OHBA COVID-19 UPDATE

Version 1 – April 3, 2020



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On March 11, 2020, the World Health Organization declared the COVID-19 virus a worldwide pandemic. Governments in Canada and its provinces, and across the world are declaring states of emergency and implementing dramatic health and safety measures and significant public policy changes daily.

The Ontario Home Builders' Association has prepared a "Frequently Asked Questions" document designed to cover a broad range of issues that OHBA members may have questions about as they and their businesses navigate a rapidly changing public policy environment through this health crisis. Ontario was the second province to declare "a state of emergency" and has been releasing a steady stream of emergency orders under that declaration to restrict or close most non-essential facilities, businesses and economic activities. This is NOT a business as usual situation – the health and safety of our members and their employees is our number one priority.

Please note this document was prepared for April 3, 2020 and this "state of emergency" is rapidly evolving, thus the information in this document is accurate as of the date of publication but may change on a daily basis going forward.

Ministry of Labour Jobsite Enhanced Health & Safety Guidelines

Premier Doug Ford made it clear, the construction industry has been put on notice regarding health and safety standards on jobsites during the COVID-19 State of Emergency with residential construction being included as an essential workplace under that order. The Ministry of Labour is actively inspecting sites and will shut them down for not taking enhanced health and safety precautions. Job sites should immediately implemented the Ministry of Labour enhanced health and safety measures, https://www.ontario.ca/page/construction-site-health-and-safety-during-covid-19? ga=2.140520880.322033982.1585416389-1240600393.1578322798

Jobsite Signage and Employer/Employee Intake Information Sheets

- OHBA has developed a template document for members to use on their sites. The signage
 document provides key health/safety and reporting information. The employer information
 sheet lays out enhanced obligations and responsibilities of employers, specifically around
 reporting requirements to both MOL and Public Health Authorities. The employee intake
 information sheet will help employers track who is coming onto sites and provide critical
 information if requested by MOL or Public Health Authorities.
- These are not legal documents, and members will need to customize them to their sites and consult with their own health and safety people - that is why they are in word documents - but it lays out all the key information based on the MOL March 29, Guidelines.

OHBA Drive to Donate N95 Masks

OHBA members - our health care professionals are working hard to protect our communities
from the COVID-19 crisis – and OHBA members across Ontario can support their efforts and
protect them and their families from COVID-19. Many hospitals, clinics and medical centres are
in immediate need of N95 masks that you may have in inventory. You can help in the fight
against the spread of COVID-19 by donating these N95 masks to protect our healthcare

professionals. If you have a supply of N95 masks you can donate please contact your local HBA or local hospital.

Ontario Together: Help Fight COVID-19

- The provincial government has put out a call to businesses and organizations who can supply emergency products and innovative solutions to support our response to COVID-19.
 - If any OHBA members can help provides supplies and/or service, or have an idea of how our industry can assist the province during the state of emergency – visit: https://www.ontario.ca/page/how-your-organization-can-help-fight-coronavirus

Tarion's Response to COVID-19

- It is not "business as usual" at the Tarion Warranty Corporation. Tarion has released advisories on the provincial COVID-19 Emergency Order. Tarion has posted important info related to warranty services and unavoidable delay process as a result of COVID-19, OHBA recommends members to review documents and determine the appropriate process to notify home purchasers. OHBA strongly advises members to review immediately:
 - o https://www.tarion.com/news/64045/tarions-response-covid-19

Residential Construction is an Essential Service

- On March 23rd the provincial government released a list of essential workplaces in response to COVID-19 in which residential construction was listed as an essential service. Please note that this is a dynamic list in a rapidly evolving situation and the list of essential workplaces can change at any time.
 - o https://www.ontario.ca/page/list-essential-workplaces

Limitations on Residential Construction

- On April 3rd, the provincial government placed limitations on the residential construction sector. Residential construction projects can remain open where:
 - A footing permit has been granted for single family, semi-detached and townhomes
 - An above grade structural permit has been granted for condominiums, mixed use and other buildings, or
 - The project involves renovations to residential properties and construction work was started before April 4, 2020
 - Construction and maintenance activities are necessary to temporarily close construction sites that have paused or are not active and to ensure ongoing public safety
- https://news.ontario.ca/opo/en/2020/04/ontario-extends-business-closures-to-stop-the-spread-of-covid-19.htm
- https://www.ontario.ca/page/stopping-spread-covid-19#section-1

Municipal Procedure By-Law

- The Municipal Emergency Act, 2020 amends section 238 of the Municipal Act, 2001 to provide
 that during a period when an emergency has been declared under section 4 or 7.01 of
 the Emergency Management and Civil Protection Act, the applicable procedure by-law may
 provide that members of councils, local boards and committees may participate electronically in
 open and closed meetings.
- The purpose of these amendments is to ensure that municipalities can continue to function
 even when in-person meetings cannot be held, and council decisions need to be made. For
 members who have applications in the planning pipeline, if municipalities pass the requisite
 amendment to their procedure by-laws, they will be able to continue with municipal business,
 including the processing of development applications via electronic methods.

