Your Voice on National, Provincial and Regional Issues

Waterloo Region Home Builders’ Association (WRHBA) actively participates through a number of committee’s organized to represent the interests of the Association related to building and development issues within our region. In addition to these committee’s our Association coordinates our advocacy efforts with the Canadian Home Builders’ Association, Ontario Home Builders’ Association and other Home Builders’ Associations. Visit WRHBA’s website at www.wrhba.com for back issues.

NATIONAL - CANADIAN HOME BUILDERS’ ASSOCIATION - www.CHBA.ca
Prepared by Brian Campbell, Stantec Consulting Ltd.; WRHBA President

CHBA has hired a consultant firm Deloitte to complete their organizational review. An advisory committee that had been set up to review all aspects of CHBA had its first meeting in Ottawa on June 2nd. Deloitte will be traveling across Canada to meet with association members, including two regional meetings in Ontario to discuss restructuring. Deloitte met with the CHBA Executive Officers’ Council in June in St. Johns, N.B. Marie Schroeder and Douglas Stewart represented WRHBA at meetings with Deloitte to discuss CHBA operations, best practices of our local and recommendations for improvements to operations of CHBA.

OHBA President Doug Tarry is looking for feedback and ideas from local associations and member companies to improve the operations of the CHBA.

The CHBA Executive had determined that specific fiscal issues needed to be placed within a much broader context, one that considers all elements that contribute to a well functioning organization that can carry out its mission on behalf of its members in an effective manner.

Deloitte is to prepare a report and recommendations, that if approved by the Board of Directors at the Fall 2012 meeting, will be presented to the 2013 Annual Meeting of Members in Lake Louise, for final decision.

PROVINCIAL - ONTARIO HOME BUILDERS’ ASSOCIATION - www.OHBA.ca
Prepared by Brian Campbell, Stantec Consulting Ltd.; WRHBA President

Meetings with MP on Parliament Hill
OHBA worked with Brantford HBA & OHBA Past President and current MP for Brant, Phil McColeman on a ‘Lunch & Learn’ opportunity for an OHBA leadership team to go to Parliament Hill in Ottawa. The team met with nine (Ontario Conservative Party of Canada) MPs to discuss key housing issues. In attendance were:

- MP Phil McColeman: Brant
- MP Joe Preston: Elgin – Middlesex - London
- MP Susan Truppe: London North Centre
- MP Chungsen Leung: Willowdale
- MP Daryl Kramp: Prince Edward – Hastings
- MP Brad Butt: Mississauga - Streetsville
- MP Colin Carrie: Oshawa
- MP Bas Gosal: Bramalea – Gore – Malton
- MP Gary Schellenberger: Perth-Wellington

Key issues Discussed were: Renovations & Underground Economy, GST Threshold Review, CMHC and Skilled Trades & Immigration Policy (MPs initiated this discussion).

Condominium Act Review
The provincial government has initiated a review to modernize the Condominium Act. A public consultation will identify a comprehensive set of issues, and long-term solutions relating to matters such as:

- Consumer protection for buyers
The review will directly engage the entire condominium community, including owners, residents, developers and property managers.

At this point OHBA is responding to media calls with the following statement:

“The Ontario Home Builders’ Association looks forward to participating in the Condo Act Review. Condominium living has become an affordable and popular housing choice in both the low-rise and high-rise market and our members have responded to this demand by building the most vibrant condo market in North America.

We look forward to contributing to this review by providing the provincial building and development industry’s knowledge, experience and expertise in this important area.”

Moving forward, OHBA will be striking a committee to prepare an “OHBA submission” on potential improvements to the Act.

We have a number of volunteers, but it is important that the committee include members from across Ontario as the Condo Act is not just about 30-story towers in Toronto, but governs every condominium – low-rise and hi-rise – across Ontario. OHBA welcomes additional volunteers from local associations across Ontario.

WRHBA representative Craig Robson will sit on the OHBA committee tasked to prepare a submission on potential improvements to the Act.

Building Code
The next edition of the Ontario Building Code may be announced shortly. Doug Tarry and Dave Henderson attended a stakeholder meeting with key MMAH staff.

