



## STAFF REPORT ACTION REQUIRED

### Proposed Official Plan Amendment to Encourage the Development of Units for Households with Children: Authorization for Circulation

|                          |   |
|--------------------------|---|
| <b>Date:</b>             | May 14, 2009  |
| <b>To:</b>               | Planning & Growth Management Committee                          |
| <b>From:</b>             | Chief Planner and Executive Director, City Planning             |
| <b>Wards:</b>            | All – General Amendment; Wards 20, 27 & 28 - Specific Amendment |
| <b>Reference Number:</b> | pg090022  |

#### SUMMARY

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As requested by the Planning and Growth Management Committee, City Planning staff drafted an official plan amendment to encourage the development of units for households with children, particularly in the *Downtown*. The draft amendment has been circulated to both internal and external stakeholders to solicit their comments and a meeting has been held with development industry representatives.

This report provides a summary of the comments that have been received on the proposed changes during this preliminary consultation process and offers some further refinements to the amendment in response to the stakeholder input. It also suggests that a community consultation meeting and a statutory public meeting be scheduled in the Fall of 2009.

#### RECOMMENDATIONS

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**The City Planning Division recommends that the Planning and Growth Management Committee direct staff to:**

1. Circulate the City Planning report dated May 14, 2009 to stakeholders and other respondents for comments on the proposed Official Plan Amendment attached as Appendix C;
2. Hold a formal community consultation meeting on the proposed Official Plan Amendment in September 2009;

3. Report to a statutory public meeting of the Planning and Growth Management Committee on November 4, 2009 on comments received, and on any refinements to the proposed Official Plan Amendment; and
4. Provide notice of the statutory public meeting in accordance with the regulations under the Planning Act.

### **Financial Impact**

This report has no financial impact.

### **DECISION HISTORY**

Since 2007, the Planning & Growth Management Committee has requested a number of reports from City Planning and Toronto Building staff on various issues relating to the development of new and the protection of existing larger units suitable for households with children.

In August 2007, City Planning staff, in consultation with Toronto Building staff, submitted a report to the Planning & Growth Management Committee that discussed issues relating to: the use of knock-out panels to allow flexible housing; requiring a minimum number of three-bedroom units in new developments; and protecting existing family-sized units.

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

The Committee also considered two subsequent City Planning reports on the subject prepared in November 2007 and August 2008.

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

<http://www.toronto.ca/legdocs/mmis/2008/pg/bgrd/backgroundfile-15309.pdf>

The most recent report presented: data on the supply and production of larger units; some approaches employed in other jurisdictions; and potential changes to the Official Plan to encourage larger units suitable for households with children.

Following consideration of the report, the Committee requested staff to consult with representatives of the development community and other interested parties, including various school board representatives, to obtain their comments on the proposed direction, and bring forward a draft official plan amendment to encourage the development of units for households with children.

### **ISSUE BACKGROUND**

Over the past few years there has been an increasing concern over the lack of housing being developed for households with children. While a sufficient number of two-bedroom units continue to be constructed and serve an important role in accommodating families, fewer than 2% of all units recently developed contain three or more bedrooms. Many households in the *Downtown*, in particular, with two or more children are in need of more living space and have few options to choose from. Often they are forced to consider moving to other areas of the City or the outer suburbs.

Healthy, vibrant and complete communities contain a range of household types. Some action is needed to counter the recent and projected trend toward smaller units and to encourage more housing opportunities for households with children.

## **COMMENTS:**

### **Preliminary Consultation Process**

As mentioned, City Planning staff has circulated the draft Official Plan Amendment (OPA) to various internal and external stakeholder groups (see Appendix A). Internal stakeholders included: the Affordable Housing Office; Shelter Support & Housing Administration; Toronto Building; Legal Services, Public Health; Social Development, Finance & Administration; Children's Services; and Parks, Forestry & Recreation.

External stakeholders consisted of the: Building Industry and Land Development Association (BILD); Federation of Metro Tenants' Associations; Toronto District School Board; Toronto Catholic District School Board; ratepayers and neighbourhood associations; and City Parents Network.

To date, a total of 14 formal written submissions has been received. These responses are provided verbatim in Appendix B to this report. The main issues raised in both support and opposition to the draft amendment are summarized below.

In addition to the submissions received, City Planning staff met with representatives of the Toronto Chapter of BILD on May 12, 2009. At that meeting, BILD members reiterated their opposition that had been presented in their written submissions.

### **Summary of the Issues Raised in Support of the Proposed Amendment**

- Encourages the full range of housing called for in the Official Plan in neighbourhoods and across the City.
- There is a great need for units large enough to accommodate families in downtown Toronto.
- The amendment acknowledges the tremendous value to cities of having families live downtown and reflects an understanding of the unique housing needs of families with children.
- Supporting families and creating safe and cohesive communities in an effort to provide the best possible environment for children are critical investments.
- The neighbourhoods, communities, and physical environments where Toronto children live influences their experiences and activities and are key determinants of health. This is a very positive amendment that will ensure that family housing is provided in new housing projects.
- Some areas of the Downtown are becoming high-density concentrations of singles and the elderly, with no choice for families with children other than moving to the outskirts of the city and exacerbating sprawl.