Suspension of Limitation Periods and Other Deadlines

- In light of the COVID-19 pandemic, the Ontario government has activated its powers under the Emergency Management and Civil Protection Act (the Act), and this has had a significant impact on limitation periods in Ontario.
- In accordance with the Act, on Friday, March 20, 2020, the Ontario government made an Order suspending *any limitation period* for the duration of the emergency. This suspends any time-limiting provision in any statute, regulation, rule, bylaw or Order of the Ontario government for all proceedings in Ontario. The Order is retroactive to Monday, March 16, 2020.
 - o The order: https://www.ontario.ca/laws/regulation/200073

Planning Act Timelines

- Through Ontario Regulation 73/20 that was part of the *Emergency Management & Civil Protection Act, 2020*, all *Planning Act* timelines for various planning applications have been suspended retroactive to March 16th.
- The provincial government is aware of the concerns from the industry with respect to suspending timelines.

Expiring Development Charges By-Laws

- Many municipalities have expiring Development Charges by-laws in the coming months that require statutory public meetings & public/stakeholder consultation.
- The provincial government is aware of the issue and OHBA anticipates clearer guidance that we will share with members soon.

Local Planning Appeals Tribunal (LPAT)

• The <u>Emergency Order</u> made under the *Emergency Management and CivilProtection***Act retroactive to March 16, 2020, will affect proceedings before the Local Planning Appeal Tribunal.

- All timelines within which any step must be taken in a proceeding before the Tribunal, including
 timelines established in the Tribunal's procedural orders (for example, timelines for the
 exchange of witness statements, meeting of the experts, or similar directions) are suspended
 for the duration of the emergency.
- All hearing events scheduled in the Tribunal's hearing calendar between the effective date of the Emergency Order and June 30, 2020 will be adjourned to a future date.
- OHBA is engaged with the Ministry of Municipal Affairs and Housing and the Attorney General
 with respect to opportunities for limited LPAT services to proceed, respecting that it would not
 be business as usual.
 - o For more info: https://elto.gov.on.ca/tribunals/lpat/about-lpat/
- On April 2nd the LPAT issued a **Notice to Stakeholders** and **Settlement Hearings Request Form** announcing LPAT's resumption of certain processes and procedures starting April 6th.
- Associate Chair Marie Hubbard will exercise her discretion and consider, on a case by case basis, lifting the suspension to schedule settlement hearings via teleconference or written submission. Parties are asked to submit request forms which requests the filing of various materials:
 - The party who wishes to present a settlement for a specific case provides all relevant information that demonstrates that there is no prejudice to any other party for the Tribunal to proceed by teleconference or written submission.
 - The party explains how the principle of "social distancing" is strictly adhered to throughout all steps necessitated in the presentation of the settlement to the Tribunal by either means;
 - o If applicable, the party provides suggestions for technological support that may facilitate the presentation of the settlement to the Tribunal.
- LPAT will continue to asses lifting the suspension of the provincial Order so that they are in a
 position to conduct other hearing events via teleconference or in writing, and any updates of
 that nature will be posted on their website https://elto.gov.on.ca

Statutory Public Meetings

- The Municipal Emergency Act, 2020 amendments to section 238 of the Municipal Act, 2001 provide for the ability for municipalities to participate electronically in open and closed meetings. This provides the ability for temporary options for a virtual forum for statutory public meetings.
- OHBA will provide more information as it becomes available.

Construction Liens

- In response to the COVID-19 state of emergency the provincial government enacted Regulation 2020.0160.e. This Regulation extends certain limitation periods and civil litigation timelines which would have expired on or after March 16, 2020, which includes those established by the Construction Act.
- The deadlines to register construction liens as set out in the *Construction Act* are extended for the duration of the emergency. The government has not yet established how long this regulation will be in force. The extension of deadlines to register liens has an important implication for release of holdbacks on your projects. Pursuant to your contractor agreements and the *Construction Act*, holdbacks can be released once the period in which a lien could be registered expires. Since that period is extended by the emergency, liens will not expire for the duration of the emergency, and therefore holdbacks do not have to be released.