Highlights include:

- President Tarry noted that he is under a confidentiality agreement
- Consultations are lengthy, OHBA has made good points and government appears to be in agreement
- Could take up to 14 months for implementation
- Proper training of our industry, design professionals and building officials is needed

LOCAL – WATERLOO REGION HOME BUILDERS’ ASSOCIATION - WWW.WRHBA.COM

Prepared by Brian Campbell, Stantec Consulting Ltd.; WRHBA President

WRHBA has been invited to attend the Regional Reurbanization Advisory Panel and will be sending Douglas Stewart as our representative.

Response from local Chief Building Officials has been positive and we expect the first meeting of our new CBO committee to take place in September.

MPP Garfield Dunlop hosted a roundtable discussion at the WRHBA office that include local MPPs, Conestoga College, local business people and representation of WRHBA and the Guelph HBA to discuss the issues surrounding the new College of Trades. Mr. Dunlop is strongly opposed to the College of Trades and there are major impacts coming to the traditional trades and newly designated trades within the building industry. This issue is to be brought forward to our members and a “call for Action” is to be issued.

WRHBA representatives met with other industry representatives at the Chamber of Commerce roundtable discussion with Canadian Chamber President Perrin Beatty. Issues discussed included lack of skilled trades in Canada and possible solutions and best practices on the issue.

WRHBA representatives met with local MPs to discuss: long term infrastructure plan, tax reforms, and the underground economy.
Meeting with MP Harold Albrecht

Long Term Infrastructure Plan
This point was addressed and well discussed during the meeting. Mr. Albrecht noted that the Federal Government has doubled the Gas Tax transfers to lower tier governments, has added stimulus funds for building growth, and has plans to renew a fund to further stimulate growth in all areas of the Nation. In addition, we are seeing Federal funding with our Regional LRT project and the Highway 8 expansion. Highway 7 is also on the books for future work.

We agreed that our local area has had infrastructure investment and congratulated the Federal government for their efforts. We also pointed out that in order to meet Government planning policies in terms of density and places to grow local municipalities need to upgrade old ground infrastructure and water/sewer capacity and that this should be more of a focus when providing funding.

Mr. Albrecht suggested that we determine if CHBA has been invited to roundtable discussions on infrastructure funding that are imminent and related to the Ministry of Transport, Infrastructure and Communities. He suggested that the National HBA should be at the table and is willing to speak personally with Minister Lebel in regards to funding goals of roads and services.

Tax Reforms
Mr. Albrecht, along with the other MPs, has heard about GST Rebate Threshold changes for years and agrees that they should be reviewed, but in light of tax implications he believes a review will not be supported. He also confirmed that consideration of this issue has occurred in the past and that this issue is heard from many advocacy groups. He indicated that he will communicate again the concerns on this issue. We all agreed that the issue should be addressed by the Federal Government, even if that meant a decision to not adjust thresholds in light of tax implications. This issue was highlighted by Mr. Albrecht as being our number 1 issue and the most difficult to tackle.

Mr. Albrecht agrees that a 2.5% renovation rebate would stimulate the renovation economy, would allow people to better renovate their homes and fully supports this initiative. He strongly agreed that this type of rebate may help combat the underground cash economy. Mr. Albrecht suggested that the Home Reno Tax Credit of a few years ago cost the Fed less than the $4 billion dollars suggested by Mr. Goodyear, directed his assistant to look into the actual figure and agreed that the figure does not include an offset amount for increased tax revenues as a result of receipts being required. Mr. Albrecht inquired if we had an annual figure estimate as to the cost of such a program. We did not provide one at this meeting and suggested that we would lobby CHBA for such a figure.

Rental Housing tax reform is well understood by Mr. Albrecht. He does agree with the principle of “deferring capital gains tax” monies to stimulate investment in rental real estate in order to protect rental housing, vacancy rates and affordability.

Underground Cash Economy
This issue has been at the forefront of many government officials, Mr. Albrecht included. The CHBA recommendation that all firms be required to have a business number is viewed as a small first step. He did agree that the Home Renovation Tax Rebate, as recommended by CHBA is also helpful. We applauded the research by the Commissioner of Canada Revenue Agency to investigate solutions by other countries for the underground economy.