- Families are so much a part of a healthy demographic and small dwellings will definitely change the demographic in the downtown area.
- Families who want to live downtown have extremely limited housing units to choose from. Often the only options are between luxury penthouses and dramatic renovations to existing units. This would offer more choice to residents as their household circumstances change.
- The City's ten year housing plan will support the provision of family housing and the proposed OPA.
- The proposed OPA is consistent with preference given under Affordable Housing programs to projects that achieve a mix of dwelling types and sizes, including family-sized units.
- Increases in federal and provincial funding for affordable housing will better position the City to support larger family-sized housing in all areas of the City.
- Many City recreation programs and services in facilities and parks are geared to children and youth, so it's important that the City continue to have a balanced mix of residents in these developments to support them.
- Families are needed to support local schools.

### **Summary of the Issues Raised in Opposition to the Proposed Amendment**

- The draft wording of the proposed Policy 2.2.1.4, particularly as it relates to the modifying clause, "where appropriate" and the recommendation of its interpretation in a sidebar would eliminate any discretion, making this a mandatory requirement;
- A requirement for family units should be left to Section 37 negotiations on a Ward by Ward basis between the applicant and respective Councillor.
- Alternative of combinable suites proposed, whereby a series of one-bedroom suites could be located adjacent to two-bedroom suites so that the units could be combined should consumers wish to purchase a three-bedroom suite.
- Statistics show no information on preferences for ground related versus high-rise apartment living and no evidence to suggest that more families with children would prefer to live in three-bedroom apartments in high-rises.
- Three-bedroom units have rarely been in demand and sales have not materialized, resulting in their conversion to smaller units.
- 5% of units as a combination of two-bedroom plus den and three-bedroom units are more reflective of market demand.
- There's nothing that prevents parents from raising children in a two-bedroom home; it may be appropriate to consider revising the proposed three bedroom requirement to two-bedroom plus den.
- Often more mature, wealthy households purchase larger units. Also occupied by students, and couples without children.
- Larger units carry premium pricing by virtue of their size; provision of three-bedroom units generally cannot happen, except at a subsidy.
- If three-bedrooms were supplied at a price that would ensure their absorption, either the price will have to be artificially low or the balance of the suites will have to absorb the shortfall in revenue, potentially shifting the financial burden onto households with no children.

- Increasing impact fees have been a significant contributor to the rising cost of housing which has individuals desiring smaller suites from an affordability perspective. These fees are not only development charges, cash-in-lieu of parkland, planning and development related costs, but also those associated with Section 37 agreements and the higher costs related to building to higher environmental and “green” standards. Additional costs such as Land Transfer Tax and the recent PST/GST harmonized sales tax also affect affordability.
- The response to meet a social goal such as this should be achieved through incentives and not prescriptive language in an Official Plan (incentives as opposed to a directive).
- Incentives could include reducing or eliminating fees or offering density bonuses.

### **Key Themes Identified during Preliminary Consultation**

A number of issues or themes were repeatedly raised by the respondents. Some of them are presented and discussed below.

#### *Policy Threshold by Unit Type*

One respondent suggested that setting aside only 10% of the total units as being suitable for families with children may not be sufficient, and that a higher proportion should be considered. Higher thresholds in other jurisdictions such as Vancouver were cited. The Vancouver policy, however, is based on requiring units with two or more bedrooms and does not yet mandate the provision of units with three or more bedrooms. In Toronto, the market appears to be supplying an adequate number of two-bedroom units. Of the applications in the development pipeline in the *Downtown and Waterfront* (from 2003-2007), about 36% of them are proposed as two-bedroom units. However, only 4% of the units are shown as having three or more bedrooms. Given the lack of housing being produced for larger families, the proposed amendment is intended to encourage three and four-bedroom units. While the two-bedroom units serve an important role for many families, they do not provide adequate accommodation for all families.

#### *Exceptions to the Policy*

The Affordable Housing Office supports the need for an exception from the policy requirement for certain groups. Specifically, exceptions for transitional or supportive housing, and for seniors housing have been identified.

Some members of the development industry have suggested that it would be more reasonable to apply the policy requirement to units with two-bedrooms and a den, rather than three-bedrooms. However, one of the main objectives is to ensure that these units offer a sufficient number of adequate and legal sleeping rooms with acceptable natural lighting and ventilation for children.

#### *Affordability*

Most stakeholders felt that the potential cost of these new larger units could be an impediment.

A number of stakeholders identified the need for more affordable housing options for families, particularly for those of low to moderate incomes. Several respondents suggested that a certain proportion of housing in these new developments be designated for low-income families. This objective is addressed, to some extent, through other official plan policies, secondary plans and proposal calls under the Affordable Housing program.

The proposal here is to ensure that all developments, with few exceptions, provide a greater range of unit types to ensure that some are suitable for households with children.

