling units (“ADUs”)²⁸ and secondary suites²⁹, commonly referred to as ‘gentle density’. While these units provide additional housing options in established neighbourhoods, the level of reform that they represent is too minor to fundamentally change the structural supply dynamics seen in many parts of the country. Some of the ADU reform was led by municipalities, while in other instances reforms were made by municipalities because of provincial requirements.

²⁷ Ontario Architects Association, Bousfields Inc. and Altus Group, *A Review of the Site Plan Approval Process in Ontario*, (October 2013)

²⁸ Sometimes referred to as garden, granny, or laneway or suites.

²⁹ Also referred to as basement apartments or duplex suites.

There has also been discussion in many major cities across the country with regards to enhanced zoning reforms that would allow more dense forms of housing, such as multiplexes, inside established neighbourhoods or allowing more 'as-of-right'³⁰ permissions up to a particular height or density near transit stations or along major transportation corridors. Examples of this include the Expanding Housing Options Now ("EHON") initiative in Toronto or Edmonton's Zoning Bylaw Renewal program. However, beyond changes made for ADUs, there has not been to date any noteworthy zoning reform that have progressed past the drafting stage.

The federal government has also established a Housing Accelerator Fund consisting of \$4 billion to remove barriers and help municipalities build housing more quickly. According to the government's 2022 budget, the goal is to help enable the creation of 100,000 net new homes over the next five (5) years with a flexible model that may include a per-door incentive for municipalities or funding for investments in municipal housing planning and delivery processes that will speed up housing development.

The proceeding subsections attempt to provide a highlight of specific planning activities that have occurred in various regions across the country followed by a scoring of provincial legislation and oversight. The highlight is not meant to be exhaustive but rather attempts to draw attention to some of the larger activities that have occurred since the last study.

Atlantic Canada

Major Reports, Working Groups, and Legislative Achievements:

- Joint Working Group on Regionalization Report and Recommendation – Newfoundland and Labrador, Feb 2022
- Bill 58: An Act to Amend the Urban and Rural Planning, Newfoundland and Labrador, Royal Assent June 2022
- Land Matters Advisory Committee Final Report – Prince Edward Island, July 2021
- Working Together for Vibrant and Sustainable Communities White Paper – New Brunswick November 2021
- Bill 63: Housing in the Halifax Regional Municipality Act *An Act to Establish the Executive Panel on Housing in the Halifax Regional Municipality* – Nova Scotia, Royal Assent November 2021
- Bill 137: Halifax Regional Municipality Charter (amended) – Nova Scotia, Royal Assent April 2022

Generally, the focus in the Atlantic Region has been on dealing with planning matters outside of the major cities, except for Halifax. Newfoundland and Labrador and New Brunswick have been focusing on rationalizing their municipal

³⁰ Allowing development to proceed without the need for municipal plan, zoning development, or discretionary-use applications.

service delivery structure towards a more regional model. In addition, New Brunswick is in the process of drafting of a Statements of Provincial Interest³¹ that is expected to be complete by January 2023, a topic that will be examined in more detail in a proceeding subsection.

Prince Edward Island Land Matter Advisory Committee made several suggestions for the government and noted the need for:

- A province-wide land use plan and policies.
- Implementation of a Statements of Provincial Interest.
- Addressing planning capacity and staffing issues in the public service for the province.
- Proclaim Bill 21 (2017) and Bill 25 (2016), which strengthen the Province's *Planning Act* in various ways. These bills have already been given royal assent but have not yet been proclaimed.

The government of Nova Scotia established an Executive Panel to map out areas in the Halifax Regional Municipality ("HRM") to be subject to special planning areas. The panel consists of 5 members, with one (1) member appointed as chair by the minister, two (2) members appointed by the minister to act as provincial representatives and two (2) members nominated by the municipality and appointed by the minister to act as representatives of the HRM.

To date, nine (9) areas have been identified and plans for 22,600 homes. The plans are currently in various stages of the process, with some nearing completions while others are just commencing. The province also provided \$2.3 million in funding for environmental, land-use suitability, transportation and infrastructure studies to inform planning and development decisions.

Ontario

Major Reports, Working Groups, and Legislative Achievements:

- Housing Supply Action Plan Implementation Team, August 2022
- Bill 109: More Homes for Everyone – Royal Assent April 2022
- Housing Affordability Task Force Report - February 2022
- Value-for-Money Audit: Land-Use Planning in the Greater Golden Horseshoe - December 2021
- Provincial Land and Development Facilitator – Oct 2020

The provincial government in Ontario has been active over the last two (2) years in both reforming the *Planning Act* and other relevant pieces of legislation, as well as establishing task forces, agencies, and teams to review, recommend and help facilitate changes to the development process.

³¹ Known as a Provincial Policy Statement or Provincial Planning Regulation in Ontario and Manitoba respectively.

The province established the Provincial Land Development Facilitator (“PLDF”) in late 2020. The PLDF is tasked with helping municipalities, developers, businesses, and community groups resolve planning related issues through the provision of impartial facilitation services. As well, the agency can also act as a negotiator on behalf of the province between it and any group.

In the winter of 2022, the Housing Affordability Task Force (the “Task Force”) released a report with 55 recommendations to the government. These recommendations spanned various topics including:

- Setting a bold housing target of 1.5 million homes.
- Allowing more ‘as-of-right’ housing in more locations.
- Create uniform provincial standards for urban design.
- Reforming the appeal system to prevent abuses.
- Reforming the public consultation process.
- Creation of a ‘Ontario Housing Delivery Fund’

To date, the government has not implemented most of the Task Force’s recommendations, however, it did recently create a Housing Supply Action Plan Implementation Team to offer advice on how to promote more market housing through the prioritization and sequencing of initiatives established by the Task Force and the government’s More Homes for Everyone plan. Finally, the government has established three funds for municipalities to make their planning and approvals processes more efficient, they are:

- Streamline Development Approval Fund - \$45 million
- Municipal Modernization Program - \$68 million
- Audit and Accountability Fund - \$23 million.

Western Canada

Major Reports, Working Groups, and Legislative Achievements:

- Bill 48: The Red Tape Reduction Implementation Act – Alberta, Royal Assent December 2020
- Bill 37: The Planning Act and City of Winnipeg Charter Amendment Act – Manitoba, Royal Assent May 2021
- Amendments to Statements of Provincial Interest Regulations – Saskatchewan, July 2021
- Bill 26: Municipal Affairs Statutes Amendment Act – British Columbia, Royal Assent November 2021
- Expert Panel on the Future of Housing Supply and Affordability Final Report – British Columbia, June 2021

Alberta has had a series of ‘Red Tape Reduction’ acts, however, the one most applicable to affecting the development application process was Bill 48. This act establishes a new Land and Rights Property Tribunal (“LRPT”), which

amalgamates and replaces and amalgamates the province's former Municipal Government Board, New Home Buyer Protection Board, Land Compensation Board, and Surface Rights Board. As well, Bill 48 eliminates the ability of municipalities larger than 15,000 citizens to determine their own subdivision and development timelines through their land use bylaw setting a decision timeline of 60 days for subdivisions and 40 for development permits after a complete application is determined eliminates ability of municipalities to require an extra 5% of reserve lands for high density developments, and other matters.

Manitoba's Bill 37, among several matters, establishes service standard timelines under which a municipal must decide for secondary plan amendments, zoning by-law amendments, subdivision approval, development agreements, and development permits. The specific timelines for service standards will be discussed in a proceeding subsection. As well, the act adds service standards for the Manitoba Municipal Board, requiring it to hear a case related to a zoning by-law within 120 days of the matter being referred to it and provide a report with recommendations to council with 60 days after conducting a hearing.

Saskatchewan made updates to their Statements of Provincial Interest Regulations requiring planning documents and decisions to consider the benefits of economic development opportunities, provide transparent and timely processes for development applications, getting municipalities to consider streamlining and modernizing regulatory requirements to facilitate growth, among other matters.

Finally, British Columbia, in conjunction with the federal government, established an Expert Panel on the Future of Housing Supply and Affordability that released a report in June 2021. Among a long list of recommendations, the panel recommended that the provincial government deal with NIMBYism (Not-In-My-Backyard) by reforming land use planning and the public consultation process. In November of 2021, the government's Bill 26 received royal assent, which made a series of amendments to the Local Governments Act, the legislation that underpins the planning framework in the province outside of Vancouver. The changes included a measure which allows a local government to forgo a public hearing if a proposed zoning by-law amendment is consistent with the official community plan (municipal plan). This would give optionality to municipalities to avoid costly and contentious public consultations for zoning matters that they do not deem to be of major importance.

SCORECARD CRITERIA AND INDIVIDUAL SCORES

(1) Development Guidance

- Development Guides – Scoring based on the following 20 parameters:
- Tells you application process steps.
- Lists the various application types and describes them.
- How major or minor application determination is made (if applicable).
- Provides basic explanations of land use terminology or legal concepts.