Mr. Albrecht offered to include our issues when preparing his recommendations for budget to the Minister of Finance this fall. He also noted that we have been to see him annually and with the same issues year to year, with minor changes. Mr. Albrecht recognized and acknowledged that we come to him with valid issues, well briefed and with the information he requires.

Meeting with MP Peter Braid

Long Term Infrastructure Plan
This point was addressed during the meeting. Mr. Braid indicated that K-W has received in excess of $110 million since 2009. In addition we are seeing Federal funding with our Regional LRT project and the Highway 8 expansion. Highway 7 is also on the books for future work.
We agreed that our local area has had infrastructure investment. We also pointed out that in order to meet Government planning policies in terms of density and places to grow local municipalities need to upgrade old ground infrastructure and water/sewer capacity.

**Tax Reforms**
Mr. Braid has heard about GST Rebate Threshold changes for years and agrees that they could be reviewed. He indicated that consideration of this issue has occurred several times in the past. He indicated that he will communicate again the concerns on this issue. He did comment that the Minister has objected to this recommendation previously on the basis of “not wanting to heat up the housing market” and this was also echoed by both Mr. Woodworth and Mr. Goodyear. We all agreed that the issue should be addressed by the Federal Government, even if that meant a decision to not adjust thresholds in light of tax implications.

Mr. Braid agrees that a rebate would stimulate the renovation economy, would allow people to better renovate their homes and generally supports this initiative. He recognized that this type of rebate may help combat the underground cash economy.

Rental Housing tax reform is well understood by Mr. Braid. He does agree with “deferring capital gains tax” monies to stimulate investment in rental real estate in order to protect rental housing, vacancy rates and affordability. The issue of HST rebates in light of no HST on rents was not discussed.

**Underground Cash Economy**
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Mr. Braid offered to touch on our issues when preparing his recommendations for budget to the Minister of Finance. He noted that we have been to see him annually and with the same issues year to year, with minor changes. Mr. Braid recognized and acknowledged that we come to him with valid issues, well briefed and with the information he requires.

**Meeting with MP Gary Goodyear**

**Long Term Infrastructure Plan**
This point was addressed during the meeting. Mr. Goodyear confirmed that Waterloo Region has received $10’s of millions over the last few years. In addition we are seeing Federal funding with our Regional LRT project and the Highway 8 expansion. Highway 7 is also on the books for future work. Mr. Goodyear commended Cambridge Mayor Mr. Craig for provided details as to what streets have been re-built, what infrastructure has been replaced and what community facilities have been built with Federal Funding.

We agreed that our local area has had infrastructure investment. We also pointed out that in order to meet Government planning policies in terms of density and places to grow local municipalities need to upgrade old ground infrastructure and water/sewer capacity.

**Tax Reforms**
Mr. Goodyear has heard about GST Rebate Threshold changes for years and agrees that they should be reviewed, regardless of tax implications. He confirmed that consideration of this issue has occurred several times in the past and that this issue is heard from many advocacy groups. He indicated that he will communicate again the concerns on this issue. He also commented that the Minister has objected to this recommendation previously on the basis of “not wanting to heat up the housing market” and this was also echoed by both Mr. Woodworth and Mr. Braid. We all agreed that the issue should be addressed by the Federal Government, even if that meant a decision to not adjust thresholds in light of tax implications.

We discussed the forecast by CMHC, CHBA, OHBA and our local builder developers that permits will plateau, perhaps even decline and that, outside of Toronto, the new housing market is not “on fire”. We agreed that the adjustment of thresholds may not impact the stability of the housing market.

Mr. Goodyear agrees that a rebate would stimulate the renovation economy, would allow people to better renovate their homes and generally supports this initiative. He strongly agreed that this type of rebate may help combat the underground cash economy. Mr. Goodyear mentioned that the Home Reno Tax Credit of a few years ago cost the
Fed $4 billion dollars, however, this figure does not include an amount for increased tax revenues as a result of receipts being required.

Rental Housing tax reform is well understood by Mr. Goodyear. He does agree with “deferring capital gains tax” monies to stimulate investment in rental real estate in order to protect rental housing, vacancy rates and affordability. The issue of HST rebates in light of no HST on rents was not discussed other than he would not want to support HST on rents.

