

Provincial goal of building 1.5 million homes will not be realized without adequate land supply

Greater Toronto Area, December 11, 2023 — A new study by Malone Given Parsons Ltd. (MGP), commissioned for the Building Industry and Land Development Association (BILD) and the Ontario Home Builders' Association (OHBA), identifies that there is insufficient land within municipal official plans in the Greater Golden Horseshoe (GGH) and Greater Toronto Area to meet mid- and long-term population growth. This will jeopardize the provincial objective of building 1.5 million new homes and undermine efforts to address housing supply and affordability.

"We are already in a housing supply deficit," said Dave Wilkes, BILD President and CEO. "Problems bringing land online for new single-family homes, townhomes and stacked townhouses, and difficulty in adding supply within cities means we are nearly 80,000 housing units short (2006-2021) of where we should be in the Greater Toronto and Hamilton Area (GTHA). Looking forward to 2051, with even higher targets for high-density apartments, we can anticipate this shortfall to increase.

"The report identifies that even before the province reversed the approval of municipal official plans, the housing shortfall would increase to an estimated 97,000 grade-related housing units (including singles, semis and all forms of townhouses) plus any shortfall of high-density apartment growth by the year 2051. Following the reduction of land supply by the 2023 provincial "resetting" of official plan approvals, the housing shortfall could increase to 206,800 grade-related homes (10,400 ha) plus any shortfall in apartment growth. The numbers are higher when other regions in the GGH are included.

MGP's study further identifies that in absence of expanding municipal boundaries to add land for grade-related homes, it would require the redevelopment of vast quantities of existing neighbourhoods across the GTA to accommodate growth. Based on the municipally adopted official plans, proposed to be "reset" in the province's announcement on October 23 to include little to no additional land for new settlement area boundary expansion areas, the shortfall in grade-related housing units would require 10 per cent of all existing low-density neighbourhoods to be redeveloped to accommodate growth to the year 2051. Put plainly, this would require one in every 10 existing homes in the GTA to be demolished and replaced with a multiplex. This is very unlikely to occur.

"Given that the GTHA accommodates over 30 per cent of Canada's immigration each year, because immigration is the primary driver of population growth in Canada, a shortfall of housing has national implications," said Neil Rodgers, OHBA Interim Chief Executive Officer. "The province has a policy statement to guide development for future growth. It commissioned extensive growth and housing requirement projections to help plan to 2051. This study

demonstrates that by ignoring its own policies and projections, decisions made today are going to have far-reaching implications and show that we will be in a demand/supply imbalance for decades to come — continuously pushing prices up. If we're to address the affordability crisis now, we need solutions that increase supply, promote transit supportive densities and housing choices on shorter timelines.”

BILD and the OHBA are calling on the Ontario Government and municipal governments across the province to ensure that housing affordability and supply are addressed by making sufficient lands available for a market-based supply of housing to meet forecasted growth needs to the planning horizon of 2051. In addition, they are calling on the government to establish a transparent, modern and stable planning system, which is required to realize the forecasted growth in the GGH.

Copies of the full report are available from:

<https://www.bildgta.ca/wp-content/uploads/2023/12/2023-12-06-MGP-Land-Supply-Report-Part-One.pdf>

<https://www.bildgta.ca/wp-content/uploads/2023/12/2023-12-06-MGP-Land-Supply-Report-Part-Two.pdf>

With more than 1,300 member companies, BILD is the voice of the home building, land development and professional renovation industry in the Greater Toronto Area. The building and renovation industry provides more than 230,000 jobs in the region and \$26.9 billion in investment value. BILD is proudly affiliated with the Ontario and Canadian Home Builders' Associations.

The Ontario Home Builders' Association is the voice of the residential construction industry in Ontario, representing 4,000 member companies organized into 27 local associations across the province. The residential construction industry employs over 550,000 workers, paying \$38.8 billion in wages and contributing over \$80 billion in investment value to Ontario's economy (2022). Our members have the vital responsibility to build the housing supply that current Ontario residents are counting on at all stages of their lives and be the voice of future home buyers who want to call our province home.

Malone Given Parsons Ltd. ("MGP") has provided planning, economic and development management expertise to the public and private sectors since 1978. MGP is one of the largest planning consulting firms in Canada offering partner level specialized expertise in urban and regional planning, master planning, development approvals, economic development, growth management strategies, and land economics

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