-
- Informs of you of deadlines (if applicable).
 - Provides guidance on expected application timelines for a decision.
 - Tells you how much an application cost.
 - How you can pay for an application.
 - Where you submit an application.
 - How you to submit your application (in-person, mail, email, portal, etc).
 - What drawings, authorization forms, or declarations, to include with an application.
 - How many copies of documents you need for a submission (if applicable).
 - The address or e-mail address you need to send a submission to (if applicable)
 - User guide to e-plan or e-permit portal system (if applicable).
 - Provides blank copies of application forms.
 - What potential charges or fees may apply (e.g. development charges, parkland fees, etc).
 - What formats you can submit documents or are required to – USB, CD, paper, etc.
 - What the file format naming convention is required for electronic submissions (if applicable).
 - What file types to include for documents (if applicable).
 - If appeals can be made to decisions and how appeals work (if applicable).
 - Marking:
 - **No marks (0/2)** are awarded if there is no development guidance at all
 - **Half Marks (1/2)** are awarded if less than 80% of the parameters can be accounted for.
 - **Full Marks (2/2)** are award if at least 80% or more of parameters can be accounted for.
 - Application Supporting Materials
 - Marking:
 - **No Marks (0/2)** are awarded if there is no supporting materials.
 - **Half Marks (1/2)** are awarded if there is some supporting materials but there is no complete list of required documents. For example urban design guidelines are made available or explanations of engineering drawing requirements, etc.
 - **Bonus Marks (1.5/2)** are awarded if there is at least a list of all study requirements.

- **Full Marks (2/2)** are awarded if a full list of study document requirements is provided with explanations of most listed items.
- **Note:** Despite the Planning Act requirement to have all required studies listed in municipal plans for municipalities in Ontario, they only received marks for what was available on their webpages. Many applicants are not familiar with this policy and scoring municipalities on this basis would not accurately capture the review of their development guidance.

(2) Development Application Tracking

- Active Applications
- **No Marks (0/2)** are awarded if no active development application information is displayed anywhere, this includes open data portals.
- **Full Marks (2/2)** are awarded for displaying active applications of major applications.
- Status Indicator
- **No Marks (0/2)** are awarded if there is no status information for active applications
- **Half Marks (1/2)** are awarded if some status information is provided (e.g. if public notices have been issued or a council decision has been issued).
- **Full Marks (2/2)** are awarded for full status information on applications.
- Historical Development Data
- **No Marks (0/2)** are awarded if there is no historical application data
- **Half Marks (1/2)** are awarded if there is historical data but only with very limited information. For example, data does not go back beyond a year or the data that is present is only high-level information like application number and address.
- **Full Marks (2/2)** are provided for historical data that goes back beyond a year and provides several points of data, e.g. description, application number, address, number of units, polygon of development site on a map, etc.
- Map of Development Applications
- **No Marks (0/2)** are awarded if there is no map of development applications, or the only geographical information is pins on google maps of individual applications as it defeats the purpose of being able to see at a glance where development is happening.
- **Half Marks (1/2)** are awarded if the map of development applications is a static PDF file. This system depends on planning staff to regularly update both the data, create a map, and post it to the municipality's website, which can become erratic as either personnel turnover or organization priorities for staff time and resources shift.
- **Full Marks (2/2)** are awarded if there is an interactive geographic information system ("GIS") map of active and/or historical information. No

marks are deducted if only active and not historical application information is displayed, or the mapping is part of an open data portal that produces maps with various datasets including active applications that is regularly updated.

- Development Application Supporting Records
- **No Marks (0/2)** are awarded if there is no supporting file information available.
- **Half Marks (1/2)** are awarded if there is only drawings and staff report information available or additional reports and documents are available by request only.
- **Full Marks (2/2)** are awarded if most documents associated with an active application are available online for the public to view.

(3) Electronic Submission and Payment Capabilities

- Ability to Submit Planning Applications Electronically
- **No Marks (0/2)** are awarded if there was no way to transmit documentation through the internet. Applications that had to be submitted through a digital format, such as CD or USB, but physically mailed in were included in this marking scheme.
- **Half Marks (1/2)** are awarded if application documents could be sent by email or by a digital drop box created by the applicant.
- **Bonus Marks (1.5/2)** are awarded if a municipality had an e-planning portal but this system only covered a limited number of application types (e.g. only subdivision or site plans but not official plan amendments or zoning bylaw amendments)
- **Full Marks (2/2)** are awarded if a municipality had a dedicated planning portal for most or all application types or digital drop box service an applicant could use operated by the municipality for all application types.
- Ability to Pay Planning Applications
- **No Marks (0/2)** are awarded if it wasn't possible to pay fees other than through cheque.
- **Partial Marks (0.5/2)** are awarded if there were additional methods of payment other than cheque but not online (e.g. credit card payment at a service desk)
- **Half Marks (1/2)** are awarded if payment could be made over the phone or by email through wire transfer.
- **Bonus Marks (1.5/2)** are awarded if some applications can be paid for online or if there is a limit on how large a fee can be paid (e.g. \$10,000 cap)
- **Full Marks (2/2)** are awarded if you can fully pay all fees online without limit.
- Ability to Submit Building Permits Electronically

- **No Marks (0/2)** are awarded if there was no way to transmit documentation through the internet. Applications that had to be submitted through a digital format, such as CD or USB, but physically mailed in were included in this marking scheme.
- **Half Marks (1/2)** are awarded if application documents could be sent by email or by a digital drop box created by the applicant.
- **Bonus Marks (1.5/2)** are awarded if a municipality had an e-permit portal but this system only covered a limited number of application types (e.g. there was a portal for only single family dwelling building permits)
- **Full Marks** are awarded if a municipality had a dedicated building permit portal an applicant could use or digital drop box service operated by the municipality for all permit types.
- Ability to Pay Building Permits
- **No Marks (0/2)** are awarded if it wasn't possible to pay fees other than through cheque.
- **Partial Marks (0.5/2)** are awarded if there were additional methods of payment other than cheque but not online (e.g. credit card payment at a service desk)
- **Half Marks (1/2)** are awarded if payment could be made over the phone or by email through wire transfer.
- **Bonus Marks (1.5/2)** are awarded if some applications can be paid for online or if there is a limit on how large a fee can be paid (e.g. \$10,000 limit)
- **Full Marks (2/2)** are awarded if you can fully pay all fees online without limit.

(4) Availability of Key Planning Documents

- Dedicated Interactive Zoning Map
- **No Marks (0/2)** are awarded if it is not possible to instantly get property zoning information online. Online requests that take several business days or that cost money fall into this marking scheme.
- **Half Marks (1/2)** are awarded if it is possible to get property zoning information instantly, but it is in a static format such as a schedule in a PDF file or as part of a written property record.
- **Full Marks (2/2)** are awarded if there is a dedicated online zoning map using GIS data with polygons that provide zoning boundaries and information in an interactive manner.
- Availability of GIS Zoning Open Data
- **No Marks (0/2)** are awarded if it is not possible to download zoning information in an open data format, such as Shapefile, GEOJson, CSV, etc.

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- **Full Marks (2/2)** are awarded if it is possible to download zoning information in an open data format, such as Shapefile, GEOJson, CSV, etc.

(5) Accountability

- Availability of Municipal Staff Phone Number and Emails
- **No Marks (0/2)** are awarded if the only way to contact the planning or building department is through a service hub email or phone number (e.g. 311).
- **Half Marks (1/2)** are awarded if there is a dedicated email or phone number to contact the planning or building department but not for individual personnel or business units.
- **Bonus Marks (1.5/2)** are awarded if there is a dedicated email or phone number to contact individual business units or you can contact staff but by only email or phone numbers, not both.
- **Full Marks (2/2)** are awarded if you can contact individual staff members in the planning or building department by both email or phone (i.e. both pieces of contact information are provided).
- Availability Meeting Minutes, Agenda and Items
- **No Marks (0/2)** are awarded if the municipality does not provide any minutes, agendas, or items (e.g. staff reports).
- **Half Marks (1/2)** are awarded if minutes and agendas are provided but items are not made available.
- **Full Marks (2/2)** are awarded if meeting minutes, agendas, and items are all available.

Case Studies – Development Guidance

Figure A- 1 shows the City of Toronto’s development guide found on their website on the left-hand side and their terms of reference webpage on the right-hand side.

Figure A- 1

Zoning By-law Amendment Report Requirements, City of Toronto

The image shows two screenshots from the City of Toronto website. The left screenshot is titled 'Official Plan and Zoning By-law Amendment' and features a navigation menu with categories like 'What is the Official Plan and Zoning By-law?', 'Why You Need an Application', and 'Application Requirements for Official Plan Amendment Applications'. A detailed list of 'Information Studies' is provided, including items like 'Adaptive Tree Preservation Report', 'Archaeological Assessment', 'Architectural Corridor Guidelines', 'Avenue Segments Review Study', 'Community Services and Facilities Study', 'Computer Generated Building Mass Model', 'Comprehensive Site Assessment', 'Draft Zoning By-law Amendment', 'Energy Strategy', 'Environmental Impact Study', 'Geotechnical Study', 'Heritage Impact Assessment', 'Housing Issues Report', 'Landing Study', 'Natural Heritage Impact Study', 'Noise Impact Study', 'Parking Study', 'Preliminary Level Wind Study', 'Planning Network', 'Public Consultation Strategy Report', 'Servicing Report', 'Stormwater Management Report(s)', 'Sun/Shadow Study', 'Toronto Green Standard Checklist', 'Traffic Operations Assessment', 'Transportation Impact Study', 'Urban Design Guidelines', and 'Visioning Study'. The right screenshot is titled 'Application Support Material: Terms of Reference' and contains detailed text regarding the requirements for application support material, including a list of 'Required Studies' such as 'Accessibility Design Standards Checklist', 'Adaptive Tree Preservation Report', 'Archaeological Assessment', 'Architectural Corridor Guidelines', 'Avenue Segments Review Study', 'Block Context Plan', 'Boundary Plan of Survey', 'Community Services and Facilities Study', 'Computer Generated Building Mass Model', 'Concept Site and Location Plan', 'Construction Management Plan', and 'Planning System Report'.

