



## STAFF REPORT ACTION REQUIRED

### Request for Direction – Official Plan Amendment to Encourage the Development of Units for Households with Children

<b>Date:</b>	August 27, 2008
<b>To:</b>	Planning & Growth Management Committee
<b>From:</b>	Gary Wright, Chief Planner and Executive Director, City Planning
<b>Wards:</b>	All
<b>Reference Number:</b>	Pg080054

#### SUMMARY

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This report has been prepared in response to requests made by the Planning and Growth Management Committee to develop a strategy to encourage and retain dwelling units suitable for households with children.

The report examines available data on the supply and need for larger units suitable for households with children in various parts of Toronto. It also reviews some of the approaches used by several other municipalities in North America to promote housing to accommodate children. Potential changes to the Official Plan are presented to encourage the development of new units suitable for household with children. In particular, a general amendment to the Official Plan housing policies and a more specific amendment to the *Downtown* Policies are proposed.

As a first step, it is proposed that consultation take place with several key stakeholders on the proposed directions and that comments and a proposed Official Plan amendment be brought forward to the Planning & Growth Management Committee.

#### RECOMMENDATIONS

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**The City Planning Division recommends that:**

1. Staff hold a series of meetings with representatives from the development community and other interested parties to obtain their comments on the proposed direction outlined in this report; and

2. Staff bring forward a draft official plan amendment to encourage the development of units for households with children to a future meeting of the Planning and Growth Management Committee, at which time a statutory public meeting to consider the policy amendment will be scheduled.

### **Financial Impact**

This report has no financial impact.

### **DECISION HISTORY**

Two staff reports on creating opportunities for units suitable for households with children were considered by the Planning and Growth Management Committee in 2007. These separate, but related reports concerned, among other matters: the use of knock-out panels in new condominium projects to allow for certain units to be reconfigured to meet changing occupancy needs; protecting units for households with children in high-end rental buildings; and prescribing a minimum number of three bedroom units in new multi-residential buildings.

A report addressing these matters was submitted by City Planning in consultation with Toronto Building staff to the Planning and Growth Management Committee at its meeting on September 5, 2007.

<http://www.toronto.ca/legdocs/mmis/2007/pg/bgrd/backgroundfile-5883.pdf>

The report concluded that the use of knock-out panels to facilitate more flexible unit sizes and layouts in condominium buildings was possible, however, it stressed that opportunities to utilize such panels may be very limited. The report also indicated that the issue of protecting high-rent units for households with children will be dealt with as part of the proposed guidelines to implement the City's rental housing demolition and conversion by-law.

Following receipt of the report, the Planning and Growth Management Committee requested the Chief Planner and Executive Director, City Planning, to:

1. report back to Planning and Growth Management Committee before the end of 2007 on a strategy to create a greater degree of family-oriented housing;
2. seek opportunities to secure knock out panels in new condominium developments in the context of rezonings for increased density; and
3. include consideration of the need for protection of family-sized rental units with high-end rents from demolition in the draft implementation guidelines for Chapter 667 of the Municipal Code to be brought to City Council for approval.

A further report which provided some additional data on living downtown and an update on the development of a strategy for encouraging and protecting units for households with children was considered by the Committee at its meeting on November 29, 2007.

<http://www.toronto.ca/legdocs/mmis/2008/pg/bgrd/backgroundfile-9313.pdf>

The report was deferred to the Committee's meeting of January 10, 2008, where it was received for information.

## **ISSUE BACKGROUND**

In recent years, Toronto has been experiencing a shift in the type and mix of multiple unit residential projects being developed. Overall, there has been a general increase in the creation and sale of smaller one and two-bedroom units, while relatively few larger three and four-bedroom apartments have been introduced to the market. This trend raises some concerns about the City's ability, especially in certain geographic areas, to provide the necessary housing and services to attract and maintain families with children.

A diverse population is an important ingredient to ensuring complete and vibrant communities. To date, some measures have been taken to facilitate a greater number of new larger units for households with children on a site-specific basis in part of the *Downtown*. However, a more comprehensive policy approach is needed to increase the production of units for households with children throughout the *Downtown*.

Although the provision of larger units will increase the opportunities for units suitable for families with children, further efforts are required to help improve the affordability of such units for the benefit of households with moderate and limited incomes.

## **COMMENTS:**

### **UNITS FOR HOUSEHOLDS WITH CHILDREN IN TORONTO**

The provision of adequate levels of units for households with children will require the City to both encourage the development of new suitable units, as well as protect the existing stock. This section offers some discussion on Toronto's existing rental stock that is appropriate for households with children, and in particular, highlights the challenges facing the supply of private row houses. It also provides an overview of the current and proposed supply of condominium housing with units suitable for households with children. The type of households currently living in larger units is also examined. The affordability of units suitable for households with children is also addressed.

### **Existing Rental Housing**

As reported in the August 2007 staff report, one of the key issues involved in encouraging units suitable for households with children is ensuring the protection of such existing units in the private rental stock. The City's Official Plan policies and by-law under section 111 of the City of Toronto Act on rental housing demolition and conversion provide the City with tools to protect existing rental housing. This report provides an update on an emerging policy area of special concern: the challenge of maintaining the City's relatively small supply of private rental row houses, a built-form especially suitable for larger households with children.

