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The Regional Municipality of Durham Information Report

From: Commissioner of Planning and Economic Development
Report: #2023-INFO-22
Date: March 17, 2023

Subject:

Regional Planning Commissioners of Ontario (RPCO) Inventory of Ontario's Unbuilt Housing Supply

Recommendation:

Receive for information

Report:

1. Purpose

1.1 On March 7, 2023, the Regional Planning Commissioners of Ontario (RPCO) issued a News Release and Media Package pertaining to Ontario's unbuilt housing supply, (the Package is linked here as [Inventory of Ontario's Unbuilt Housing Supply](#)). The News Release indicates there are over 1.2 million housing units approved and proposed to be built in Ontario. It encourages all stakeholders to work together, as increasing supply alone will not solve Ontario's housing affordability crisis. The purpose of this report is to provide an overview of the Inventory.

2. Previous Reports and Decisions

2.1 There have been no previous reports on RPCO's Inventory specifically; however, the topic is related to the provincial goal of building 1.5 million units in the next ten years and related initiatives such as Bill 23, the More Homes Built Faster Act.

3. Background

3.1 RPCO is an organization whose upper and single-tier municipal members provide planning services and give planning advice to municipal Councils that represent approximately 80% of Ontario’s population. RPCO has 21 member municipalities, 12 of which are located within the Greater Golden Horseshoe. RPCO works together to promote excellence in planning to achieve sustainable and resilient communities, including healthy natural, cultural and social environments, and the growth of a strong and competitive economy. Brian Bridgeman is a member of RPCO and currently serves as one of its Co-Chairs.

4. Overview of Unbuilt Housing Supply Inventory

- 4.1 In 2022, the Province of Ontario announced a target of creating 1.5 million new homes across the province in the next ten years.
- 4.2 To help identify Ontario’s existing unbuilt housing unit inventory, RPCO collected data from 15 of its member municipalities.
- 4.3 As noted in the Media Package, the housing supply inventory from these RPCO municipalities is summarized as follows:

Table 1: RPCO Housing Supply Inventory

| | |
|---|------------------|
| Development Ready (Registered and Draft Approved) (see Notes 1 and 2) | 331,632 |
| Under Application or Proposed (see Note 2) | 731,129 |
| Ministerial Zoning Order | 64,199 |
| As-of-right units (proxy) (see Note 3) | 150,000 |
| Total housing unit inventory | 1,276,960 |

Notes:

1. Most data collected is to the end of 2022, but all data capture dates were not identical. For example, data for Toronto and Ottawa is to mid-year 2022. Data for Durham Region is year-end 2021. Additional details are provided in the materials. “Development Ready” means that some level of Planning Act approval has been obtained, but it does not necessarily mean “Shovel Ready”.

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2. It is acknowledged that some draft approved and proposed units will require the construction of supporting infrastructure to proceed to development.
 3. A proxy of 150,000 accessory units was included in the inventory as a proxy to address the province's as-of-right legislation to create up to three dwelling units on selected individual property types.
- 4.4 Excluding the "as-of-right" units now permitted by Bill 23, the supply is approximately 1,126,960 housing units available from:
- Units (unbuilt) in Registered and Draft Approved plans – 29%
 - Units in applications currently in-process – 65%
 - Unit types – approximately 25% ground-related, and 75% apartment units
- 4.5 The 15 municipalities surveyed constitute approximately 70% of Ontario's population. The development inventory for municipalities representing the remaining 30% of Ontario's population would be expected to raise the aggregated numbers even higher, e.g. closer to 1.5 million.
- 4.6 The entire Greater Toronto and Hamilton Area (GTHA) is included, representing Canada's largest urban area. In the GTHA, a total of 911,748 units (82%) were identified through the Inventory.
- 4.7 In RPCO's Inventory, there has been no accounting for units that may be built on new urban lands designated through recent municipal comprehensive reviews. Similarly, lands within the Greenbelt Removal Areas are not included in the Inventory. The Unbuilt Housing Supply Inventory generally represents the housing supply that existed prior to the enactment of Bill 23, and prior to new lands being included within urban boundaries through municipal comprehensive reviews.
- 4.8 There are also over 225,000 units currently under construction across Ontario, which are not included in the Inventory. These units will contribute towards the province's goal of 1.5 million homes.
- 4.9 In 2021, almost 100,000 housing starts were recorded across Ontario. In 2022, the number of housing starts was nearly 96,000 units. Both were regarded as strong years.
- 4.10 It has been documented in other publications that the construction industry is currently experiencing labour and material shortages which will restrict the number of new homes that can be constructed. Other factors that affect housing supply and