Source: City of Toronto
Note: Images of webpages have been edited to fit the figure

Figure A- 2 displays a copy of a OurWinnipeg (Municipal Plan) Amendment application form with check list of studies at the top of the figure, and the bottom of the figures shows a PDF copy of a Parking Analysis terms of reference guide.

Figure A- 2

Official Plan Amendment Report Requirements, City of Winnipeg

The image shows two screenshots from the City of Winnipeg website. The top screenshot is titled 'Official Plan Amendment Report Requirements' and displays a checklist of studies for an application, including 'Accessibility Design Standards Checklist', 'Adaptive Tree Preservation Report', 'Archaeological Assessment', 'Architectural Corridor Guidelines', 'Avenue Segments Review Study', 'Block Context Plan', 'Boundary Plan of Survey', 'Community Services and Facilities Study', 'Computer Generated Building Mass Model', 'Concept Site and Location Plan', 'Construction Management Plan', and 'Planning System Report'. The bottom screenshot is titled 'Parking Analysis' and provides a detailed terms of reference guide for parking analysis, including sections for 'Introduction', 'Objectives', 'Scope', 'Methodology', and 'Deliverables'.

Source: City of Winnipeg
Note: Image of document has been edited to fit figure

Both the cities of Toronto and Winnipeg received high scores for their Application Support Materials feature, however, Winnipeg's terms of reference information was only found in an official plan amendment application form that linked to other

files for more information not available on their actual website. No marks were taken away from Winnipeg despite the information not being easily accessible on their website. The only marks that were taken away was for not providing complete terms of reference material for all potentially required studies.

Case Studies – Application Tracking

Below is an excerpt of the weekly application and heritage summary provided by the City of Charlottetown. Data that is included consists of the application type, location, file and permit numbers, application date and decision date, final decision (e.g. approval, rejection, etc), name of the applicant, and deadline to make an appeal.

Figure A- 3

Historical Application Data, City of Charlottetown

CHARLOTTETOWN
Planning & Heritage Summary (Week ending August 12, 2022)

ISLAND REGULATORY APPEALS COMMISSION (IRAC) APPEAL PERIOD INFORMATION
The information provided on this page is intended to provide notice to the public when building and development permits have been approved by the Charlottetown Planning and Heritage Department. Residents or interested parties have 21 days to appeal to the Island Regulatory and Appeals Commission (IRAC) any building and development permit approvals listed below within the required time period.
If you have any questions regarding the approvals listed below please contact the Planning and Heritage Department at 902-629-4158.

FILE#	PID	PERMITS	APPLICATION DATE	APPROVAL DATE	DECISION	PROPERTY LOCATION	WORK DESCRIPTION	NAME	DEADLINE TO MAKE AN APPEAL
17-428	343033	447-646-17	18-Sep-17	12-Aug-22	APPROVED	142 Prince Street	Occupancy permit. Interior renovations (2 main floor for residential units and 4 apartment dwelling units on upper floors)	Bit Zhang	2-Sep-22
21-079	888281	086-BLD-21	12-Feb-21	12-Aug-22	APPROVED	30 Commonwealth Avenue	Occupancy Permit. West Royal School addition	Diarm Durand	2-Sep-22
21-208	388629	238-BLD-21	01-Apr-21	12-Aug-22	APPROVED	18-20-22-24 Dundas Lane (Lot 2017-2)	Occupancy Permit. New 4-unit townhouse	VV Build Inc.	2-Sep-22
21-536	388629	654-BLD-21	30-Aug-21	12-Aug-22	APPROVED	15-17-18-18 Dundas Lane (Lot 2017-2)	Occupancy permit. New 4-unit townhouse	VV Build Inc.	2-Sep-22
21-602	1128830	136-BLD-21	04-Oct-21	10-Aug-22	APPROVED	24-26 Esplanade Crescent (Lot 188)	Occupancy Permit. New semi-detached dwelling	Rob Gardner	31-Aug-22

FILE#	PID	CASE#	APPLICATION DATE	APPROVAL DATE	DECISION	PROPERTY LOCATION	WORK DESCRIPTION	NAME	DEADLINE TO MAKE AN APPEAL
22-749	388079	043-LB-22	6-Jul-2022	11-Aug-2022	APPROVED	8-10 First Lane	Lot Subdivision (Lot 22-01A and 22-01B)	George Johns	1-Sep-2022
22-788	388079	043-LB-22	16-Jul-2022	11-Aug-2022	APPROVED	7-9 First Lane	Lot Subdivision (Lot 21-1A and 22-1B)	PHO Holdings	1-Sep-2022

FILE#	PID	PERMITS	APPLICATION DATE	APPROVAL DATE	DECISION	PROPERTY LOCATION	WORK DESCRIPTION	NAME	DEADLINE TO MAKE AN APPEAL
22-374	353466	0134-MUV-22	22-Apr-22	8-Aug-22	APPROVED	40-48 Victoria Street	Major Variance to reduce the minimum lot heritage requirement of 82 ft to approximately 50 ft; Reduce the minimum side yard setback requirement of 3.0ft to approximately 3.0ft and Minor variance to reduce the minimum lot area requirement of 1,237 sq ft per unit to approximately 1,222 sq ft per unit. To permit four (4) apartment units within the existing dwelling at 40-48 Victoria Street (PID 6205466), subject to the following: 1. No expansion to the existing dwelling envelope. 2. Conformance with Section 66 (General Provisions for Parking) of the Zoning & Development By-law 3. New dwelling units designed and constructed in accordance with the National Building Code requirements identified in the Building & Development Permit review process.	Jenny Zhang	29-Aug-22
22-678	354175	025-MUV-22	27-Jun-22	8-Aug-22	APPROVED	80 Green Street	Major Variance request to reduce the minimum front yard setback requirement of 19.7 ft to 13.8 ft in order to permit a 9.8 x 14 ft (125 sq ft) addition to the existing single detached dwelling located at 80 Green Street (PID 6384175)	Wayne Peters & Jerome MacDonald	29-Aug-22

Source: City of Charlottetown
Note: Image of document has been edited to fit figure

Charlottetown only provided information on a weekly basis of applications that were already approved. As such, this counted as providing historical rather than active information.

At a minimum, municipalities and provinces should seek to emulate Charlottetown in providing lists of applications where a decision has made. While this does not provide a complete picture of potential future growth, it still helps to provide an indication of where growth is currently occurring and a historical record that can be used by the public, researchers, and the development community for various purposes.

Additional data points should also be considered for inclusion in such lists, for example, number of units for residential or total gross floor area (“GFA”) for mixed-use, commercial, or employment applications.

Case Studies - Accountability

The City of Toronto’s staff directory for the City Planning department includes text of a description for what infrastructure and development services provides, as well as information on Community Planning in the Etobicoke York District.

The directory on the City of Surrey’s website provides options to allow searches by either first or last name, or by department. The results of the search include the staff members name, job title, department, division, email, and phone number and is organized by alphabetical order.

Both the cities of Toronto and Surrey received high marks for the information they provided on how to contact their staff members. However, only Surrey scored a perfect mark for this feature because they included two points of contact information (email and phone number), while Toronto only provided one (phone numbers).

Both cities provided good examples of best practices, including having staff members job title and division or department information available, search functionality in the case of Surrey and descriptions of departmental duties in the case of Toronto.

Appendix B
White Paper on Zoning Reform

WHITE PAPER – ZONING REFORM

BACKGROUND

Zoning governs how real property may or may not be used within a geographic boundary. To accomplish this, zoning sets out specific standards or rules for:

1. Permitted uses;
2. Development ‘envelopes’; and
3. Regulations of other ancillary attributes.

When a rezoning application is submitted to a municipality, the applicant is asking for the permission to modify one, some, or all the three zoning rule groupings to facilitate a development proposal.

COMPONENTS OF ZONING RULES

Permitted Uses

Municipalities govern permitted uses by first creating major categorization groupings of use types, such as residential, commercial, industrial, etc., and then sub-categorizations within each type, such as residential zoning that is divide into R1³² (single detached), R2 (semi-detached), etc.

Permitted uses are noted either through permissions or prohibitions. For example, listing all the uses that are permitted or all those that are not permitted or prohibited. In the case of a list of permissions, only those permitted uses are allowed, while a prohibition list disallows any use listed but permits any that is not.