Recently, there has been a significant increase in the number of owners of rental townhouse properties interested in applying to demolish or convert these units, with most involving demolition. Although the City has the tools to require replacement of rental units proposed for demolition, most redevelopment involves a significant degree of intensification of the site. Intensification puts pressure on the number of replacement

grade-related units that can be achieved, thus increasing the number of apartment units proposed to replace former row houses. City Council will be facing this challenge in a number of planning and section 111 applications that will likely be brought forward over the next year.

The following information assists in better understanding the role of private rental townhouses in providing rental housing suitable for households with children.

### **Snapshot of Private Rental Row Houses**

According to CMHC's year-end 2007 Rental Market Report for Toronto, there were about 260,000 private rental units in the City, of which, less than 2% (4,674) were row houses. This number has declined steadily since 1991 when there were 5,246 rental row houses, a drop of 11% (see Figure 2.1 in Attachment 2).

Table 2.1 in Attachment 2 provides details of the type and location of these rental row houses. As shown in the Table, most of the row houses are in former North York and Etobicoke.

Of the 4,674 private row houses, up to 780 row houses in 10 applications, representing 17% of the total stock, are potentially subject to demolition or conversion. Of the 780, 418 are included in applications that have been made to the City, and another 362 are involved in pre-application discussions with staff.

### **Current & Proposed Supply of Condominium Units Suitable For Households with Children**

As the vast majority of new development is in the condominium sector, the remainder of the data presented is focused primarily on the supply of new condominium units suitable for households with children.

### **Recent Development**

The August 2007 planning report analyzed the number of new three bedroom condominium units that came on to the market from 2002 through part of 2007. An update of that information including the sales for all of 2007 has been provided in Table 1 below.

Year	Total Units*	Total Annual Sales	Total 3 Bdrm Units	% of Total Units	3 Bdrm Annual Sales	% of Total Annual Sales	Price Range (000's)	Avg. Price*** (000's)	Avg. Size** (sq.ft)
2002	35,073	12,085	567	1.6%	157	1.3%	\$200 - \$982	\$324	1,255
2003	37,998	7,851	583	1.5%	72	0.9%	\$200 - \$6,675	\$368	1,249
2004	35,023	9,500	489	1.4%	75	0.8%	\$200 - \$6,775	\$382	1,215
2005	39,751	12,340	517	1.3%	99	0.8%	\$210 - \$6,775	\$561	1,330
2006	38,026	12,099	433	1.1%	121	1.0%	\$239 - \$6,775	\$744	1,420
2007	47,297	18,249	745	1.6%	256	1.4%	\$207 - \$6,675	\$729	1,391

Source: Urbanation Inc. \*As of December 31<sup>st</sup> of each year. \*\*Weighted average. 3 Bedroom analysis excludes penthouses and condominium units already registered.

Prepared by: Urbanation Inc. Exclusively for the City of Toronto, Reformatted by City Planning Division.

Note: Total units and sales refer to the inventory of new condominium apartments available for sale as of Dec. 31. Since not all units are sold each year, the number for the subsequent year is a running tally including unsold units from the previous year plus new units added minus any units sold. Registered condominium units offered for resale were excluded.

For the most part, the number of new three-bedroom units on the market has remained reasonably consistent, with a slight increase last year. However, the percentage of the new condominium market that is made up of three bedroom units remains insignificant – ranging from only 1.1% to 1.6%. The average selling price for these units has continued to climb dramatically from \$324,000 in 2002 to \$729,000 in 2007. There has been some increase in the average size of new three-bedroom units from 1,255 sq. ft to 1,391 sq. ft. This seems to run counter to the overall trend for all condominium units. Over the last 10 years the average size of resale condominium units has decreased from 1,105 sq. ft. in 1998 to only 900 sq. ft. in 2008. Conversely the average price for resale units, on a per square foot basis, has more than doubled (See Table 2.2 in Attachment 2).

### **Proposed Development**

An important source of information to identify the nature of current and proposed development activity is the applications currently being reviewed by the City in the development approvals process. More specifically, data has been retrieved from City Planning Division's Land Use Information System for all development applications made between 2003 and 2007. Table 2 shows the number and percentage of residential units by bedroom type for each Community Council area or district of the City (see Map in Attachment 1). With few exceptions, these new and proposed units are being registered as condominiums.