**Underground Cash Economy**
This issue has been at the forefront of many government officials, Mr. Goodyear included. The CHBA recommendation that all firms be required to have a business number is viewed as a small first step. He did agree that the Home Renovation Tax Rebate, as recommended by CHBA is also helpful. We applauded the research by the Commissioner of Canada Revenue Agency to investigate solutions by other countries for the underground economy.

Mr. Goodyear offered to include our issues when preparing his recommendations for budget to the Minister of Finance this fall. He also noted that we have been to see him annually and with the same issues year to year, with minor changes. Mr. Goodyear recognized and acknowledged that we come to him with valid issues, well briefed and with the information he requires.

**Meeting with MP Stephen Woodworth**

**Long Term Infrastructure Plan**
This point was addressed in detail and took the majority of the meeting as this was an issue Mr. Woodworth had not heard much about. Mr. Woodworth noted the existence of the “Gas tax” transfers from the Federal to the Provincial/Municipal levels. Was this not enough? The Federal level would not want to attempt to place restrictions on the lower levels as to purpose of funds. Mr. Woodworth wondered why this issue was of national concern rather than only Municipal. The launch of the Community Infrastructure Improvement Fund was announced on July 5, 2012, $49.5 million over 2 years to fund project for public access with 50/50 cost sharing. This fund is to be used primarily for projects that would not have funding otherwise.

**Tax Reforms**
Mr. Woodworth has heard about GST Rebate Threshold changes for years and agrees that they should be reviewed, regardless of impact on tax base, as this was promised from the outset 20 years ago. He indicated that he will speak to the Minister of Finance, informally, on this issue as well as the other Tax Reform issues below. He did comment that the Minister has objected to this recommendation previously on the basis of “not wanting to heat up the housing market”.

Mr. Woodworth does not consider the HST on renovations to be “unfair”. However, he does agree that the GST/HST system doubled the taxes (%) on renovations. He agreed that a rebate would stimulate the renovation economy, would allow people to better renovate their homes and generally supports this initiative. He recognized that this type of rebate may help combat the underground cash economy.

Rental Housing tax reform is not well understood by Mr. Woodworth, by his own admission. However, he does agree with “deferring capital gains tax” monies to stimulate investment in rental real estate in order to protect rental housing, vacancy rates and affordability. The issue of HST rebates in light of no HST on rents was not discussed other than he would not want to support HST on rents.

**Underground Cash Economy**
This issue has been at the forefront of many government officials, Mr. Woodworth included. The CHBA recommendation that all firms be required to have a business number is viewed as a small first step. He did agree that the Home Renovation Tax Rebate, as recommended by CHBA is also helpful. We applauded the research by the Commissioner of Canada Revenue Agency to investigate solutions by other countries for the underground economy.

Mr. Woodworth offered to speak informally to the Minister of Finance on the above issues. He has not offered this previously. He noted that we have been to see him annually and with the same issues year to year, with minor changes. He understands that to be the case as government change is slow and Canada has been in a period of stable economic activity for the last few years. Mr. Woodworth recognized and acknowledged that we come to him with valid issues, well briefed and with the information he requires.
City of Kitchener Official Plan Update

The City is working on the second draft of the OP and is waiting on the Transportation Master Plan and the Multi-use Trail Master Plan. The second draft is expected to come out this year but there is no exact date.


Staffing Updates

Jeff Willmer is now the new CAO effective May 23rd. Jeff has replaced Carla Ladd. Mike Seiling has agreed to take on the role of Interim Deputy CAO until this position is filled permanently. Mike will still remain as Director of Building. Grant Murphy has tendered his resignation from the City to pursue other opportunities. Hans Gross has agreed to take on the role of Interim Director of Engineering. Hans can be reached at [Hans.Gross@kitchener.ca](mailto:Hans.Gross@kitchener.ca) if you have any questions.

Topsoil and Street Tree Standards

The City has undertaken a detailed review of how Boulevard Tree planting is planned and implemented within new subdivisions. New standards for topsoil depths in boulevards, locations for tree planting, species varieties and maintenance have been set for implementation in all new developments.