Local governments sometimes provide ‘discretionary’ or ‘conditional’ permitted uses. A discretionary use does not explicitly permit a use, but rather the use in question is dealt with on a case-by-case basis at the discretion of a municipality. Municipalities may or may not set out the specific conditions in which they will approve or deny a discretionary use to provide guidance to applicants.

The approval of a discretionary use often does not require a full rezoning application, which is one of its advantages. This can provide municipalities with flexibility, but it can also create uncertainty for applicants as there is no guaranteed property right for the use in question. The authority to govern decisions regarding discretionary uses can be vested with either a council or delegated to staff/other body.

³² Many municipalities, although not all, use an ‘R’ code to denote zoning code for low-rise residential housing. Typically, the letter is followed by a number, such as R1, or another letter denoting form, such as RD to specify ‘residential detached’. The lower the number generally donates a more restrictive or less dense the housing form that is permitted.

In some parts of the United States (“US”), local governments have regulated the occupants of dwellings based on familial relationships³³ where the people residing in a home needed to have a direct relationship with each other (e.g., blood, marriage, civil union, or adoption).³⁴ This is a literal example of “single-family zoning”. However, in most cases, references to ‘single-family zoning’ more generally refers to the inability to build anything except single-detached homes, though there may not be means to limit who occupies those units.

The practice of single-family zoning originates from previously failed attempts to create racial segregation through the regulation of property law.³⁵ The rejection of race-based zoning by legal courts caused a movement towards creating rules that promoted socio-economic segregation through the regulation of housing forms, such as banning apartments in particular areas. This limited the ability of affected persons to afford housing in particular local areas, with built-in biases against low-income persons, minorities, religions, or other characteristics, depending on the nature of the in-force zoning code.

The term ‘Euclidean Zoning’, which is a system of zoning that was later exported to Canada from the US and is the basis of most modern zoning codes in North America, is derived from case law³⁶ that established the legal authority of local governments in the US to regulate the forms of housing that are permitted in various areas of a municipality.

The practice of ‘people zoning’ or regulating the type of occupants that may cohabitate in a dwelling together is illegal in Canada. This has been affirmed by numerous legal cases, but most famously asserted in *Bell v. R* [1979]. However, local governments are still able to indirectly do so through the regulation of permitted and prohibited housing forms, sizes, among other elements within the zoning ‘toolbox’.

For example, only permitting single-detached homes, which is usually the most expensive form of housing to own or rent in any given area, in effect restricts many individuals and households from choosing to live in places where this regulation applies. This creates an exclusionary effect, commonly referred to as ‘exclusionary zoning’, by not allowing a variety of forms to meet the different housing needs that various individuals or households may presently have or may experience in the future (e.g., preventing a household from downsizing and remaining in their preferred neighbourhood as they age).

Permitted uses may be organized in flat or hierarchical ways. The figure below is an example of a basic ‘flat’ zoning code where only a single use is permitted in each zone type.

³³ See *Village of Belle Terre v. Boraas*

³⁴ Kate Redburn. *Why Are Zoning Laws Defining What Constitutes a Family?* Bloomberg CityLab. July 2019

³⁵ See *Buchanan v. Warley*

³⁶ See *Village of Euclid v. Ambler Realty Co*

Figure B-1 Example: Flat Zoning

Use		Zone								
		R1	R2	R3	C1	C2	C3	I1	I2	I3
Residential	Single Detached	✓								
	Semi Detached		✓							
	Apartments			✓						
Commercial	Light Retail				✓					
	Medium Commercial					✓				
	Offices						✓			
Industrial	Warehousing							✓		
	Light Manufacturing								✓	
	Heavy Manufacturing									✓

Source: Altus Group

The figure below is representative of a 'hierarchical zoning code' - in hierarchical zoning codes, permitted uses are progressively expanded as you move from one zoning code to the next and sometimes between permitted use types (e.g., residential housing is permitted in commercial areas). The example shown is one that progressively expands the permitted uses and pushes beyond single use types by allowing a mix of uses as-of-right, such as allowing residential development where commercial is permitted or commercial uses in industrial areas.

Figure B-2 Example: Hierarchical Zoning

Use		Zone								
		R1	R2	R3	C1	C2	C3	I1	I2	I3
Residential	Single Detached	✓								
	Semi Detached	✓	✓							
	Apartments	✓	✓	✓						
Commercial	Light Retail	✓	✓	✓	✓					
	Medium Commercial	✓	✓	✓	✓	✓				
	Offices	✓	✓	✓	✓	✓	✓			
Industrial	Warehousing	✓	✓	✓	✓	✓	✓	✓		
	Light Manufacturing				✓	✓	✓	✓	✓	
	Heavy Manufacturing							✓	✓	✓

Source: Altus Group

Hierarchical codes can promote both a mix of housing forms and a mix of uses without deliberately needing to create ‘mixed-use’ categories. The use of hierarchical codes that allow for both a mix of forms and types of land uses in the same area is common many parts of the world, such as Germany and Japan.

Some Canadian cities already have partial hierarchical codes that progressively allow expanding options **within** types of uses, such as residential, but it is rare to see expanding permissions **across** permitted types, for example allowing housing by-right in commercially zoned lands outside of an explicit mixed-use zone. For example, the City of Toronto’s Zoning By-Law only permits detached homes in its ‘RD’³⁷ zoned areas³⁸ but allows detached, semi-detached, townhouse, duplex, triplex, fourplex, and apartments up to certain heights in its ‘R’ zoned areas³⁹. While Toronto’s R zone permits some kinds of limited home-based commercial activities, the ‘CL’ zone or ‘commercial local’ does not permit any forms of housing beyond secondary suites in some circumstance that facilitate live-work spaces.

A major issue in some municipalities zoning codes is that a significant proportion of residential land is zoned exclusively for R1 that only permits single-detached housing. Some municipalities allow secondary (basement) suites and/or other ancillary dwelling units⁴⁰ (“ADUs”) in areas zoned for single-detached housing. However, the existence of additional housing units becomes dependent on existing homeowners who may either not be interested in renting out part of their homes or they may do so for a time before reabsorbing these spaces.

Development Envelopes

Beyond permitting or prohibiting specific uses, municipalities also regulate the envelope of built-form that is allowable on any given piece of land through provisions in their zoning code such as height restrictions, setbacks, Floor Space Index (“FSI”)/Floor Area Ratio (“FAR”), minimum lot sizes, etc. The allowable envelope shapes not only affects the appearance of a structure but also can affect the feasibility of development if the constraints imposed are overly restrictive.

As an example, a municipal zoning code may permit a low-rise apartment use in an area, but the envelope of development it provides is too small or cumbersome to feasibly allow the construction of a proposed apartment building. What could be possibly built would either end up being poorly designed or so expensive that units sold at a minimum profitable price would significantly exceed what the market could reasonably bare, creating a significant financial risk for the builder that acts as a disincentive.

³⁷ R1 equivalent or most restrictive residential zone

³⁸ As well as laneway, garden, and secondary (basement) suites

³⁹ R5 equivalent or least restrictive residential zone

⁴⁰ Garden, Granny, or Laneway suites.

Where a zone permits multiple uses, regulations of building envelopes can result in greater buildable space for some housing forms but not others, resulting in fewer households than could otherwise be accommodated. For example, the City of Toronto acknowledged, as part of their Expanding Housing Options in Neighbourhoods (“EHON”) work, that existing building envelopes for single-detached homes are sufficient to house ‘multiple units’, but that building new multiplexes are limited due to zoning regulations:

The City has a variety of tools to enable additional housing units to be built in low-rise neighbourhoods, including the planning policy and zoning framework, fee structure, and review processes. With respect to multiplexes, these opportunities are: ...

Streamlining zoning to make it easier to convert existing buildings to multiplexes and build new multiplex buildings. The City can identify and adjust the zoning regulations that most often limit the building of multiplexes as-of-right.

Utilizing the building envelopes permitted for single-unit dwelling types to house additional units. In many cases, current zoning permissions for single detached dwellings can yield a gross floor area that can be employed to house multiple units within the same size of buildings.

Developing a simplified approach that can be applied to a diversity of neighbourhood types, ages and zoning parameters city-wide. The rules and process of adding units to one’s property should be easy to understand and navigate for the average homeowner...⁴¹

Many zoning by-laws throughout Canada have not been comprehensively updated in a long time, in some cases for 50 years or more. Examples of aged, but in-force zoning by-laws include:

- City of Toronto – 1916 for some areas covering East York, 1952 for some areas covering North York, and 1986 for some areas within the former City boundaries (pre-amalgamation);
- City of Hamilton – 1950 for the former City, 1987-1992 for the areas of Ancaster, Dundas, Glanbrook, Flamborough and Stoney Creek;
- City of Markham – 1996;
- City of Winnipeg – 2004 for areas inside the Downtown, 2006 for areas outside of the Downtown;
- City of Burnaby – 1991;

Municipalities in Canada can have an excessive number of individual zones because many want specific building envelope permissions for a given permitted

⁴¹ Toronto City Planning. *Agenda Item MM.96 - Expanding Housing Options in Neighbourhoods: Multiplex Study - Interim Report*. City of Toronto. November 2021

use (e.g., detached homes) that vary between geographic areas. For example, the City of Victoria in British Columbia has 775 individual zones with 400 'R' (residential) coded zones, many of them separately regulating single-detached building envelopes in different areas of the city. The City of Toronto has five (5) 'R' zones under its current harmonized zoning by-law (2013), however, because the former pre-amalgamated municipal zoning codes are still in effect in many parts of the city, it has, at a minimum, 40 'R' zoning codes⁴² still in use.