District	Bachelor		1BR		2BR		3+BR		Total BR Count		Total Res Units Proposed*	
	#	%	#	%	#	%	#	%	#	%	#	%
Etobicoke York	355	2.3	6,180	39.9	6,861	39.9	2,075	13.4	15,471	68.7	22,519	100.0
North York	780	4.4	7,558	42.2	7,789	42.2	1,795	10.0	17,922	61.7	29,048	100.0
Scarborough	61	0.7	4,095	47.9	3,121	47.9	1,268	14.8	8,545	47.5	17,983	100.0
Toronto & East York	4,076	8.5	24,324	50.7	17,045	50.7	2,544	5.3	47,989	82.2	58,390	100.0
<b>City of Toronto</b>	<b>5,272</b>	<b>5.9</b>	<b>42,157</b>	<b>46.9</b>	<b>34,816</b>	<b>38.7</b>	<b>7,682</b>	<b>8.5</b>	<b>89,927</b>	<b>70.3</b>	<b>127,940</b>	<b>100.0</b>

Source: City Planning Division's Land Use Information System (LUIS II), 2003 – 2007, prepared June 2008.  
 Note: \*Where Bedroom Type Known. Bedroom count information is not available for all development applications. LUIS II captures the project data (e.g. bedroom count) and stages (e.g. approval dates, building permit issued, etc.) of all development applications. The data presented in this spreadsheet encompasses all active residential applications for all structure types in the database, regardless of their stage in the approvals process. Total Residential Units Proposed also refers to units where bedroom type has not yet been determined.

As shown, the number of bachelor and three-bedroom units in the development pipeline is relatively small. One-bedroom and two-bedroom units make up the vast majority of dwellings being developed. As expected, the Toronto & East York District is seeing the fewest three-bedroom units proposed for construction; only 5.3% opposed to double-digit production in the other three districts.

Table 3 below presents the same pipeline data for smaller submarkets. For the purposes of this analysis, data in the *Centres and Downtown & Central Waterfront* were examined as these areas are targeted for growth in the Official Plan. These submarkets are displayed on the map provided in Attachment 1. Note that the Yonge-Eglinton Centre covers a small geographic area and did not show any development applications in the pipeline for the period selected (2003-2007).

The Avenues, by nature, are narrow linear strips of development along major streets that are often associated with relatively smaller apartments above stores. As they are undergoing change to permit moderate scale development, some Avenues may be suited to buildings with larger units. However, as the Avenues are typically adjacent to low-rise residential neighbourhoods that provide larger house-form accommodation, a reasonable amount of units suitable for households with children may be found in the immediate area.

Table 3: Number of Residential Units by Bedroom Type in the Development Pipeline Centres, and Downtown and Waterfront Area, City of Toronto, 2003-2007											
Area/Centre	Bachelor		1BR		2BR		3+BR		Total BR Count		Total Res Units Proposed
	#	%	#	%	#	%	#	%	#	%	#
Etobicoke Centre	2	0.0	4,274	57.0	3,192	42.6	32	0.4	7,500	100.0	7,500
North York Centre	118	3.3	1,491	42.0	1,838	51.8	102	2.9	3,549	100.0	5,684
Scarborough Centre	8	0.2	1,917	54.0	1,625	45.8	1	0.0	3,551	100.0	5,194
Yonge- Eglinton Centre	0	--	0	--	0	--	0	--	0	--	0
Downtown & Waterfront	2,734	8.3	17,032	51.5	11,922	36.1	1,353	4.1	33,041	100.0	37,066

Source: City Planning Division's Land Use Information System (LUIS II), 2003 – 2007, prepared June 2008.

Notes: Refer to detailed notes in Table 2 above.

The *Downtown* actually shows the highest percentage of larger units, but still with only 4.1% of all units. For the most part, the more intensive residential development provided in the *Centres*, which is largely comprised of one and two-bedroom units, is balanced by the larger dwellings in the surrounding stable neighbourhoods. As shown in Table 2 above, the Scarborough, Etobicoke and North York districts are seeing a greater percentage of larger three and four-bedroom units being proposed as they comprise 14.8%, 13.4% and 10.0% of the total residential units, respectively. To some degree this tends to offset the lesser number of larger three-bedroom units in the respective *Centres*. As shown previously, for the City as a whole, only 8.5% of the units in the development pipeline will contain three or more bedrooms, whereas this percentage drops to 5.3% for the Toronto & East York district.

### People Living in Larger Units

The two key sources that were used in this analysis to provide greater insight into the size and type of households currently living in larger units are the 2006 Census data and City Planning's 2006 survey on Living Downtown.

Based on the 2006 Census data shown in Table 4, about 9% of all apartment units in medium and high-rise buildings (5+ storeys) contain 3 or more bedrooms (see Table 4 below). About 62% of these 34,300 units are occupied by families with children, whereas 12% and 25% are occupied by families without children and other household types, respectively.

<b>Table 4: Number and Percentage of Existing Multi-Residential Units (5+ storeys) by Household and Bedroom Type City of Toronto, 2006</b>									
<b>Household Types</b>	<b>Bachelor</b>		<b>1 Bedroom</b>		<b>2 Bedrooms</b>		<b>3+ Bedrooms</b>		<b>City Total</b>
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	
Families with Children	8,750	7.1%	28,915	23.4%	64,725	52.3%	21,300	17.2%	123,690
Families w/o Children	6,295	9.3%	28,145	41.5%	29,185	43.0%	4,205	6.2%	67,830
Other Hhld Type	30,740	16.4%	97,455	52.0%	50,515	26.9%	8,795	4.7%	187,505
All Household Types	45,785	12.1%	154,515	40.8%	144,425	38.1%	34,300	9.0%	379,025

Source: Statistics Canada, 2006 Census - City of Toronto Custom Tabulation

Notes: Families with Children include couples with children and lone parent families, Families without Children refers to couples only, and Other Households consist of multiple family households, single persons and other non-family arrangements. The number of families with children that may also have been included under multiple family households is unknown. As a result, the Families with Children category is believed to under represent, at least to some extent, the total number of such households.