Where these larger units are rented, the Rent Supplement and Housing Allowances programs could conceivably provide rent subsidies to improve the affordability for tenants. However, it is expected that the asking rent for these units will likely be beyond the maximum rents considered eligible under these programs.

The Affordable Housing Office has also indicated that due to a recent increase in the per unit allocations for affordable housing developments under the federal and provincial funding programs, the City will be better able to support the development of larger family-sized housing.

As well, amendments are being proposed to the City's Municipal Capital Facilities By-law that will allow the City to offer more incentives to support affordable ownership dwellings and to lease, on a long-term basis, affordable rental units within condominiums.

#### *Need for Incentives*

The need for incentives was a common theme raised by stakeholders. Suggestions included lowering or eliminating development charges and land transfer tax for family units. To a certain extent the Development Charges By-law currently provides some incentive as the current charge for three or four-bedroom units is no greater than it is for two-bedroom units.

Another suggestion is for the City's harmonized zoning by-law to establish minimal parking requirements for affordable housing in the *Downtown* to help improve unit affordability by moderating development costs. At this point, the current reduced parking requirements for some types of affordable housing in the former City of Toronto will be carried forward in the new harmonized zoning by-law.

#### *Demand for Three-Bedroom Units*

The demand for larger units is a complex issue that is dependent on a number of factors. As mentioned, affordability plays a critical part. The development industry has indicated that sales of larger units have been slow and that when sold, these units are often purchased by non-family households.

Three-bedroom units are still a relatively new option and only available in limited parts of the City. To some degree, lack of consumer awareness of emerging products may be

an issue. One respondent has indicated that a significant number of couples having children would stay in the downtown area, if more options were available. Some concern has been raised that many downtown families are growing out of their smaller units and moving away when the second child is born.

Aside from the debate surrounding current demand, a main objective of this policy is to provide physical opportunities for families to live in the *Downtown*, and to some extent counter the recent trend towards smaller units.

#### *Amenities and Services*

A number of stakeholders (internal and external) stressed the importance of family-oriented amenities being located in the building and in the neighbourhood. The need for appropriately designed indoor and outdoor amenity spaces was emphasised. Also, ensuring easy access to facilities and services in the surrounding area was considered critical. Among others, these would include playgrounds, parks, schools, libraries, day care, grocery stores and public transit.

It will be necessary to ensure that the relevant provisions of the official plan, secondary plans and zoning by-law dealing with residential amenity space and community services continue to be applied in such a way as to retain and attract families. Monitoring could be undertaken to determine the impact of the policy amendment, and identify adjustments needed to ensure that necessary services are being provided.

#### *Built Form and Building Design*

A number of comments were made about building design issues related to housing for families. These included the need for more ground-oriented units, such as townhouses or lower-floor condominium units for families, which could be clustered together to facilitate shared spaces such as play areas, and to allow for easy access to outdoor grade-related amenities or lower-level podium areas. The location of family units and basic design features to accommodate families need to be considered early in the conceptual stages of project planning.

#### *Flexible Unit Design*

A number of stakeholders identified a need for more flexible housing designs to accommodate families, yet allow for units to be modified to meet the needs of other household types.

The development industry pressed for the Combinable Suites to be accepted as an alternative to the proposed policy. Several condominium developments in the *Downtown* are now employing designs whereby two smaller units can be purchased and merged together to form one larger three-bedroom unit. Some of these are very creative and commendable designs. However, there are concerns about the affordability of purchasing and joining two units separately, versus buying a three-bedroom unit initially. There are other logistical problems associated with ensuring that an adjacent unit is available at the precise time that a family requires more space. A previous report prepared in August 2007 by City Planning, in consultation with Toronto Building, 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.

Designs that offer internal flexibility within the outer walls of units appear to offer more promise. At least one development in the *Downtown* is now marketing alternative floor plans for certain units, which allow the buyer to choose from either a two-bedroom or three-bedroom layout. There are three different unit styles that offer these alternative floor plans, ranging in size from 824 sq.ft. to 1,112 sq. ft.. The cost of these units is very similar, as the three-bedroom layout is priced at only \$5,000 more to cover the costs of the partition walls and other associated alterations.

The advantage of this design is that even if the two-bedroom layout is selected, the unit has the potential to be modified later to accommodate a larger family.

#### *Geographic Area of Focus*

Several stakeholders have questioned why the waterfront area has not been included under this proposed policy. The Central Waterfront Plan is now before the Ontario Municipal Board. As it and the New Official Plan are not yet in effect that for that area, it would be premature to amend the policies applying to the *Waterfront* at this time.

One respondent has requested that the amendment be extended to all City wards. However, the primary need for family units appears to be in the *Downtown*, and as a result should continue to be the focus of the amendment.

#### *Applications in Process*

There were differing opinions regarding the applications that should be covered by the proposal. One stakeholder suggested that advantage should be taken of any recession-related lag in bringing to market the projects now in the planning stage, and recommended that the amendment apply to those developments that are not currently being marketed. On the other hand, another respondent requested that it be made clear that the policies not be applied retroactively, and that the amendment not apply to sites that have already been zoned.