demand include interest rate fluctuations, an individual's job security relative to the overall economy, household income, and home equity levels.

- 4.11 The RPCO Inventory indicates there is a healthy supply of housing units in the pipeline. RPCO, like Durham Region Council, does not support the removal of Greenbelt lands as a necessary step to address Ontario's housing challenges. In reference to the "housing crisis" there are essentially two issues: i) affordability; and ii) the pace at which development and construction occurs. In November of 2022, RPCO released another document called "[Making Room](#)" which provides a big picture view of housing dynamics in Ontario and some housing implementation challenges.
- 4.12 In the coming years, the Federal government is expected to increase immigration levels to approximately 500,000 annually. It is expected that Ontario will receive a large proportion of that number. Therefore, parties need to work together to turn the supply of units that exist on paper, (as noted in the Inventory), into homes on the ground.

5. Durham's Inventory

- 5.1 Durham Region's 2021 approved housing supply inventory is included as part of the survey of municipalities completed by RPCO. The year-end 2022 data is still being completed and will be reported on through our annual subdivision and condominium activity report in the Spring of 2023.

Table 2: Durham's Housing Supply Inventory as of December 31, 2021

| Application Type | Single-detached | Semi-detached | Townhouse | Apartment | Total |
|--------------------------------|-----------------|---------------|---------------|---------------|---------------|
| Draft Approved | 9,760 | 2,102 | 12,374 | 8,860 | 33,096 |
| Under Application/ Proposed | 7,223 | 764 | 10,622 | 9,834 | 28,443 |
| Minister's Zoning Order | | | | 1,650 | 1,650 |
| Total | 16,983 | 2,866 | 22,996 | 20,344 | 63,189 |

Source: Durham Region Planning Division and Durham's Annual Subdivision and Condominium Activity Report, Year-End 2021

- 5.2 Site plans are not included as part of the dataset, nor are units in “registered” plans of subdivision. The units in registered plans is not captured because our research has shown that soon after a plan of subdivision is registered in Durham Region, the builder proceeds to obtain building permits for the registered lots, (given that DCs have been paid) and commences home construction.
- 5.3 Approximately half the draft approved units require municipal infrastructure to be extended before home construction can take place.

6. Relationship to Strategic Plan

- 6.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- a. Under Goal Area 2, Community Vitality:
 - 2.1 Revitalize existing neighbourhoods and build complete communities that are walkable, well connected, and have a mix of attainable housing
 - 2.5 Build a healthy, inclusive, age-friendly community where everyone feels a sense of belonging
 - b. Under Goal Area 3, Economic Prosperity:
 - 3.4 Capitalize on Durham’s strengths in key economic sectors to attract high-quality jobs
 - c. Under Goal Area 4, Social Investment:
 - 4.1 Revitalize community housing and improve housing choice, affordability and sustainability
 - d. Goal 5: Service Excellence – To provide exceptional value to Durham taxpayers through responsive, effective, and fiscally sustainable service delivery.

7. Conclusion

- 7.1 Collaboration and commitment are required to activate the current housing supply that exists on paper, with a renewed emphasis on building a mix of housing types, in complete communities and improving housing affordability outcomes. RPCO's Inventory demonstrates that there is a robust supply of units within the development process to advance the province's housing objectives.

Respectfully submitted,

Original signed by

Brian Bridgeman, MCIP, RPP
Commissioner of Planning and
Economic Development