Table 4 above also shows that over 30% of families with children in 5+ storey buildings are living in crowded conditions in bachelor and one-bedroom apartments. A further 52.6% of families with children are living in two bedroom apartments. Only 17.2% of the 122,200 families with children in the medium to high-rise stock occupy apartments with three or more bedrooms.

As shown in Table 5 below, most of the three and four-bedroom units (in medium and high-rise apartments) that are occupied by families with children, are located in Etobicoke York, North York and Scarborough where they make up 21.2%, 19.8% and 15.5% of all residential units, respectively. For the entire City, 17.2% of households fall into this category, but only 9.7% in the Toronto & East York district.

<b>Table 5: Number of Multi-Residential (5+ storeys) Units Occupied by Families with Children by Community Council District and Bedroom Type City of Toronto, 2006</b>										
<b>District</b>	<b>Bachelor</b>		<b>1BR</b>		<b>2BR</b>		<b>3+BR</b>		<b>Total</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Etobicoke York	1,555	5.3	5,440	18.5	16,110	54.9	6,225	21.2	29,330	100.0
North York	2,395	6.0	9,080	22.9	20,365	51.3	7,845	19.8	39,685	100.0
Scarborough	2,055	6.9	6,420	21.6	16,605	55.9	4,615	15.5	29,695	100.0
Toronto & East York	2,405	10.2	7,570	32.2	11,230	47.8	2,285	9.7	23,490	100.0
City of Toronto	8,410	6.9	28,510	23.3	64,310	52.6	20,970	17.2	122,200	100.0

Source: Statistics Canada, 2006 Census - City of Toronto Custom Tabulation

Note: District data shown in Table 5 has been aggregated from small area census geography. As such, rounding and suppression will affect the overall totals for each district. The totals shown in this table may not correspond exactly with other Tables in this report.



## Tenure of Occupied Units

It's also important to understand the degree to which families with children are renting versus owning larger units. Table 6 shows that just over 65% of the 3 bedroom units that are occupied by families with children are rented.

Household Type	Number	Owned		Rented	
		#	%	#	%
Families with Children	20,410	7,095	34.8%	13,315	65.2%
Families without Children	4,020	2,435	60.6%	1,585	39.4%
Other Households	8,290	3,570	43.1%	4,720	56.9%
Total Households	32,725	13,100	40.0%	19,620	60.0%

Source: Statistics Canada - 2006 Census

## People Living Downtown

Based on the 2006 Census data, 171,935 or 7% of Toronto's population lives in the *Downtown*. Between 2001 and 2006, the resident population grew by 10% or 14,800 people. Compared to the City as whole, the *Downtown* has a higher proportion of young adults (aged 20-34), and fewer families with children (couples and lone parents). Non-family households currently make up about 62% of all households, as compared to the City's average of 35%.

With respect to Toronto's *Downtown*, the planning report of November 7, 2007 introduced some additional information on downtown living based on a survey of residents undertaken in December 2006. The full results of the survey are presented in a City Planning research bulletin entitled "Living Downtown"

[http://www.toronto.ca/planning/pdf/living\\_downtown\\_nov1.pdf](http://www.toronto.ca/planning/pdf/living_downtown_nov1.pdf)

Among other things, the survey clearly showed that most people living in the area are young, single or couples without children who tend to live in bachelor, one-bedroom or two-bedroom apartments. Very few occupy larger three or four bedroom units.

Table 7 below indicates that only about 7% of people in newer housing (post 2001) live in apartments with three or more bedrooms, whereas 15% of residents in the established stock (pre-2001) occupy larger units.

Table 7: Household Types by Number of Bedrooms, Downtown Toronto						
Bedrooms	Household Type					
	Couples with Children	Single Parent	Couples without Children	Singles	Other	All Households
Recent Housing (Post 2001)	100%	100%	100%	100%	100%	100%
Bachelor/studio	0%	0%	1%	6%	2%	4%
One Bedroom	16%	17%	47%	68%	18%	52%
Two Bedrooms	53%	67%	45%	24%	57%	36%
Three Bedrooms	25%	17%	7%	2%	12%	6%
More than three Bedrooms	6%	0%	0%	0%	11%	1%
All Recent Households	7%	2%	35%	49%	7%	100%
Established Housing (Pre 2001)	100%	100%	100%	100%	100%	100%
Bachelor/studio	2%	10%	2%	20%	1%	11%
One Bedroom	12%	8%	37%	57%	15%	41%
Two Bedrooms	30%	69%	42%	19%	61%	32%
Three Bedrooms	27%	13%	15%	4%	13%	10%
More than three Bedrooms	29%	0%	5%	1%	9%	5%
All Established Households	9%	3%	28%	50%	10%	100%

Source: Living Downtown Survey, Toronto City Planning, Policy & Research Section, December 2006.