## **REFINEMENTS TO THE DRAFT AMENDMENT**

The original draft amendment that was circulated for the preliminary consultation process is contained in Attachment 1 to Appendix A of this report.

Following the consultations, no changes are proposed to the original draft wording of the amendment to policy 3.2.1.1 of the Housing Section of the Official Plan. However, based on comments received, changes are proposed to the draft policy 2.2.1.4(c) of the *Downtown* Section of the Official Plan, and suggested wording has been introduced for the sidebar to the policy. Both policies are presented in Appendix C of this report.

Policy 2.2.1.4 has been revised to allow the option of the units for households with children to be provided as flexible units which offer alternate floor plans which could be

sold with either three or more bedrooms, or a lesser number of bedrooms. The policy emphasizes that these units must offer the potential for three bedrooms, so that even if the units are initially sold as two-bedroom units, future owners could choose to create a third bedroom through relatively minor changes to bedroom wall configurations. This assumes, of course, that all bedrooms at least meet the minimum room size, natural lighting and ventilation requirements set out in the Ontario Building Code.

An additional refinement was made to the draft policy 2.2.1.4(c) with respect to the size of developments that would be required to provide units suitable for households with children. The draft amendment circulated for the preliminary consultation indicated that the policy would apply to developments with 20 or more dwelling units. This number has been increased to developments with 100 or more units.

Based on the proposed policy requirement, a building of 100 units would potentially have 10 or more units suitable for households with children. This larger number of units may be needed to warrant the creation of amenities specifically designed for children, such as outdoor playgrounds or indoor play areas. Larger buildings may also be better able to absorb any additional costs associated with the development of potentially larger units or the provision of specialized amenities.

Of the 155 applications with 20 or more units in the development pipeline (received between July 2003 and June 2008) and located in the *Downtown and Waterfront*, 23.7% of them will contain between 20 and 100 units. More than three quarters of the developments will comprise more than 100 units. When considering the actual number of units involved, the relatively smaller projects (of 20 to 100) will only supply about 1,500 units, or 3.9% of the total units in projects containing 20 or more units. Therefore, increasing the threshold from 20 units to 100 units does not significantly reduce the potential number of units containing three or more bedrooms.

The proposed policy also clarifies the exceptions from the unit type requirement in the *Downtown*. Exceptions will be permitted for transitional, supportive and seniors housing that are funded under government affordable housing programs and subject to an agreement with the City. City Legal Services has advised that, in order to ensure that the units continue to be used for the intended purpose, the exception be tied to government funding and binding legal agreements.

## **NEXT STEPS**

City Planning staff recommends that the appropriate next step would be to distribute the Planning report and proposed Official Planning Amendment to all stakeholders for

further input. Further staff recommends that a community consultation meeting on the subject be held in September, followed by a formal statutory public meeting before the Planning and Growth Management Committee in November.

## **CONTACT**

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## **SIGNATURE**

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Gary Wright  
Chief Planner and Executive Director  
City Planning Division

## **ATTACHMENTS**

Appendix A: External Consultation Letter  
Appendix B: Comments Received from Stakeholders  
Appendix C: Proposed Official Plan Amendment

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## Appendix A:

### External Consultation Letter

Letter to Interested External Stakeholders From Barbara Leonhardt, Director, Policy & Research Section, City Planning Division (dated April 6, 2009)

Re: Proposed Draft Official Plan Amendment to Encourage Housing Suitable for Households with Children in the Downtown

I am writing to advise you that the City's Planning and Growth Management Committee (PGMC) has asked the Chief Planner and Executive Director to prepare an Official Plan Amendment (OPA) to encourage the development of housing for households with children. In response to this request a proposed OPA has been drafted and is being circulated to stakeholders. Given the mandate of your organization, the draft amendment may be of interest to you.

The proposed change would amend two sections of the Toronto Official Plan:

- Policy 3.2.1.1 of the Housing Section to include the term "housing suitable for households with children", thereby recognizing the important role that this form of housing plays in the full range of housing required to meet the needs of current and future residents across the City; and
- Policy 2.2.1.4 of the Downtown Section by adding a new clause (c) which would require, where appropriate, in new developments with 20 or more dwelling units in the Downtown, that at least 10% of those units contain three or more bedrooms suitable for households with children (applies to the Downtown area as shown on Attachment "3").

The proposed wording of these policy changes, along with explanatory notes, is appended as Attachment "1" to this letter.

There will be several opportunities for you to provide your input:

- First we are requesting that you submit any comments in writing (letter, fax, email) by Friday, April 24, 2009. This will help us to address your suggestions in our staff report to Committee. If you would like to meet with staff prior to the deadline for written submissions, please contact one of the planners identified below to make arrangements.
- A City Planning report will be prepared on the proposed Official Plan policy changes and results of the consultations for Planning and Growth Management Committee at its meeting on June 4, 2009.