By contrast, Japan's federal government provides its municipalities with only 12 different zones, with six (6) dedicated specifically to residential uses. Japan's first zoning code had just three zones, which expanded to eight by 1968 and twelve (where it is currently) by 1992.⁴³

Ancillary Attributes

Beyond height, density, permitted uses, etc, zoning by-laws also regulate matters such as parking requirements for vehicles, bicycles, the amount of amenity space, the number of bathrooms required per square foot for retail or restaurant establishments, and so on. While these policies do not directly shape the form of a structure, they can indirectly, as well as severely impact the potential feasibility of development proposals, by reducing the amount of 'sellable' or 'rentable' space.

Issues related to ancillary attributes in zoning include excessive parking requirements that may make certain types of residential or retail structures infeasible by adding significant costs to a project.

It is beyond the scope of this report to delve into the issue of whether ancillary requirements in zoning by-laws are appropriate or reasonable (and if not, which ones), however, this should be an area where governments at both the provincial and municipal levels examine their policies to ensure that they do not unduly add unnecessary costs to housing and lead to undesirable outcomes. There has been a wave of discussion or reforms in this this topic, with municipalities such as the City of Toronto eliminating minimum parking requirements.

As one example, not only do most high-density residential developments need to provide interior amenity space, and outdoor amenity space, each for the exclusive use of its residents, these requirements are often in addition to broader requirements to set aside land for public parkland (or cash-in-lieu thereof), or contribute capital funds (through charges like development charges) for public recreation facilities.

⁴² It was not possible to determine the exact number of zoning codes still in effect in the former City of Scarborough, which has 34 Community By-laws that each individually have their own sets of zoning.

⁴³ Alan Durning. *YES, OTHER COUNTRIES DO HOUSING BETTER, CASE 1: JAPAN - Political lessons from ten nations about building affordable, low-carbon neighborhoods*. Sightline Institute, March 2021

URBAN DESIGN GUIDELINES

Urban Design Guidelines (“UDGs”) often are outside of statutory policy documents but are typically meant to work in tandem with municipal plans and zoning policies. The purpose of UDGs is to provide both builders and municipal planning staff guidance on how applications of design that shape building form can be undertaken within development envelopes.

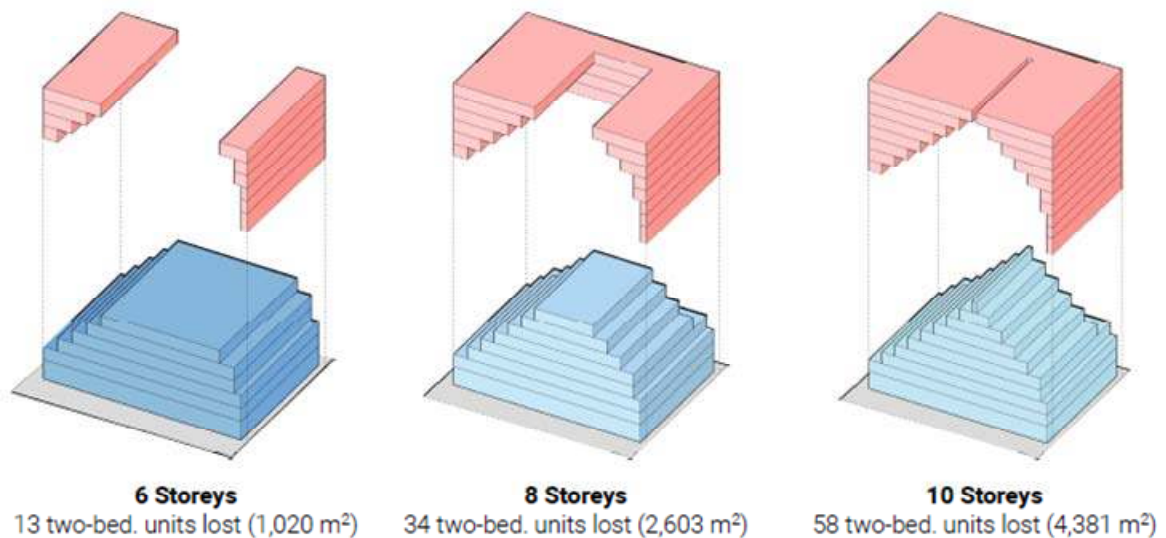
For example, a UDG may set out standards for the cladding that buildings are expected to use (e.g., brick, etc.) or they may provide more significant details, such as view cone requirements, angular planes, or floor plate restrictions to minimize the effect of shadowing, ensure privacy, or to protect views.

Because UDGs are not formal policy, they also often cannot be challenged in cases where there is a Tribunal or related entity to adjudicate other forms of planning policy. As a result, there is a significant lack of formal oversight or the ability to challenge interpretations of UDGs.

There are many examples where UDGs are applied in cases that are impractical or unnecessary - for example requiring angular planes on a building that is located to the north of a nearby sensitive use, even though the building’s shadow will not ever encroach on the sensitive use, given the historic (and likely continued) orientation of the sun in the northern hemisphere.

Figure B- 3 below is an excerpt, taken from a Housing Now Toronto report, that tests various angular plan scenarios and the resulting loss of housing units. The report was commissioned to examine the effects of the City of Toronto’s Mid-Rise Design Guidelines on the provision of projects that include market and affordable housing.

Figure B- 3 Lost Housing from Mid-Rise Angular Plane Policies, City of Toronto



Source: Housing Now Toronto and Toronto Metropolitan University

UDGs can also clash with other municipal objectives. For example, the City of Toronto Tall-Building Guidelines restrict floor plates to 750m² (8,073 SF), which makes it difficult to provide ‘family sized units’⁴⁴ that the City seeks in projects located Downtown within the limited maximum floor plate, which also needs to provide required elements such as egresses (stairway exits), mechanical rooms, lockers, elevators, corridors, etc.

STATE OF ZONING REFORM

A number of municipalities across Canada (e.g., Toronto, Barrie, Halifax, etc.) have recently reformed their zoning to allow ancillary/accessory dwelling units (“ADUs”) (e.g. laneway, garden, granny suites). In many cases, the efforts to reform zoning was spurred by senior levels of government requiring it or encouraging it.

While not a comprehensive accounting of zoning reform activities across Canada, the following list is meant to provide a summary overview of the state of zoning reform in the some select municipalities, including two (Victoria and Thunder Bay) that were not included generally in this study. In many cases, the full extent of staff recommendations were not adopted, with many municipal Councils choosing to adopt partial measures only or to postpone adoption until after upcoming municipal elections:

- City of Toronto: The City is undertaking an initiative that began in 2019 called ‘Expanding Housing Options in Neighbourhoods’ (“EHON”), which seeks to allow more housing forms in a wider array of areas in the City, such as rooming houses⁴⁵, multiplexes, up to low-rise apartment buildings. Beyond the legalization of laneway and garden suites, Council chose to postpone votes on legalization of rooming houses and multiplexes.
- City of Hamilton: In August 2022, the City passed zoning by-law reforms to work towards eliminating exclusionary zoning but limited it to conversions of up to four (4) units, as opposed to allowing new builds on residential lots.⁴⁶ The limitation of the zoning by-law changes to interior renovations only hinders the construction of new purpose-built multiplexes. Restricting allowable changes to interior renovations will also make it more difficult for builders who wish to create new homes to more energy efficient standards. Hamilton City Council also rejected proposed reforms that would’ve allowed the construction of semi-

⁴⁴ Generally regarded to be between 90m² (969 SF) for two-bedroom units to 106m² (1,140 SF) for three-bedrooms according to the City of Toronto’s Growing Up Urban Design Guidelines.

⁴⁵ Sometimes referred to as bedroom rentals. This form of housing allows a resident to rent or own a bedroom but share facilities such as kitchens and/or bathrooms with other residents. It is generally geared to either lower income individuals or to people wishing to live in a dormitory or ‘co-living’ arrangement.

⁴⁶ See Council Meeting Minutes for August 12th, 2022.

detached, duplexes, and street townhouses in some residential areas of the city.