### Preference for Units Suitable for Households with Children

The Living Downtown Survey also questioned the reasons for people choosing to live in Toronto's *Downtown*. Respondents indicated that proximity to work/school, public transit, entertainment, shopping and other aspects of an "urban lifestyle" as the main reasons for deciding to live in the area. Another recently completed study commissioned by Canada Mortgage and Housing Corporation examined families' motivations for moving to the downtown cores of three cities: Victoria, Vancouver and Toronto. The study findings are presented in the forthcoming report "Downtown Families: Challenges and Benefits" by Robert Gifford et. al. The three key reasons cited for families moving downtown were proximity to work/school and the absence of commuting, the convenience of nearby amenities, and the appeal of a "downtown" atmosphere.

### The Issue of Affordability

Facilitating the development of larger units suitable for households with children will only address one aspect of the issue. The vast majority of the larger units are priced beyond the means of most households with children. These households are often outbid by wealthy empty nesters for larger units. Table 1 above showed that the average sales price for new condominium units with three or more bedrooms in 2007 was \$729,000 although prices ranged dramatically from about \$200,000 to just over \$6.6 million.

Average 2005 household income for the City was \$80,343, however, the income for households in the *Downtown* was less at \$74,344. About 35% of all City households spent more than 30% of their income on shelter. This figure rose to 41% for households in the *Downtown*.

The City's Affordable Housing Framework, known as Housing Opportunities Toronto or HOT, will among other matters, explore ways in which affordability of units for households with children can be improved. Options to be examined may include: direct assistance under the Affordable Housing Program, more Rent Supplements/Housing Allowances for larger units, loans, grants and the provision of land, and the use of Residential Rehabilitation Assistance Program funding to encourage the repair of older buildings.

Innovative mechanisms such as Inclusionary Zoning have been used in many cities in the United States to secure various types of affordable housing units in new development projects. The Cities of Toronto, Ottawa and organizations such as the Regional Planning Commissioners of Ontario have urged the Province to provide Inclusionary Zoning powers to municipalities. Although such powers would assist in improving the affordability of housing in general, they could be utilized in some situations to secure and maintain the affordability of larger units for households with children.

## **EXPERIENCE IN OTHER JURISDICTIONS**

The scarcity of larger units appears to be a situation seen in the downtowns of most North American cities. In an attempt to identify measures taken by other municipalities to the address the problem, staff has reviewed the related experiences of several other jurisdictions.

### **City of Vancouver**

The City of Vancouver has had a long-standing objective of creating opportunities for the development of units for households with children. Policies in support of these units have been applied to "new communities", which have typically consisted of larger industrial tracts undergoing redevelopment. The first policies were formulated following Expo '86 for the north shore of False Creek, and have been carried forward for other major developments in the City.

Generally the policies, which appear in secondary plans for these new communities, require that 25% of housing be suitable for families with children. In one instance, the percentage requirement has been increased to 35% for one of the more "suburban" new communities.

Family units are generally defined in Vancouver as units that have two or more bedrooms, and are contained within the first eight floors of a building or podium area which provides adequate common outdoor space. The intention is to ensure that, wherever possible, these units overlook play areas, and are closest to community services and recreational amenities.

At present, there is no requirement that a specific number of units contain three or more bedrooms.

Although, the Vancouver Charter provides much of the basis for their planning authority, the amount of family housing and social housing is determined through negotiation with the developer, which then leads to the recommended zoning.

Guidelines have also been developed for high-density housing for families with children. These are used in conjunction with the Zoning and Development By-law and Official Development Plans, when considering larger development proposals. The guidelines deal with issues such as site selection, building design and livability considerations. Vancouver's approach not only addresses the physical character of the accommodation, but also the need for adequate family services such as parks, daycare, schools and shopping facilities to be in place.

## **EXPERIENCE OF AMERICAN CITIES**

### **Denver**

In June of 2006, officials for the City of Denver stated their intention to become the "number one child-friendly city in the United States". They're planning to do this through a variety of measures including making the city more accessible to youth by actively engaging them in city building. To make the downtown more child-friendly, City planners are paying close attention to the design of the public realm based on how children and youth use public areas.

### **Minneapolis**

Minneapolis has adopted a more integrated approach to land use planning, urban design and transportation planning for its downtown area. Among other things, this involves placing emphasis on a greater diversity of housing types, services and amenities. The City has developed policies that call for a portion of its new downtown housing to "have larger, ground floor units, with outdoor recreation areas that are visually accessible from indoors to accommodate families with children."

### **Portland**

A recent market study prepared by the Portland Development Commission has identified that a significant number of families with children would prefer to live in the central city, if suitable housing were available. It's been estimated that in certain downtown areas only about four percent of the existing condominiums contain larger units with three or more bedrooms.