- The report will be seeking direction to hold a community consultation meeting in September, and a formal statutory public meeting of the Committee on November 4, 2009. Committee actions taken at the June 4<sup>th</sup> meeting will be circulated to stakeholders and other interested parties.

These timelines leading up to the June 4<sup>th</sup> meeting of the Planning and Growth Management Committee are set out in more detail in Attachment “2” to this letter.

You may also be interested in reviewing copies of the City Planning reports that have been prepared to date on the issue. These can be viewed at the following weblinks:

[PGMC Decision Document Sept 2008-See Item PG18.3](#)

[City Planning Report, Aug 2008](#)

[PGMC Decision Document Jan 2008-See Item PG12.6](#)

[PGMC Decision Document Sept 2007-See Item PG8.7](#)

If you have any questions about the proposed draft amendments or would like to arrange a meeting prior to the April 24 deadline for written submissions, please contact David Spence, Senior Planner at 416-392-8124 or [dspence@toronto.ca](mailto:dspence@toronto.ca); or Deanna Chorney, Planner at 416-392-0421 or [dchorney@toronto.ca](mailto:dchorney@toronto.ca)

Thank you for your consideration.

Sincerely,

Barbara Leonhardt  
Director, Policy & Research

## **Appendix A (cont'd):**

### **External Consultation Letter - Attachment 1:**

#### **PROPOSED OFFICIAL PLAN POLICY AMENDMENTS RE: HOUSEHOLDS WITH CHILDREN**

##### **1. Proposed Amendment to Housing Policies – Section 3.2.1 of the Official Plan**

Amend Policy 3.2.1.1 by inserting the words “housing suitable for households with children,” after the words “at-risk groups,” so the policy would read as follows:

“A full range of housing, in terms of form, tenure and affordability, across the City and within neighbourhoods, will be provided and maintained to meet the current and future needs of residents. A full range of housing includes: ownership and rental housing, affordable and mid-range rental and ownership housing, social housing, shared and/or congregate-living housing arrangements, supportive housing, emergency and transitional housing for homeless people and at-risk groups, housing suitable for households with children, housing that meets the needs of people with physical disabilities and housing that makes more efficient use of the existing housing stock”

##### Explanatory Notes:

- this change would acknowledge the importance of housing suitable for households with children as part of the full range of housing required to meet the current and future needs of residents across the City.
- Policy 3.2.1.1 applies to the entire City of Toronto.

##### **2. Proposed Amendment to Policies relating to the Downtown - Section 2.2.1 of the Official Plan**

Add a new clause (c) to Policy 2.2.1.4, which would read as follows:

- 4(c) requiring, where appropriate, in new developments with 20 or more dwelling units in the Downtown, that at least 10% of those units contain three or more bedrooms suitable for households with children.

##### Explanatory Notes:

- data shows that there is a lack of three bedroom or larger units being developed, particularly in the Downtown.
- the policy is intended to provide more opportunities for households with children and encourage more balance in the type of housing being constructed.
- a side-bar to the policy will be added to help interpret the phrase “where appropriate”. Examples of specialized building types that may be considered for exclusion from the policy requirement may include seniors housing, or housing for certain low-income persons such as Single Room Occupancy (SRO) housing.

- the intent is not to restrict occupancy in any way, but rather to expand the range of housing choices being offered.
- the 10% threshold is in keeping with site-specific requirements that have been applied to a few recent residential developments in Ward 20.
- efforts will be made through the application of other official plan policies dealing with residential amenity space (e.g. policies 3.1.2.6, 4.2.2 f, 4.5.2 k) and the implementation of the zoning provisions (see Section 4(12) Residential Amenity Space of Zoning By-law No. 438-86) to provide the amenity space required for the residents of these buildings.
- Community service and facilities needs will continue to be monitored.

