THE MID-RISE MANUAL

# FIVE STEPS TO UNLOCK MID-RISE HOUSING AND END ONTARIO'S HOUSING SHORTAGE



# THE STATE OF HOUSING

Ontario is currently facing a serious housing shortage. We're not building enough homes fast enough to meet the need.

Focusing construction on building midrise apartment buildings (5-11 storeys) on existing avenues and residential streets, which currently only allow low-rise buildings, is now the only approach efficient enough to deliver the 1.7 million new homes Ontario will need by 2031 to end the housing shortage.

## The only Hope of Delivering "More Homes, Faster"

Ontario is failing to build fast enough to keep up with demand because our laws and government policies push both market and non-market builders and investors to squander construction labour, equipment and materials on the least efficient building types and building locations.

It is mid-rise building formats that can safely bring together a combination of building materials, building designs and construction methods that together are faster and more labour-efficient than the alternatives.

Deploying those formats on avenues and residential streets throughout existing suburbs, towns and cities, means they can use existing roads, sewers and school capacity, with less construction wasted building infrastructure from scratch.







## Our Last, Best Chance to Fix Existing Neighborhoods

The good news is that focusing construction efforts on mid-rise buildings is also the best approach for protecting farmland and wildlife habitats, meeting climate goals and increasing quality of life for those who live in existing towns and cities.

Almost all of Ontario's currently low-rise urban, suburban, and rural neighborhoods need rapid injections of new homes, workplaces, and residents. Increasing density in these neighbourhods will reduce car-dependency and resulting greenhouse gas emissions and increase housing options for people where they want to live. Unlocking mid-rise is also

a necessary lynchpin of any serious plan to accomplish this high-speed retrofit.

The problem is that Ontario's governments are preventing mid-rise infill housing by banning mid-rise heights outright on almost all existing residential lots. They also add design rules, approval processes and government charges that destroy their natural efficiencies and make them too expensive to build.

For lawmakers, activists, voters and planning staff in Ontario, the Mid-Rise Manual is the step by step guide to policy reforms that must be delivered to clear obstacles, unlock mid-rise housing and end the housing shortage.



# Obstacles and Solutions for Building Mid-Rise Apartments

To unlock mid-rise Ontario's governments must do more than remove the outright ban on mid-rise heights. They must make it legal to build safe and comfortable mid-rise apartments for every household type at a cost

low enough to allow for "market" rents and sale prices people will pay, and low enough to make it politically feasible for governments to pay for all the non-market, deeply affordable apartments Ontarians need.

#### **⊗** Obstacle: Land Costs



Even in many municipalities that purport to support mid-rise development, "exclusionary zoning" creates competition for a limited subset of development sites - commercial strips with fast-moving car traffic - or the same downtowns, "MTSAs", and large brownfield parcels where taller buildings are viable.

#### **Municipal governments should**

- proactively amend zoning bylaws to provide as of right permission for mid-rise development up to six storeys, without stepbacks, on all "avenues" and on all residential major streets, including those in currentlylow-rise areas (p.18).
- proactively amend official plans to identify avenues and major residential streets inside presently low-rise areas as strategic locations for growth and intensification, where significant physical change is to be promoted (p.24).
- use new statutory tools as set out in O.Reg. 173/16. to establish fixed criteria for permitting mid-rise building heights in excess of six storeys in pre-defined circumstances and locations (such as the intersection of two major streets) without rezoning (p.24).
- update existing performance standards or guidelines for assessing proposed amendments to existing zoning to permit mid-rise development in excess of six storeys to focus on actual performance, rather than prescribing certain building geometry (p.24).

#### The provincial government should

- designate avenues and major residential streets inside presently "low-rise" areas as strategic locations for growth and intensification through Provincial planning policy (p.20).
- amend provincial planning laws to provide as of right permission for mid-rise development up to six storeys, without stepbacks, on all of Ontario's "avenues" and on all residential major streets, including those in currently low-rise areas (p.20).
- amend provincial planning laws to mandate permissions for mid-rise development on all "avenues" (or equivalent) and on all residential major streets in greenfield development (p.20).

#### The federal government should

 require municipalities to allow mid-rise development on both avenues and major residential streets as a condition of federal housing and infrastructure funding.