While in the early stages of making their downtown more family-friendly, Portland has taken several positive steps. In the city's Pearl District, several non-profit organizations are now developing family housing with on-site child-care facilities, and a large park with play spaces is being proposed. Within the next couple of years, Portland will also be

reviewing the needs of families wishing to live downtown as part of the City's central city plan update.

## **Chicago**

The City of Chicago has also recognized the importance of family housing and has streamlined its planning review and building permit approval process for developers creating affordable, family-oriented accommodation. However, the approach raises concerns about treating certain classes of development differently in terms of processing times.

## **New York**

New York City's PLANYC cites the importance of a range of housing to meet the needs of immigrants, families and others. In order to address affordability, New York has utilized inclusionary zoning tools to leverage affordable housing in or near private residential developments. While the Inclusionary Zoning program does not specify numbers of bedrooms, it does ensure that affordable units are constructed in similar sizes as market units.

## **THE ONTARIO/TORONTO POLICY CONTEXT**

In considering any policy or legislative changes to support units for households with children in the City, it's necessary to first review the current policy framework in Ontario and Toronto. A brief assessment of the legislation and policies that encourage new housing is provided below.

### **Encouraging New Housing**

The *Planning Act* provides the underlying foundation for municipal policies in this regard. It recognizes the need for municipalities to plan for and regulate various matters relating to housing type and character. More specifically, Section 34(1)4 of the Act allows municipalities to regulate the type of construction and the height, bulk, location, size, floor area, spacing, character and use of buildings or structures, while Section 16(1) requires municipalities to include in their official plans, goals, objectives and policies to manage and direct physical change and the effects on the social, economic and natural environment (in addition to other prescribed matters).

Section 2 of the Planning Act requires municipalities to have regard to certain matters of provincial interest, such as the orderly development of safe and healthy communities and the adequate provision of a full range of housing. The latter directive is reinforced in the Province's Provincial Policy Statement, 2005 which directs municipalities to provide for an appropriate range of housing types and densities to meet the projected requirements of current and future residents and more generally to plan for strong and complete communities. Furthermore, the Growth Plan for the Greater Golden Horseshoe requires municipalities to establish and implement affordable housing strategies and targets to meet the needs of all residents. Clearly, this full and appropriate range contemplates the provision of housing for all household types, including family and non-family households.

## **Strategic Options**

While the provincial legislative and policy framework provides general support for facilitating a wide range of housing, several additional measures could be taken to provide more direction and guidance in planning for accommodation for households with children.

## **Official Plan Policies**

### **Amendment to the Housing Policies**

The Toronto Official Plan policies speak to the need for a full range of housing types that would include housing for households with children. Notwithstanding this, it is considered that a policy amendment would help to make this interpretation abundantly clear. Specifically, it is suggested that Policy 3.2.1.1 could be amended to incorporate a reference to housing that is suitable for households with children as an explicit part of the full range of housing to be provided.

### **Amendment to the Downtown Policies**

As demonstrated earlier in this report, there is a clear imbalance between the supply of larger units in the *Downtown*, as compared to the City as a whole. The data reinforces the need for action to be taken to inject more balance in the type of housing now being built in the area to accommodate a more diverse population, both now and into the future. If we continue to see the same mix of predominantly smaller units constructed, there will be fewer opportunities for households with children. While the Centres may warrant further review over time, it is considered that there is a pressing need for policies to be developed now to promote more, larger units in the *Downtown*.

In developing an area-specific policy for the *Downtown*<sup>1</sup>, consideration must be given to what is indeed appropriate housing for families with children. The two bedroom minimum threshold directed by Vancouver may be too small for many households with one or even two children. Two bedroom units generally offer little additional storage or play space typically needed by households with children.

For the most part, the market already seems to be providing a sufficient number of two bedroom apartments. In the Toronto *Downtown & Central Waterfront*, for example, 36.1% of the units in the development pipeline contain two bedrooms. However, only 4.1% of the pipeline units have three or more bedrooms. Similarly, the Living Downtown survey indicated that 36% of the people living in the post-2001 stock, occupied two bedroom units, while only 6% and 1% of the survey respondents lived in three and four bedroom units, respectively. For this reason, it is suggested that a policy for the *Downtown* focus primarily on the provision of units with three or more bedrooms.

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<sup>1</sup> To date, the Central Waterfront area has experienced little development activity and is subject to its own Secondary Plan exercise. Therefore, no changes are being proposed at this time to facilitate family housing in the Waterfront.

In light of the preceding discussion, the appropriate section of the Official Plan to accommodate a new policy on family housing would be Section 2.2.1, Downtown: the Heart of Toronto. More precisely, it is suggested that a new policy “c)” be added to Policy 2.2.1.4 to ensure that when considering rezonings involving new residential development on sites proposing more than a specified number of units (e.g. 50), an appropriate number of such units be provided as three bedroom or larger units suitable for households with children. The policy should outline the need for such units to be located on the lower floors of the building, wherever possible, to provide direct access to outdoor grade-related or podium amenity and play areas for children and also be adjacent to indoor amenity and play space.