## Appendix A (cont'd):

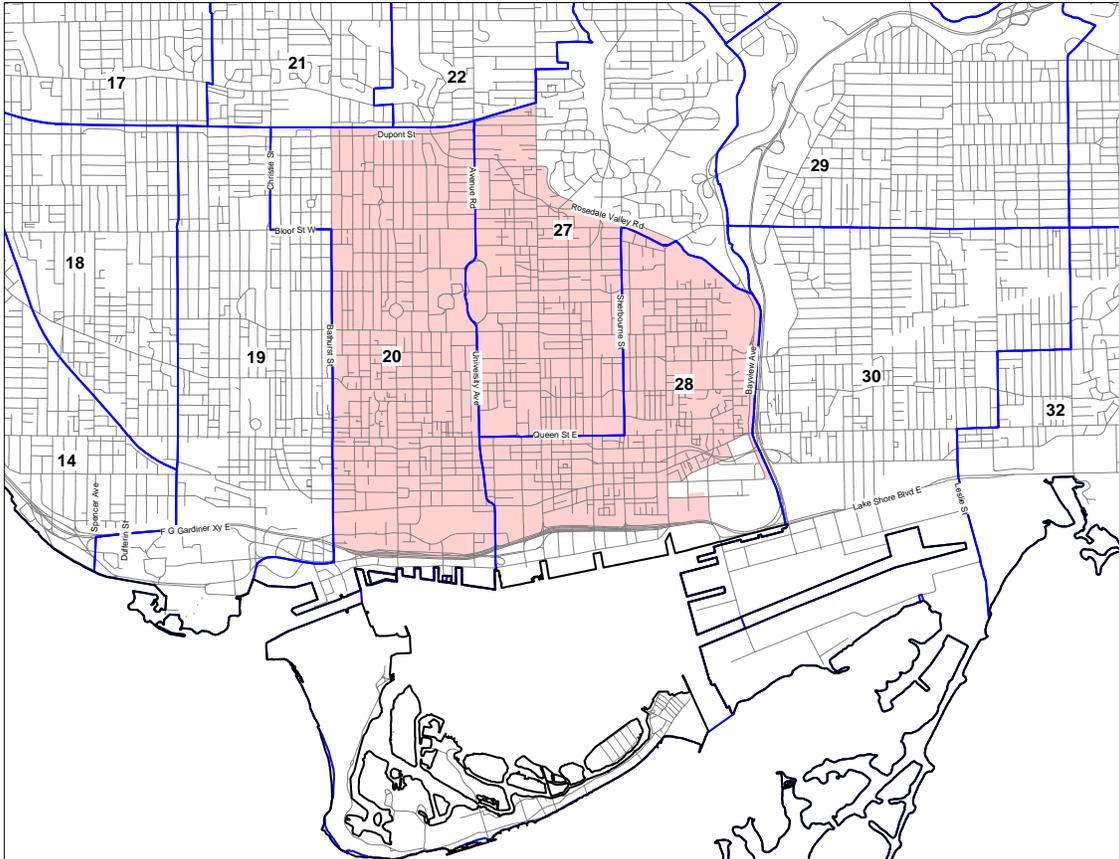
### External Consultation Letter - Attachment 2:

#### Proposed Timelines for OPA on Housing for Households with Children

| <u>Timing</u> | <u>Steps in Consultation Process</u>  |
|---------------|---|
| April 6/09    | Letters Circulated to Internal and External Stakeholders  |
| April 24/09   | Deadline for written submissions<br>(meetings to be held prior to this date, if requested).   |
| May 25/09     | City Planning Report for consideration at June 4 <sup>th</sup> Planning and Growth Management Committee should be posted on the Clerk's website at: <a href="http://www.toronto.ca/legdocs/2009/agendas/pg.htm">http://www.toronto.ca/legdocs/2009/agendas/pg.htm</a> <ul style="list-style-type: none"><li>- if you wish to speak at the meeting or provide written comments regarding the report, please contact the Clerk's office at <a href="mailto:pgmc@toronto.ca">pgmc@toronto.ca</a> or call (416) 397-7768 in advance of the meeting.</li></ul> |
| June 4/09     | Planning and Growth Management Committee Meeting, at which time the Planning Report will be considered. <ul style="list-style-type: none"><li>- the report will seek direction to hold a community consultation meeting in September, and a formal statutory public meeting before the Planning and Growth Management Committee in November.</li><li>- the Decision of the Committee with respect to Planning's Report will be posted on the Clerk's website several days after the meeting.</li></ul>  |

**Appendix A (cont'd):**

**External Consultation Letter - Attachment 3:  
Map of Downtown and Wards Affected by Proposed Amendment to Section 2.2.1.4**



## Appendix B:

### Comments Received from Internal and External Stakeholders

#### Internal Stakeholder Comments Received, Supportive of Official Plan Amendment

##### 1. Sean Gadon, Director, Affordable Housing Office (letter dated April 24, 2009)

Further to your letter of April 6, 2009 requesting comments on the proposed draft Official Plan amendment to encourage family-sized housing in the downtown, please find below comments from the Affordable Housing Office

1. The Affordable Housing Office is supportive of efforts to encourage the full range of housing called for in the Official Plan in neighbourhoods across the City. This includes providing more family-sized housing within the Downtown which offers choice to residents as their household circumstances change. The City's ten year housing plan, to be released in May 2009, will support the proposed Official Plan amendment.
2. Notwithstanding 1. above, there may be circumstances where the provision of three-bedroom units is neither practical nor necessary for certain forms of affordable housing. It is proposed that an exemption from the requirement be provided for supportive and transitional housing, housing for seniors. Definitions of supportive and transitional housing used during past proposal calls, are provided below for reference as necessary:

Supportive Housing – long term accommodation for people who have experienced homelessness and/or have mental health, addiction, developmental or domestic issues and require supports in order to stabilize their lives and earn the skills necessary to integrate successfully into the community, enroll in an education program or advance their employment status.

Transitional Housing – short to medium term accommodation that is accessible to people experiencing homelessness and that includes appropriate support services provided to assist residents with maintaining their housing and becoming more self sufficient.