- City of Edmonton: The City is currently undertaking a Zoning By-law Renewal Initiative, which seeks to allow townhouse (row) and small apartment in most single-detached neighbourhoods without requiring special zoning permissions.⁴⁷ According to the City's website, the finalization and adoption of zoning reforms is expected to occur between May 2023 to October 2023, with implementation occurring between November 2023 to January 2024.
- City of Vancouver: On January 26th, 2022, the Standing Committee on Policy and Strategic Priorities passed the Mayor's Motion - Making Home: Housing For All Of Us – directing staff to develop appropriate policies for a pilot program that targets 2,000 lots within the City currently zoned for single-detached housing or duplexes to be allowed up to six (6) units. However, multiplex proposals could still be subject to the rezoning process. At the time of this report's writing, it was not clear what policy developments Vancouver's staff had completed or what stage beyond the initial motion the mayor's proposal was in.
- City of Victoria: The City's Missing Middle Initiative ("MMI") sought to legalize as-of-right multiplexes up to six (6) units and corner townhouses in either stacked or row formats in lands zoned R1-B, R1-G, R1-A, and R-2.⁴⁸ In early September 2020, the City Council decided to delay voting on implementation of the MMI until after elections scheduled for mid-October 2022, with no clear date when the initiative will be brought up again.
- City of Thunder Bay: In April 2022 the City enacted a new zoning by-law that collapsed four (4) former residential zoning codes into a single 'urban low-rise zone' with flexible rules allowing between one to four units per lot, including backyard units, on residential lots depending on the size of the property in question's frontage.⁴⁹ After an appeal of the zoning by-law, which was dismissed, it came into effect in October 2022.⁵⁰

STRATEGIES FOR REFORMING ZONING

While there are some municipalities that have taken early initiatives on their own to examine the impacts of development regulations on timelines and housing affordability, without provincial backing through reforms to the land-use planning

⁴⁷ Editorial Board. *You'll never guess which city has the answer to Canada's housing crisis*. Globe and Mail. April 2022

⁴⁸ City of Victoria. <https://engage.victoria.ca/missing-middle-housing/widgets/65199/faqs>. Accessed Sept 2022.

⁴⁹ Ian Kaufman. Council approves "visionary" new zoning rules. Thunder Bay News Watch. *March 2022*

⁵⁰ Thunder Bay. *Thunder Bay's new Zoning By-law now in effect*. September 2022

system, these efforts may either not move towards the final implementation stage or may be only be inconsistently successful.

To avoid unintended consequences where each municipality within major metropolitan areas independently takes on varying degrees of reform, or in some cases none at all, some level of consistency and coordination is required. Depending solely on municipal-led efforts alone will likely not be able to address development policy issues that are contributing to the housing affordability crisis.

The following policy recommendations are categorized as either *encouragement* or *prescriptive* and are ordered moving from the least prescriptive (or most encouraging) to most prescriptive. It should be noted that the most prescriptive approaches require the highest levels of co-operation and collaboration between provincial ministries, local planning staff and/or local decision makers.

- Policies that are categorized as *encouragement* try and use either incentives or disincentives to direct municipalities to produce reforms locally in a synchronized manner. Generally, encouragement policies do not seek to directly regulate zoning matters, except in a few cases where this option is used as a disincentive from maintaining the status quo.
- Policies that are categorized as *prescriptive* substitute local decision making with provincial direction to varying degrees and aspects. Many of the policies presented are not always mutually exclusive of each other and could be combined to improve outcomes. In the next sub-sections, it will be explained how policies can be applied together without being exhaustive. However, those reviewing this document should independently consider how policies can work together outside of what is presented here. The purpose of this report is to spur discussion, not necessarily provide specific actionable roadmaps that would require context-specific considerations of each province's unique challenges and issues.

Tools and Methods of Encouragement

Provincial Statements of Interest

Provinces with Provincial Statements of Interest ("PSI") can add policies that encourage municipalities to adopt municipal plans to have a 'range of housing options'. This leaves it to local authorities on their own to interpret the directive and create corresponding implementation procedures (i.e. zoning) in terms of permissions for uses and development envelopes. Should a province wish, they could further refine or define housing option policies to ensure a minimum baseline that allows for more than just single-detached housing in most residential lands.

Setting Minimum Density Targets Throughout or Within the Built-Up Area

In the absence of a PSI (see section 6.3.1 for further discussions on this topic), where provinces have established growth plans or are considering the establishment of such planning policies, they could alternatively consider setting minimum density targets throughout the built-up area to likewise encourage a range of housing options. This could also be done in tandem with a PSI housing options policy.

Regulation and/or Formalization of Urban Design Guidelines

Regarding the issue of UDGs and zoning discussed earlier, provinces should begin to regulate this planning tool to remove it from its legal grey zone to ensure its proper application and use. At a minimum, provinces should ensure that UDGs are drafted with regard to various matters that allow for suitable review of urban design considerations so they do not unnecessarily affect the efficiency of construction or operations of building.

While municipalities may be required to have regard to the implications previously listed, a second step provinces could undertake is to ensure that policy directives are properly met. To do this would require allowing municipal boards, or the minister where there is the absence of a board, to be petitioned to review the implementation of this policy tool should it be felt that a UDGs wasn't created with proper consideration. This would incentivize municipalities to ensure their UDGs do not create unnecessary negative impacts, and if they do, there would be a formal mechanism to address that.

Alternatively, instead of requiring municipalities to ensure that their UDGs have undertaken proper consideration of provincial directives, they could also simply limit UDGs to very specific matters, such as only being able to provide guidance on cladding, façade articulation, unit sizes, etc, without being able to deviate outside the permitted list of technical provisions. The list would have to be created in collaboration between both municipalities and the development community, but it would ultimately restrict municipalities UDG choices to a narrower well-defined scope.

Statutory Requirements for Zoning By-law Reviews

Although many of the municipalities that were studied do have more recently reviewed zoning by-laws, there is commonly no formal mechanism to undertake this process systematically. Generally, municipalities do amend parts of their zoning by-law to keep it consistent with their municipal plans, however, even though a zoning by-law may be consistent, it can still have dated provisions. For example, a zoning by-law may be consistent with provisions in a municipal plan to allow various housing forms, but the allowable development envelope results in structures that are shaped in such ways that they can seem severely outdated and do not meet contemporary needs and preferences should a builder follow the letter of the law.

Provinces should also consider requiring municipalities to comprehensively review their zoning by-laws every so often, with the specific term periods to be set by provincial analysts based on collaboration with municipalities. Many provinces already require municipal plans to be reviewed every five (5) to 10 years, however, zoning by-laws need not necessarily adhere to a similar schedule as municipal plans. They could be allowed a greater length of time between review periods than municipal plans, but they should be properly and extensively reviewed every so often.

Create the Office of Chief Provincial Planner

Planning in Canada is driven by political considerations at the neighbourhood level in far too many cases instead of being rules-based that is shaped by policy enacted by elected decision makers. With a large amount of spot-zoning⁵¹ required to facilitate current levels of housing development, this process depends on ad hoc local decision making and reactive assessments in the cases where decisions can be reviewed by a municipal board or minister.

Reactive measures are generally led by applicants making petitions on site-specific cases. There is a severe deficit of wholistic across-the-board systematic examinations of city-wide planning practice that is driven by a body or entity that represents the whole public interest rather than an applicant's desires, be they developers, local community groups, advocacy groups, etc.

At a minimum, provinces should create a 'Chief Provincial Planner' to review issues proactively, systemically, and publicly, on planning matters such as outdated zoning provisions that municipalities can have on a city-wide basis. However, the limitation of this approach is that it wholly depends on public persuasion with no actual ability to influence corrective measures.

Prescriptive Approaches

Enforcement and Punitive Action for Not Meeting Housing Targets

It is becoming more popular in jurisdictions outside of Canada, which are also facing a housing affordability crisis, to create new bodies or empower and expand the mandate of existing institutions to proactively, on their own accord, examine planning matters that are affecting the delivery of housing. Examples of this include California's creation of a 'Housing Strike Force', which is tasked with:

- enforcing state housing and development law;
- issuing guidance letters to local governments on state housing laws; and
- advocating with the state legislature, federal agencies, and other state agencies to advance a right to housing; etc.⁵²

⁵¹ A rezoning request for a specific parcel of land within a larger zoned area.

⁵² Department of Justice. <https://oag.ca.gov/news/press-releases/attorney-general-bonta-launches-housing-strike-force-announces-convening-tenant>. State of California. November 2021

In addition, California has also tasked its Department of Housing and Community Development (“HDC”) to undertake accountability and enforcement of state laws as they apply to housing requirements in municipal plans and their implementation through mechanism like zoning. Enforcement by the HCD begins with letters of inquiry, technical assistance, and then escalates to requests for corrective actions. Where a municipality does not comply with the HCD, they can be referenced to the office of the State’s Attorney General on a case-by-case basis for various kinds of sanctions.⁵³

The proactive approach in California incentives municipalities to take corrective actions on their own, with multiple chances before leading to formal legal proceedings. As well, instead of the current reactive method driven by applicants pleading to a municipal board or minister seeking the enforcement of provincial planning policies in municipal decision making, the California method creates a formal, professional, rules-based, arms-length process that sits outside the political system but is still guided by elected officials in a public, accountable, and transparent manner.

Several states in the US have ‘builder’s remedy’ policies that provide direct automatic triggers for the consequences that stem from exclusionary zoning and impose a non-monetary consequence. This helps to create an actual nexus between some of the causation of the affordability crisis and the ultimate compensation for the cost of the solutions.