Municipal Building Official Inspections

- Every municipality has different capacity and will be handling inspections differently.
- Members are encouraged to keep in close contact with municipal building departments to
 inquire on how best to schedule upcoming inspections, or to find out how they are receiving
 files for plans reviews (some have moved to electronic submissions, others not, some utilizing
 tech like zoom to do reviews, most are prioritizing new construction/closings).
- OHBA is engaged with the Ministry of Municipal Affairs and Housing to provide more consistent guidance with respect to inspections during the COVID-19 state of emergency.

Renting in Ontario / Evictions

- In response to the evolving COVID-19 outbreak, temporary changes to residential rental rules and processes, and where landlords and tenants can get more help.
- No new eviction orders will be issues until further notice and sheriff's offices will postpone any scheduled enforcement of current eviction orders. Tenants must continue to pay rent while an eviction order is not being enforced.
- Landlords can still give eviction notices; however, landlords are encouraged by the province to work with tenants to establish fair arrangements to keep tenants in their homes, including deferring rent or other payment arrangements.
- All hearings related to eviction applications are suspended until further notice, except for urgent disputes such as those involving illegal acts or serious safety concerns.
 - o https://www.ontario.ca/page/renting-changes-during-covid-19

WSIB Update

 The Ontario Government is enabling \$1.9 billion in relief through the Workplace Safety and Insurance Board (WSIB) by allowing employers to defer payments for up to six months. The measure will see WSIB premium payments deferred for six months for all businesses in the

province. All employers covered by the WSIB's workplace insurance are automatically eligible for the provisions of the relief package and can defer premium reporting and payments until August 31, 2020. They will not be required to opt in to receive this benefit.

- o Release: https://news.ontario.ca/mol/en/2020/03/ontario-enabling-financial-relief-for-businesses-1.html
- o Info: https://www.wsib.ca/en/financialrelief

Electricity Relief for Small Businesses

 Provincial Government is setting electricity prices for residential, farm and small business timeof-use customers at the lowest rate, known as the off-peak price (10.1 cents/kWh), 24-hours a day for 45 days to support ratepayers in their increased daytime electricity usage as they respond to the COVID-19 outbreak.

Employer Health Tax Relief

- Cutting taxes by \$355 million for about 57,000 employers through a proposed temporary increase to the Employer Health Tax (EHT) exemption.
- With this plan, more than 90 per cent of private sector employers would not pay EHT in 2020.
- Eligible private sector employers with annual payrolls up to \$5 million would be exempt from EHT on the first \$1 million of total Ontario remuneration in 2020.
- The maximum EHT relief from the exemption would increase by \$9,945 to \$19,500 for 2020 for eligible employers.
- The exemption would return to its current level of \$490,000 on January1, 2021.

Business Cash Flow Relief and Tax Deferrals

- Beginning April 1, 2020, the Province is providing flexibility to about 100,000 businesses in Ontario to help manage their cashflows.
- This will continue for a period of five months, up until August 31, 2020, and is expected to make available \$6 billion to improve the cash flows of Ontario businesses.
- For this period, the Province will not apply any penalty or interest on any late-filed returns or incomplete or late tax payments under select provincially administered taxes, such as the Employer Health Tax, Tobacco Tax and Gas Tax.
- The initiative and relief period complement the relief from interest and penalties from not remitting Corporate Income Tax owing that was announced by the federal government.

Property Tax Deferral

 Deferring the upcoming June 30 quarterly municipal remittance of education property tax to school boards by 90 days. This measure provides municipalities approximately \$1.8 billion of liquidity to fund property tax deferrals to residents and businesses, while ensuring school boards continue to receive their funding.

Postponing the planned property tax reassessment for 2021, meaning that property tax
assessments for the 2021 tax year will be based on the same valuations that were in place for
the 2020 tax year.

WSIB Operations

- The WSIB has closed its offices to the public. All account-related inquiries will be delayed as resources are being prioritized to deal with inquiries on health care and wage loss benefits. Any meetings employers have scheduled with WSIB staff will not be held in person. The WSIB internal appeals branch won't be holding in-person appeal hearings these hearings will be held in writing, by teleconference, or postponed. The WSIB is not processing any hard copy mail they receive so the Board is suggesting documents be uploaded online (where applicable) or faxed.
- WSIB has determined that costs associated with COVID-19 related claims will not be allocated at an employer or class level. Instead, they will be allocated on a Schedule-wide basis and there will be no change in premium rates for 2020.