3. Ensuring that family-sized housing developed within the Downtown is affordable to families with children is a critical issue. The provision of three-bedroom units on their own will not encourage more families to live downtown if the purchase price or lease rates are too costly. In allocating federal, provincial and City funding and incentives for affordable housing development, the Affordable Housing Office has given preference to projects that achieve a mix of dwelling

sizes, including family-sized units. This will continue to be the practice with future proposal calls in order to achieve an appropriate mix of unit types and sizes.

Recently announced federal and provincial funding programs will increase the average per unit allocation for affordable housing developments from \$70,000 per unit to \$120,000 per unit, with maximum funding of up to \$150,000 per unit. This will better position the City to support the development of a full range of affordable unit types, including larger family-sized housing, in all areas of the city.

4. As you are aware, the City's ten-year housing plan will propose amendments to the current Municipal Capital Facilities By-law that will enable the provision of City incentives to support more affordable ownership dwellings and to secure affordable rental units under contract within condominiums for a specified duration (typically a minimum of 20 years). A revised by-law is expected to go before Council for adoption later in 2009. Once enacted, these changes could support greater affordability of family-sized housing within the Downtown.
5. The provision of parking, particularly below grade, is a significant cost driver for affordable housing projects. Currently, zoning provisions within the former City of Toronto allow for significantly reduced parking standards for affordable housing. Given the ready access to public transit within the Downtown, the City's harmonized zoning by-law should establish minimal parking requirements for affordable housing located in this area to help moderate development costs and improve affordability of the units.

**2. David McKeown, Medical Officer of Health, Toronto Public Health** (letter dated April 23, 2009)

I am writing to commend City Planning and the Planning and Growth Management Committee for their leadership in encouraging the development of housing suitable for households with children in the downtown through amendments to Toronto's Official Plan. This amendment acknowledges the tremendous value to cities of having families live downtown and reflects an understanding of the unique housing needs of families with children.

Supporting families and creating safe and cohesive communities in an effort to provide the best possible environment for children are critical investments. The neighbourhoods, communities, and physical environments where Toronto children live influences their experiences and activities and are key determinants of health.

Accordingly I urge City Planning and the Planning and Growth Management Committee to expand the amendments to include:

1. Increasing the proportion of housing suitable for households with children in new developments in the downtown.
  - The number of children living in neighbourhoods affects children's social experiences and opportunities (Toronto Public Health, 2006). An important element of child friendly housing is recognition of the need for children to connect with one another for play (Yates, 1995; Furlong, 2007; Hospital for Sick Children, 2005). This should be taken into consideration in establishing the proportion of units in new developments in the downtown that need to be suitable for households with children.
  - While Toronto is proposing that at least 10% of units in new developments be suitable for households with children, other jurisdictions such as the City of Vancouver has established a 25% minimum requirement (Planning Commissioners Journal, 2006).
  
2. Designating a proportion of this housing for low income families.
  - While the development of these units in the downtown is a positive step forward, there is also a need to address the affordability of these units for families with children, particularly those living on a low income. Consideration should be given to designating a certain proportion of housing suitable for children in these new developments downtown for low income families. This has been done in another Canadian jurisdiction.
  - The City of Vancouver, in addition to requiring that 25% of all units in larger developments be suitable for children, requires that an additional 20% of all units be available for low income families through cooperative and other affordable non-market rental programs. Half of these lower income units must be suitable for households with children (Planning Commissioners Journal, 2006).
  
3. Ensuring the development of child friendly housing to address the safety and growth and development needs of children.
  - Understanding the needs of children is a critical factor in the creation of child friendly housing and impacts on planning the housing development and designing the housing unit (Yates, 1995).
  - In planning the housing project some important considerations include: clustering family-oriented units together with ground floor access/access to shared spaces such as play areas; providing safe indoor and outdoor play spaces that encourage different types of play; implementing techniques to reduce the risk of traffic to children and providing natural landscapes (Yates, 1995).
  - In designing housing units, some important considerations include: building things to a child appropriate scale; providing shared and private spaces and access to the outdoors; creating flexible spaces (Yates, 1995; Furlong, 2007);

using resilient materials (Yates, 1995); and mitigating internal (Yates, 1995; Furlong, 2007) and external noise disturbances (Furlong, 2007).

- It is also essential to look beyond the housing development to the characteristics of the surrounding community. Some important considerations include: locating developments close to community facilities such as pools, libraries, schools, parks, child care, grocery shopping and public transit; examining how adjacent land will be used; implementing design strategies that bring people together (e.g. activities in public squares, create neighbourhood pedestrian walking routes, reduce street width etc); and creating safe streets (Yates, 1995).
- A recent study of the benefits and challenges of living downtown for families in Toronto, Vancouver, and Victoria made similar recommendations for the improvement of downtown neighbourhoods. Suggestions for planners included provision of green spaces, availability of nearby schools, child cares, affordable grocery stores and other amenities; strategies to enhance social interactions; ensuring affordability of units and other amenities; maintaining the upkeep of downtown neighbourhoods; addressing safety concerns; lessening crowding; and implementing strategies to address traffic and noise (Gifford, Lacombe, & Scannell, 2008).

