



VAUGHAN, ON, June 1, 2017 /CNW/ - Millions of property tax dollars are being left on the table and thousands of condo units are being delayed as the building approvals process continues to slow.

That is eroding a desperately needed cash flow for municipal coffers and ultimately constraining the supply of housing as condos are delayed from entering the market. This ultimately makes it harder for new-home buyers to find a home in Toronto.

A report launched today by the University of Toronto's Building Tall Research Group and the Residential Construction Council of Ontario (RESCON) sheds light on this issue. The report, called "[Evaluation of Tall Building Construction Permitting Process in Toronto](#)," looks at the Official Plan and/or zoning bylaw amendment approval process of 174 new condo projects in Toronto between 2006 and 2016. It found that the time to complete the approvals process has more than doubled in the past 10 years. Some of the other findings include:

- A nine-month approvals target, as outlined in the Toronto Development Guide, actually took nearly 3.5 years on average in 2016.
- 42% of condo applications that successfully appealed to the Ontario Municipal Board (OMB) from 2006 to 2016 indicated that "failure of the City to announce a decision" compelled an OMB appeal – adding more cost and time than a City Council decision.
- As projects starts are delayed, the City misses out on the collection of potential property tax revenues. The study notes that a hypothetical 50-storey condo with 500 units (with an average unit cost of \$470,000, according to Business Canada 2016 figures) would generate about \$3,200 of property tax per unit – or \$1.6 million per building in just one year. With an approvals delay of almost three years, that would represent about \$5 million in lost property tax revenue for the City.

"As Toronto's population grows, the city has no choice but to build skyward with condominiums. However, our research shows that, over time, it is taking longer to get condo projects approved within the City of Toronto's numerous policy and regulatory controls," says Dr. Arash Shahi, research manager of Building Tall and a post-doctoral fellow at U of T's Department of Civil Engineering. "These delays have slowed down the supply of new units coming to market and resulted in lost revenue for the City."

Prof. Brenda McCabe, director of Building Tall, adds: "This growing trend deserves further analysis."

Paul De Berardis, M.Eng., P.Eng., RESCON's director of building science and innovation says: "The drawn-out approvals process and lack of a predictable timeline foster uncertainty and risk for a condo development project. The current process throttles the supply of new units and ultimately costs homebuyers. There is no better time than now for reform after the recent launch

of Ontario's Fair Housing Plan, which seeks to increase housing supply and streamline the development approvals process."

[The report](#) was officially released today in Vancouver at the CSCE Annual Conference Annual General Meeting, "Leadership in Sustainable Infrastructure."

WHAT IS U OF T's BUILDING TALL RESEARCH GROUP?

The group within U of T's Faculty of Applied Science & Engineering gathers and promotes research related to tall buildings from multi-disciplinary technical perspectives, including building science, construction and sustainability. It collaborates with designers, consultants, developers, builders and policy makers. Visit buildingtall.utoronto.ca.

WHAT IS RESCON?

The non-profit association represents more than 200 of Ontario's residential builders. Its members build high-rise, mid-rise and low-rise homes, including rental apartments and social housing. Visit rescon.com.