For additional information, the City has prepared a handout – Tree Planting Best Management Practices. If there are any questions or comments, please direct them to Dave Schmitt ([dave.schmitt@kitchener.ca](mailto:dave.schmitt@kitchener.ca)).

City of Cambridge Liaison Committee

Prepared by Committee Chair, David Aston, MHBC Planning

The City of Cambridge considered a new Stormwater Management Manual in May 2012. The next step of the plan is to assess implementation and funding options, including: a SWM tax, a SWM utility or a combination of these. Any recommendations will be phased in by 2015. The City has agreed that WRHBA will be consulted for input on the implementation plan. Analysis could occur in 2013. The Committee will continue to provided updates and identify any key issues of interest to the industry.

The City’s Subdivision Manual continues to be reviewed in detail with the Committee. A series of technical questions/comments were given to the City to consider and respond to the Committee.

A draft of a new City Subdivision Agreement is underway with the draft to be distributed by September 2012.

The City has initiated a Parkland Dedication Policy Review and will begin the analysis by reviewing and comparing policies with other municipalities for Fall 2012. The Committee will provide updates on the matter as more information is brought forward.

The City’s new Official Plan was adopted in May 2012 and has been forwarded to the Region for approval.

Reurbanization Working Group

Prepared by Committee Chair, Douglas Stewart, Stantec Consulting Ltd., WRHBA Past President, 2006-2007

The meeting was held in the Community Building Strategy Project Storefront which is located at 220 King St. W. Kitchener which is part of the Kitchener City Hall Complex. Members are encouraged to visit this storefront (please check hours) to see firsthand the work being undertaken by the Region of Waterloo Consultant-Urban Strategies Inc. related to this aspect of the Rapid Transit Program.

The approach of this meeting was to have a workshop together with other stakeholders in a roundtable discussion to help shape the future strategies to help create a transit supportive corridor within the Community Building Strategy. This made in Waterloo Region approach is founded on the information obtained through the significant consultation undertaken, a detailed review of the public planning policies, market place information and best practices from other areas. This strategy looks at all matters affecting the development of the community along, adjacent to and supporting the rapid and public transit systems.
It is anticipated that the Community Building Strategy will be completed in the fall for review and comment.

**GRCA Liaison Committee**
*Prepared by Committee Chair, Brian Blackmore, Laurendale Custom Homebuilders, WRHBA Past President 2009-2010*

The bolded changes have been made to the GRCA’s proposed modification to their fee schedule. These changes are for clarification only and do not change the proposed fee structure as previously provided to our membership.

It is anticipated that the fee schedule will be presented to the GRCA members for their approval in either June or July effective August 1st or September 1st respectively.

14. The net hectare fee will be based on the initial submission and will exclude lands outside of the development limit (e.g. natural hazard, natural heritage areas and buffers).

15. At the submission of a subdivision or vacant land condominium application, 70% of the base fee and per net hectare is required. Prior to issuance of conditions of draft plan approval the remaining 30% of the fee is required.

14 – Added text to clarify that the net hectare is calculated when the first draft plan submission is received and it isn’t re-calculated at draft plan approval.

15 – The base fee (see chart below) includes the net hectare. Adding it here helps ensure there is no confusion.

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<tr>
<td><strong>Subdivision and Vacant Land Condominium</strong></td>
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<tr>
<td>Base fee</td>
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<td>• per net hectare</td>
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<td>Applicant driven modification</td>
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<tr>
<td>Final clearance for registration of each stage: technical review required</td>
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<tr>
<td>Final clearance Processing Fee: no reports or review required</td>
<td>$195</td>
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**Urbanization Committee (City of Waterloo)**
*Prepared by Committee Member, Craig Robson, Robson Carpenter LLP*

The Urbanization Committee has formed a subcommittee consisting of Dave Innocente of MTE and Chris Pidgeon of GSP Group and Craig Robson to review the Brownfields policy of the City. The subcommittee met on August 14th with the City in to discuss preliminary general issues on the proposed process. Further meetings will be taking place in the upcoming months.

For further information, please contact Marie Schroeder, Executive Officer at 519.884.7590. Consult www.wrhba.com for liaison committee listings, meeting dates and past issues of WRHBA’s Advocacy in Action.