In certain situations where developments are being constructed to serve other important and vulnerable segments of the population (e.g. social or assisted housing), relief from the requirement for households with children should be considered.

### **Community Services and Facilities**

It is apparent that the creation of larger units alone will not be sufficient to attract families with children. Continued attention needs to be given to providing adequate community services and facilities to accommodate households with children. These would include schools, day care facilities, parks and playgrounds, social services and public transit. Currently, it is the City’s policy to require a community services and facilities assessment for large sites being proposed for new residential development, or when City Planning staff deems it appropriate to consider as part of the development review process. The adequacy of these services will continue to be a focus of the city-building efforts in the *Downtown* as well as in other areas of Toronto. New developments containing units for households with children should be considered in tandem with an appropriate array of programs and services, and may require the creation of new facilities and/or programs to support children. As well, the development of Project Design and Servicing Guidelines for households with children, similar to those used in Vancouver, will be considered.

### **NEXT STEPS**

The next step is to meet with key stakeholder groups to receive their input on the proposed direction. These may include, among others, representatives of the development industry (e.g. BILD) and various community organizations (e.g. Cityparents).

Specific Official Plan Amendments will then be drafted, based on the consultations, and brought forward for consideration at a future public meeting before the Planning & Growth Management Committee.

Parallel to the consultation efforts, City Planning and Affordable Housing Office staff will work closely to identify additional measures that can be pursued to reduce the cost of units for households with children, by the City and other levels of government, as well as the private sector.

## **CONTACT**

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## **SIGNATURE**

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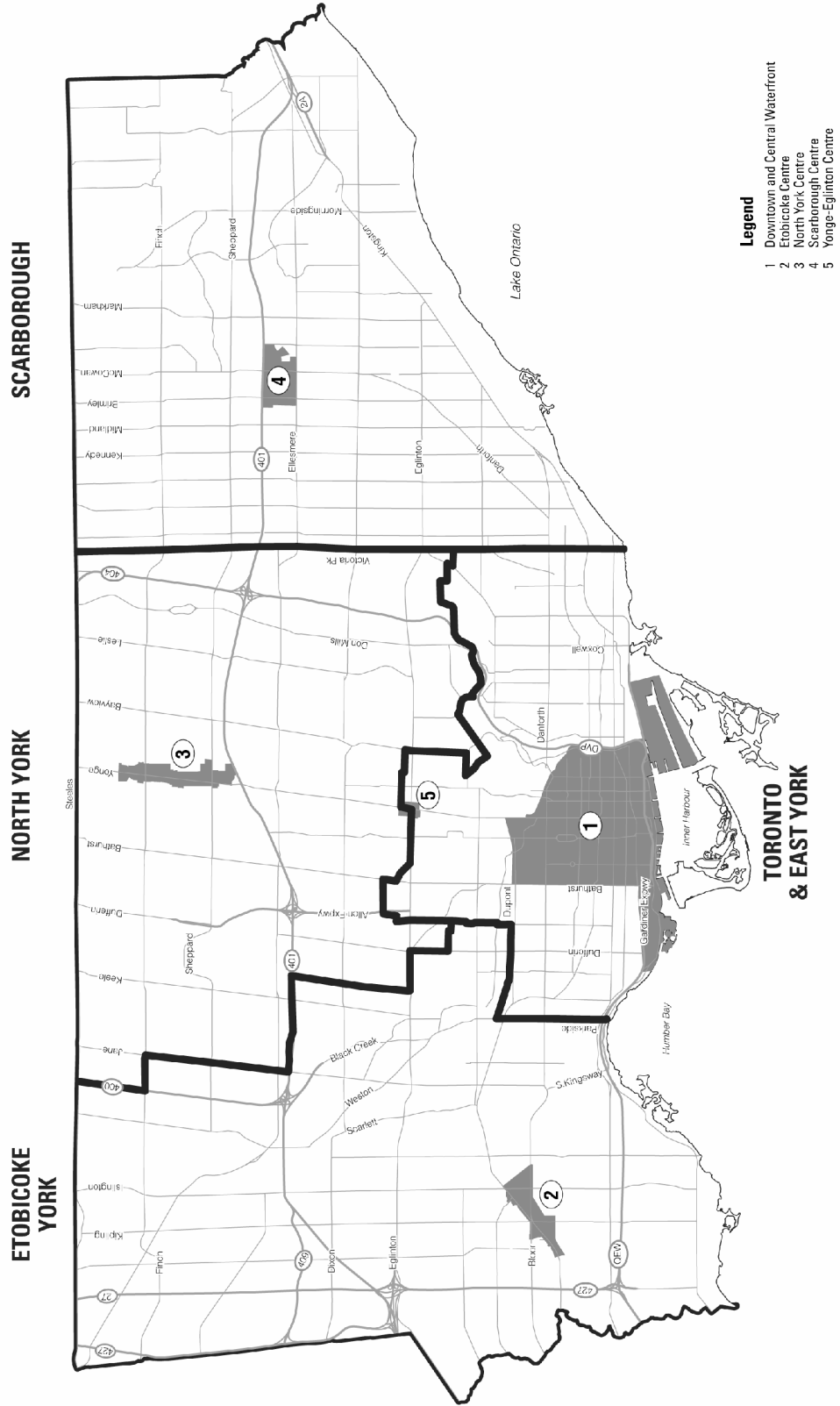
Gary Wright  
Chief Planner and Executive Director  
City Planning Division