#### **Obstacle: Construction Costs**

# Solution: Legalize labour-efficient designs and methods for mid-rise

Mid-rise buildings can safely redeploy "low-rise" construction labour and materials to deliver far more units, but outdated laws force builders to meet the same costly and labour-intensive requirements as high-rise development.

#### **Municipal governments should**

- remove mandatory "step-back" requirements for mid-rise buildings (p.22).
- provide simplified and standardized prescriptive solutions for smaller mid-rise developments to comply with stormwater management requirements (p.57).
- request or require local electricity distribution system operators to publish a design standard for optimized electrical service to smaller mid-rise buildings to reduce costs, delays and over-engineering (p.58).
- develop compact and less onerous garbage collection and loading bay requirements for mid-rise buildings (p.59).

#### The provincial government should

- prohibit municipalities from mandating onsite parking.
- legalize fire-safe, performance-based alternatives to non-combustible side wall construction (p.48).
- legalize fire-safe "exposed mass timber" construction up to 8 storeys (p.49).
- legalize fire-safe "single egress" construction up to 6 storeys (p.50).







#### **Obstacle: Carrying and procedural costs**

#### Solution: Simplify and speed up approvals processes

#### **Municipal governments should**

- provide "as of right" zoning for mid-rise development of at least six storeys without any further rezoning, in every location where mid-rise is development is intended (p.18).
- expedite planning approvals, even where proposals don't fully comply with the regulation, by enabling Staff to make decisions on minor deviations from the regulation using a list of prescribed criteria, as set out in O.Reg. 173/16 (p.24).
- simplify planning application requirements, especially where the development proposal conforms to the "as-of-right" built form regulation (p.26).
- establish a dedicated team within planning and buildings departments to curate specialized expertise in mid-rise development (p.26).

 develop a centralized database of existing conditions information, so that this can be relied upon by development proponents and City Staff and not re-investigated for each project (p.27).

#### The provincial government should

- provide municipalities with permanent funding for planning staff to support midrise development on major streets and avenues.
- Amend provincial planning laws to provide as of right permission for mid-rise development up to six storeys, without stepbacks, on all of Ontario's "avenues" and on all residential major streets, including those in currently low-rise areas (p.20).



#### Reduce the cost burden of government fees, taxes and charges

#### **Municipal governments should**

- fund many of the General Services currently funded through Development Charges using property taxes instead (p.38).
- harmonize residential property tax rates between residential and multi-unit residential to remove a disincentive for purpose-built rental housing (p.40).
- reform the Municipal Land Transfer Tax as a Real Estate Capital Gains Tax (including primary residences) as a more effective tax on profits rather than transactions (p.40).
- use property and other taxes, rather than development charges, to proactively upgrade capacity along major streets (p.40).

#### The provincial government should

- encourage fiscally responsible compact urban development patterns that allow municipalities to balance their budgets by eliminating incentives for urban sprawl and diversify LVC funding mechanisms to reduce the need for Development Charges (p.37).
- require municipalities to impose significantly lower general services development charges for all mid-rise in existing built up areas than for single-and semi-detached and greenfield development (p.38).
- direct MPAC to update property assessments to ensure property taxes are equitably distributed and accurately based on current property values (p.40).
- reform the Provincial Land Transfer Tax as a Real Estate Capital Gains Tax (including primary residences) as a more effective tax on profits rather than transactions (p.40).
- prohibit municipal governments from charging higher property tax rates for rental housing than ownership housing (p.40).

#### Transition small-scale infill developers and low-rise construction subtrades to mid-rise development

#### Municipal governments should

 simplify mid-rise approvals processes and provide support to non-professional and less-experienced mid-rise developers.

#### The provincial government should

- support new builders of small-scale midrise development, with supportive financial and legal structures as well as procedural support and guidance for non-professional and less-experienced developers (p.42).
- offer low-cost, long-term fixed-rate financing for construction of mid-rise buildings (p.42).

#### The federal government should

- incentivize citizen-led development, by prioritizing the creation of financial and legal structures, procedural support and guidance for non-professional and less-experienced developers.
- offer low-cost, long-term fixed-rate financing for construction of mid-rise buildings.



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