- Massachusetts has a policy called Chapter 40B, which requires a municipality to have a percentage of its overall stock (not new housing supply) be affordable. Generally, in markets with a robust supply of new housing with an appropriate mix of types, sizes, and tenure forms, older housing becomes more affordable over time, allowing households of middle to lower income to find homes they can secure.⁵⁴ When a municipality fails to ensure that 10% of its housing stock meets the definition of affordable set out in the statute, a developer is enabled to petition a zoning board of appeals to approve proposals that override local zoning if 20-25% of units are secured with long-term affordability. Over the 2000 to 2006 period, nearly 19,000 units (and 70% of all rental housing units constructed) were built under 40B approval.⁵⁵
- Since 1989, the State of Connecticut also has a policy called Section 8-30g that requires 10% of the housing stock locally to be affordable. If the

⁵³ Department of Housing and Community Development. <https://www.hcd.ca.gov/accountability-and-enforcement>. State of California

⁵⁴ Vicki Bean et al. *Supply Skepticism: Housing Supply and Affordability*. NYU Furman Center, November 2018.

⁵⁵ Lynn Fisher. *Reviewing Chapter 40B: What Gets Proposed, What Gets Approved, What Gets Appealed, and What Gets Built?*. Massachusetts Institute of Technology. November 2008

10% target is not met, developers may propose projects that are not subject to local zoning regulations.⁵⁶

- Since 1990, California has had a builder's remedy policy under the State's Housing Accountability Act ("HAA").⁵⁷ This allows developers of affordable housing projects to bypass the zoning code and general plan of cities that are out of compliance with the Housing Element Law⁵⁸. Previously, application and enforcement of the builder's remedy policy was not a priority of the state. However, more recently, many reforms have been made to the HAA to make clarifications to enforcement provisions for municipal housing elements and more readily allow the use of the builders remedy policy to help affordable projects bypass obstructionist local decision makers.

While the implementation of builder's remedies such as 40B, 8-30g, or the Housing Accountability Act has not resulted in the elimination of exclusionary zoning in many Massachusetts, Connecticut and California suburban areas, it does impose a penalty for not broadening housing permissions - the loss of the ability to control the development of a particular parcel of land that an applicant seeks to develop under the relevant statute.

This creates a 'release valve' that allows many affordable and rental housing projects to proceed in places where local decisions makers may otherwise obstruct such projects. Pared with other encouraging or prescriptive polices, this can create a bulwark of incentives for municipalities to reform their land-use practices if they wish to maintain total control over the process.

Setting a Maximum Number of Zones

The London School of Economics' Centre for Cities ("CFC") in their commentary⁵⁹ regarding the introduction of zoning reforms in the England stressed the importance of having as few zones as necessary to achieve the best balance between limiting discretionary approvals, which can lead to excessive delays to housing construction, while maximizing land-use flexibility. England is one of the few jurisdictions in the western world that does not have any formal zoning code of any kind and instead relies on discretionary approvals that considers

⁵⁶ Greenwich, Connecticut. Affordable Housing Units (CT Gen. Statute 8-30g). May 2022.

⁵⁷ Christopher S. Elmendorf. *A Primer on California's "Builder's Remedy" for Housing-Element Noncompliance*. UC Davis School of Law March 2022

⁵⁸ The housing element is one of the seven required elements of the general plan cities in California are required to include. its purposes is to identify current and future local housing needs of all income groups and to ensure that municipalities have in place plans that can realistically meet these identified needs.

⁵⁹ Anthony Breach. *Planning for the Future: How flexible Zoning will End the Housing Crisis*. Centre for Cities. June 2020

applications on a case-by-case basis, relying on precedent, generalized urban plans, and other regulations such as the Planning Policy Statements (“PPS”).⁶⁰

The CFC also observed that jurisdictions with Euclidian single use zoning:

...in practice, their zoning codes are often highly restrictive, with each zone corresponding to a single possible use, or imposing tight limits on density. In effect, these inflexible zoning systems have replicated the problems of discretionary planning.

While the CFC advocates for a national zoning system in England in the style of Japan, a proposal that will be discussed in more detail in the next sub-section, a potential possibility that provinces in Canada could try is to impose a set maximum number of zoning codes that municipalities can use. The exact number of zones should be determined by provincial analysts based on further research.

This policy proposal foresees setting a blunt limit on the number of zoning codes while not providing specifications as to what provisions should be individually included. This could work in tandem with some perspective policies on minimum allowable housing forms and regulations of some aspects of development envelopes (e.g., minimum lot sizes, etc.) without needing the wholesale creation of a provincial zoning code but could provide enough time and learnings to implement a provincial system in the future.

Also working in tandem with hard a zoning code limit, provinces could require municipalities to create codes that incorporate hierarchical zoning structures. This policy has two parts to it. The first option is to require municipalities to create new zoning by-laws that include hierarchical structures within a zoning category (e.g., allowing expanding housing options that includes all previous options as you move from R1 to R4). The second option would be to require reforms to zoning that allow expanding residential options between types of zoning categories, for example allowing proceeding housing permissions in each commercial zone to encourage mix-uses.

Collapsing zoning codes is not without precedent in Canada, with the previous highlighted case example of Thunder Bay demonstrating that municipalities have both considered this as a policy option and have implemented it in practice. However, it is still unprecedented for provinces to provide any form of directive to municipalities to either encourage them or explicitly require them to rationalize their zoning codes as this area of planning is typically not given the same level of consideration as municipal plans as are by provincial edicts.

Legalizing Secondary Suites and Additional Dwelling Units

The most basic step provincial governments can take in prescriptively reforming zoning is to set out minimum permitted uses. This can be done in several ways. In Ontario, the provincial government has required municipalities to legalize

⁶⁰ Sonia Hirt. *Mixed Use by Default: How the Europeans (Don't) Zone*. Journal of Planning Literature. July 2012

secondary suites and ADUs in single-detached and other low-rise zones since 2018 through provisions enacted under Bill 108 *More Homes, More Choice Act*. To accomplish this, the province's *Planning Act* sets out in subsection 16(3):

An official plan [municipal plan] shall contain policies that authorize the use of additional residential units by authorizing:

the use of two residential units in a detached house, semi-detached house or rowhouse; and

the use of a residential unit in a building or structure ancillary to a detached house, semi-detached house or rowhouse. 2019, c. 9, Sched. 12, s. 2 (1).

Provinces seeking to increase housing production by solely focusing on expanding permitted uses alone and leaving implementation details to municipalities may find this strategy to result in underwhelming outcomes, especially as local decision makers face pushback or use creative approaches to follow the letter of the law, but not the spirit of the law.⁶¹

As one example, the City of Barrie in October of 2021 tightened its rules around ADUs to make it more difficult to construct this type of housing in residential areas by increasing the minimum rear yard setback to seven (7) metres and limiting the secondary structure to only 45% of the total area of the main home.⁶² The City's zoning code, which first introduced permissions for ADUs in November of 2019 that had more generous permission standards, may meet the letter of the law stipulated in its municipal plan and the *Planning Act* but it violates the spirit of the law by making it unnecessarily harder to meet the conditions set out in the zoning code in order to appease neighbours who disagree or dislike change.

A step that provinces can take, in conjunction with permitted use policies, is to set out minimum standards for various aspects of zoning (e.g., minimum lot sizes, heights, minimum number of allowable units per lot, etc) to ensure that successful reforms cannot be rolled back, and that both the letter and spirit are followed.

An example of implementing both permitted uses and adding standards to work alongside it to defeat resistance is California's Senate Bill 9 ("SB 9"), which allows two residential units within single-family residential zoning throughout the state.⁶³ The bill also begins to regulate minimum lot sizes by allowing lot splits where the resulting parcels are no smaller than 1,200 SF. SB 9's focus is to help create both 'stater homes'⁶⁴ and ADUs, which many municipalities in the state

⁶¹ John Michael McGrath. *Cities can obstruct new housing. Ontario shouldn't let them*. TVO. November 2021

⁶² Katelyn Wilson. *City of Barrie votes to tighten rules on building secondary detached dwellings*. CTV News. October 2021

⁶³ Legislative Counsel's Digest. Senate Bill No. 9. State of California. September 2021

⁶⁴ Homes that are modest in size and land use so that they are naturally more attainable and are generally geared towards newly formed households.

have historically tried to stymie the production of. It is estimated that these policies are expected to help in the creation of 80,000 new homes per year, doing a small part in helping California reach its goal of 1.8 million new homes by 2025.⁶⁵

Wholesale Examination of Built-Form Envelopes

An alternative to piecemeal envelope reforms, such as only reforming minimum lot sizes, or allowable height, is to more wholistically examine the entirety of the development envelope so that various projects scenarios can occur without the need for rezoning or variances. To that effect, the national government in New Zealand created the Medium Density Residential Standard (“MDRS”) that applies to three different ‘tiers’ of municipalities:

- To the largest ‘Tier 1’ cities, such as Auckland, Hamilton, Wellington, Christchurch, Tauranga and Rotorua;
- To ‘Tier 2’ cities if there is an acute housing need, and
- To ‘Tier 3’ cities (those not specified as Tier 1 or Tier 2 cities) at their own request to the Minister of the Environment.⁶⁶

The MDRS allows up to three units and three storeys, with further details provided regulating angular planes, setbacks, building coverage, impervious surface, outdoor living space, outlook space, glazing, and landscaping.⁶⁷

Figure B- 4 provides three developments scenarios that could fit under the MDRS development envelope – townhouses, small apartment building, single detached homes with two ADUs in the rear.