## **ATTACHMENTS**

- Attachment 1: Community Council, Centres, Downtown & Central Waterfront Boundaries
- Attachment 2: Data on Units Suitable For Households With Children

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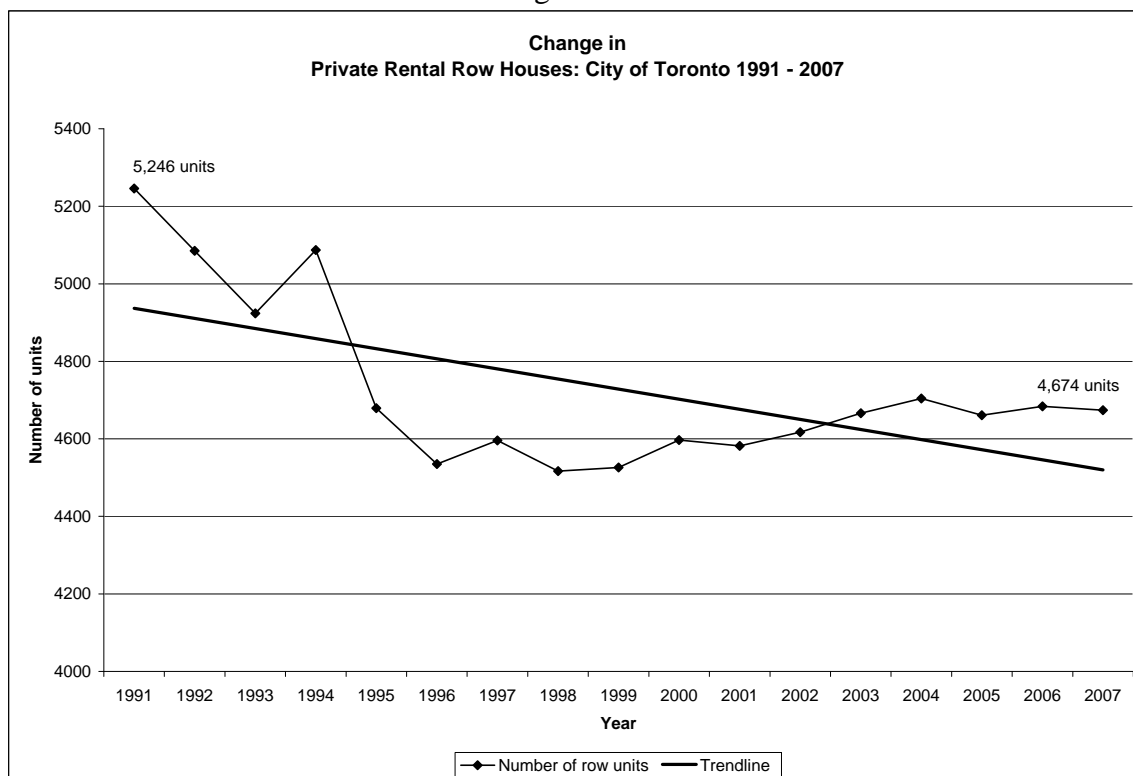




## Attachment 2:

### Data on Units Suitable for Households With Children

Figure 2.1:



District*	1-2 bedroom	3+ bedroom**	Total
Toronto/East York	26	274	300
Etobicoke/York	379	794	1,173
Scarborough	141	486	627
North York	305	2,270	2,575
<b>Total</b>	<b>851</b>	<b>3,824</b>	<b>4,674</b>

Source: CMHC Rental Market Report for Toronto, December 2007

Notes: Numbers may not add up due to rounding.

\* Districts are based on the CMHC zones which follow the borders of the former municipalities

\*\* May be 3, 4 or 5 bedroom townhouses

<b>Table 2.2: Resale Condominium Apartment Market Average Resale Suite Size: City of Toronto, 1998 to 2008*</b>				
<b>Year*</b>	<b>Average Size (sf)</b>	<b>% Change Y/Y</b>	<b>Average Index Price (psf)</b>	<b>Average Price (\$)</b>
1998	1,105	-	\$162	\$179,150
1999	1,096	-0.8%	\$167	\$182,752
2000	1,093	-0.3%	\$181	\$197,724
2001	1,034	-5.4%	\$205	\$212,093
2002	1,016	-1.7%	\$230	\$233,288
2003	1,004	-1.2%	\$244	\$244,904
2004	959	-4.5%	\$251	\$240,471
2005	950	-0.9%	\$269	\$255,176
2006	947	-0.3%	\$292	\$276,529
2007	917	-3.2%	\$310	\$284,180
2008	900	-1.9%	\$338	\$303,885

Source: Urbanation Inc., June 2008

Note: \*The data represent the first quarter activity from each year