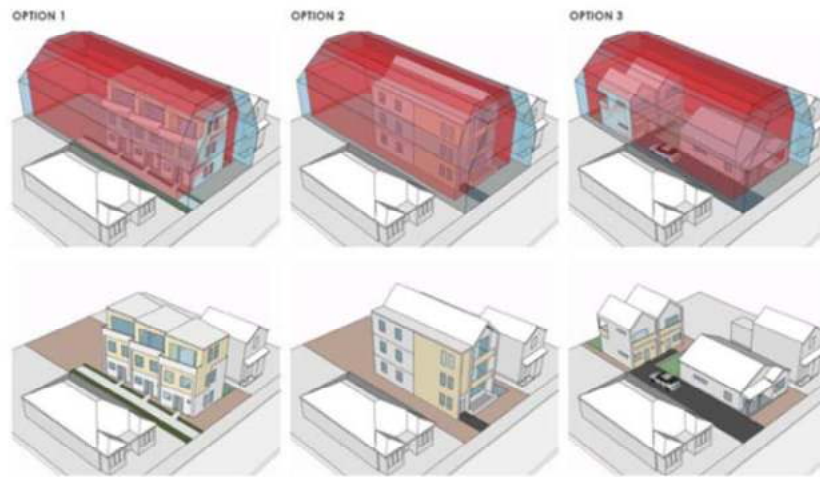
Figure B- 4

⁶⁵ SB 9 (Atkins): California HOME (Housing Opportunity & More Efficiency) Act Fact Sheet. | Office of Senator Toni G. Atkins. August 2021

⁶⁶ Ministry of Housing and Urban Development. *Enabling Housing Development*. <https://www.hud.govt.nz/our-work/enabling-housing-density>. New Zealand. Accessed September 2022

⁶⁷ Ontario Professional Planners Institute. *Housing Affordability: What can Ontario Learn from New Zealand's Approach*. March 2022

Standard Envelope of Development, New Zealand



Source: Jym Clark, New Zealand Ministry of the Environment

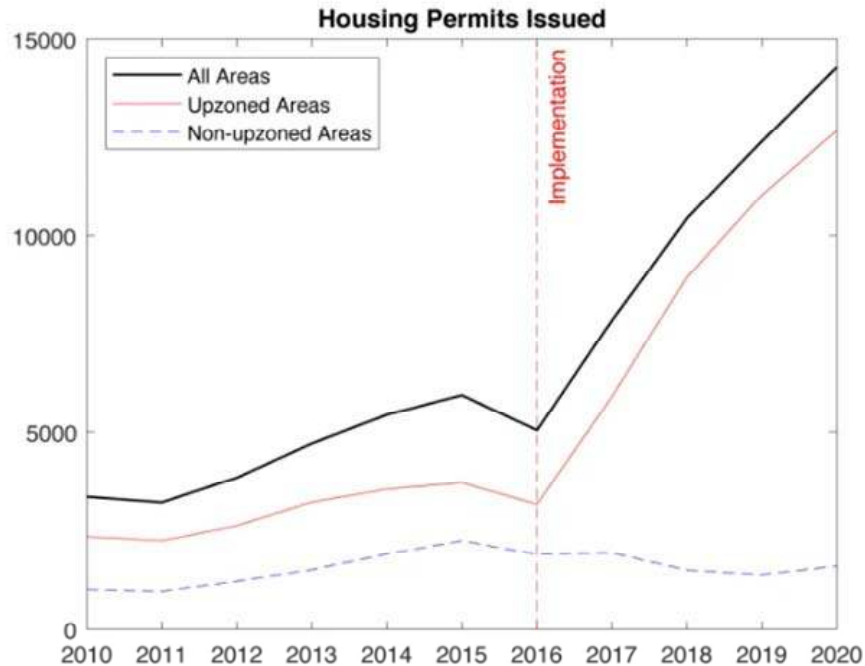
It should be noted that the MDRS efforts in New Zealand are not the first attempts in the nation at upzoning. Earlier, in 2016, the City of Auckland up-zoned approximately three-quarters of its residential land area under the Auckland Unitary Plan (“AUP”). However, after numerous demand-side policies, such as the ban on foreign ownership, capital gains tax targeted at housing speculation, bans on foreign investment in residential housing, etc., failed to quell deterioration of housing affordability, the national government took a more holistic and coordinated approach towards supply-side development policies across the country.⁶⁸

Figure B- 5 below showcases the results of the AUP, separating the City into parts that were up-zoned or not. The results show a near tripling of housing permits issued since the implementation of the zoning changes in 2016, with the increased rate of housing production occurring mostly in up-zoned areas.

⁶⁸ Ryan Greenaway-McGrevy. *New Zealand’s Bipartisan Housing Reforms Offer a Model to Other Countries*. Brookings Institute. January 2022

Figure B- 5

New Dwelling Units Approved in Auckland, Upzoned and Non-Upzoned Areas, 2010-2020



Source: Ryan Greenway-McGrevy, Brookings Institute

The New Zealand case study demonstrates two outcomes. First, the results from Auckland's AUP reform showcases that 'up-zoning' can have a significant and rapid impact housing development. Second, without coordination, the efforts of a single municipality cannot overcome an affordability crisis that extends across a nation/state/province.

One cautionary note to observe is that the current package of zoning reforms that include MDRS in New Zealand are not the conclusion to planning reforms being undertaken there. Further reforms are expected in the near future however, details have not yet been announced.⁶⁹

Provincial Zoning Codes

The next step that provinces can undertake beyond those demonstrated by California or New Zealand, which should be considered an interim process, is to implement a provincial zoning code. To undertake this planning exercise would likely take years and require an immense amount of institutional capacity building

⁶⁹ Ontario Professional Planners Institute. *Housing Affordability: What can Ontario Learn from New Zealand's Approach*. March 2022

inside responsible ministries, but it would not be unprecedented from an international perspective.

Many nations have zoning codes determined by higher orders of government (i.e., provincial, state, federal, national), such as Japan and Germany. These codes still share fundamental features familiar to planning practices in North America but provide much more flexibility but less discretionary decision making and spot zoning. Community input is still taken into consideration during the development of municipal plans, where typically the broadest and largest participation occurs. However, a fundamental difference between North American planning and the practices that occur in a nation such as Germany is the focus is on bulk and density rather than the separation and regulation of uses.⁷⁰

In Germany, the federal government has established the Land Use Ordinance statute or 'BauNVO'⁷¹ which defines several districts and the uses permitted within them. Local authorities choose districts defined by the BauNVO to use when preparing their municipal plans. However, municipalities are restricted from inventing their own districts outside of the federal statute.

The BauNVO has four (4) land classes - residential, mixed, commercial, and special – and is further divided into 10 subclasses – small scale residential, exclusively residential, general residential, special residential, village type, mixed-use, town-centre, commercial, industrial and special districts.⁷²

None of the zones exclusively permit single-family houses, and despite their category names, residential zones also permit various kind of commercial activity to help encourage home occupation employment and walkable environments.

Provincial Control

Should provinces not want to either directly regulate permitted uses, aspects of zoning regulations, or create regional or provincial zoning codes, then the final option available to them is to piecemeal control the planning framework in select geographic areas. This is not without precedent in Canada:

- The provincial government in Nova Scotia has created special planning areas in the Halifax Regional Municipality ("HRM"). Through an executive panel, which has appointments made to it by both the HRM and province, planning exercises are undertaken to review and enable additional housing construction over and above what the municipal plan and corresponding land-use regulations have envisioned.

⁷⁰ Sonia Hirt. *To Zone to Not Zone: Comparing European and American Land-use Regulation*. Virginia Tech. 2010

⁷¹ Short for "Baunutzungsverordnung"

⁷² Sonia Hirt. *To Zone to Not Zone: Comparing European and American Land-use Regulation*. Virginia Tech. 2010

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- The provincial government in Ontario utilizes the Community Infrastructure and Housing Accelerator Tool (“CIHA”)⁷³ that allows, at the request of a municipality, the Province to regulate land use (including uses, heights, sizes and spacing of buildings).

Implementation

The various approaches to zoning reform are not meant to wholesale remove local decision-making process or framework, but rather augment or reframe them to empower local authorities to realize the desired outcomes that are often articulated in their municipal plans but are often not achieved.

The planning practices currently in place in many places around the world, or in the process of being implemented, demonstrate that more direct senior government intervention and involvement is possible, can be fruitful in increasing needed housing supply, and can work with, and respect, local context.

Some provinces may find that the need for reforms is most acute in specific regional metro areas and focus their efforts there, as New Zealand has done with their tiered approach. Other provinces may find that having a unified approach to zoning regulations is a better option given strong inter-regional economic and social relationships that span broad sections of the province. Some governments may find that they would rather keep oversight into zoning reforms embedded within the provincial ministries, while others may find it more fruitful to create a regional planning authority that is tasked with collaborating with municipalities on matters of land-use planning at arm’s length.

⁷³ Formerly known as Ministerial Zoning Orders (“MZO”)