Thank you for the opportunity to provide feedback on the proposed draft amendments to the Official Plan.

### **3. Parks, Forestry & Recreation Division** (email dated April 6, 2009)

This is a very positive amendment that will ensure that family housing is provided in new housing projects. Many of our recreation programs and services in our facilities and parks are geared to children and youth, so it's important that we continue to have a balanced mix of residents in these developments to support them.

### **4. Toronto District School Board (TDSB) Staff** (letter dated April 15, 2009)

I can confirm that staff of the TDSB supports these significant proposals in principle. Senior staff will be informing TDSB's trustees of these proposals and will seek comments from them in advance of the June meeting of Planning and Growth Management Committee if possible. In the alternative, consideration will be given to the opportunity of submitting correspondence or making a deputation at some point in the consultation process in support of this very important item.

## **External Stakeholder Comments Received, Supportive of Proposed Official Plan Amendment**

### **1. Home Ownership Alternatives Non-Profit Corporation** (letter dated April 21, 2009)

Home Ownership Alternatives (HOA) has reviewed the proposed amendment to the City's Housing Policies within the Official Plan to encourage the development of housing suitable for households with children. HOA is supportive of the proposed amendment.

Over the last 10 years HOA has provided financing for a dozen developments in the GTA and of the over 2,200 homes we have financed, 388 (17%) of our units have had 3 bedrooms or more!

In addition, Home Ownership Alternatives has endowed the June Callwood Fund, which is dedicated to provide low and moderate income families with 2nd mortgage financing to be able to buy a first home. The Callwood Fund's mandate includes a requirement to target support for families with children.

There is a great need for units large enough to accommodate families in downtown Toronto. It is encouraging that the City has recognized the additional challenges faced by families with children. While making a requirement of providing 10% of units of a minimum size, this policy does not address the underlying issue of housing affordability and in particular housing that is affordable to families with children.

As a non-profit dedicated to financing affordable ownership housing, HOA has made several straightforward recommendations to the City that would improve housing affordability in the City and in particular for families. Our submission to the HOT process as well as our recent deputation to the Executive Committee of council regarding the doubling of Development Charges outlines several policy alternatives we encourage the City to pursue.

As you will note from these submissions, the City possesses many important tools which if properly utilized could remove important barriers to the provision of new affordable ownership housing in the City, and in particular housing for families with children.

As you are currently considering amendments to the OP, I would ask that you carefully look at the current definition of Affordable Ownership Housing and consider developing a definition that properly places the emphasis on housing that is affordable to households with incomes below a certain threshold, as opposed to the current definition which structures its definition on a price based on average rental market rates. HOA has developed a "made in Toronto" model for delivering affordable housing which is poorly served by the city's current definition and thus it does not serve low and moderate income families choosing affordable home ownership through HOA projects.

I hope the City will make this change in concert with broader policy improvements in the HOT process as well as recasting of the City's charges and fees to reverse their regressive nature and negative impact on housing affordability in the City.

I would like to end by reiterating our support of the proposed OP amendment to require larger units in developments in downtown Toronto.

## **2. S.W. (from City Parents Network) (email dated April 24, 2009)**

First, thank you for your efforts to improve housing for downtown families. I am writing to express my full support.

I am an architect who lives with my husband in a downtown high-rise with 2 young children and has been involved in shaping the families in my building of nearly 600 units into a community. I would like to share some of our experiences with you in case it is helpful in shaping the future planning strategies.

Last year in June, I organized an Urban Family Workshop to try to open more discussion on this subject between disciplines. Developers, City Staff, Architects and families attended. A few main challenges were identified:

1. Parents who are committed to raising their children downtown have extremely limited housing units to choose from. When my second child was born, my only option was between luxury penthouses and dramatic renovations to existing units. At this time, most families were moving to a house before their first child could speak. In spite of this trend, the number of families who are staying in our high-rise has improved. Over the past 6 years, the number of families in our building has nearly doubled and the number of children in the building has nearly tripled. (More families of 2 and even a family of 3!) However, we are still a small minority of the overall population in our building. Only 7% of the units in our building are occupied by families. Only 2% of the units are occupied by families of 4. Is demanding that 10% of new buildings provide 3 bedrooms or more realistic? Yes, if we envision that these families are needed to support local schools. Yes, if these larger units are affordable and flexible and can also attract other buyers. Buyers who want a guest room, a home office, etc.
2. 1200 - 1400 sq.ft. is the existing minimum size of condo unit that is able to house an average family of 4 (2 adults and 2 children). Units as big as these are rare, but more are coming to the market. Most families who are growing out of the smaller units in our community move to a house or condo of this size when the second child is born.
3. Cost is a barrier. Developers are looking for ways to build units at affordable prices. (In my community, judging by the current values of homes, \$600,000 would likely be the upper threshold.) Developers were asking closer to \$750,000 for new units. We need to find a way to close this gap. We also learned that

families are more likely to buy a unit that is already built and less likely to buy from a floor plan.

4. Parents confirmed that amenities in the building and in the neighbourhood were a high priority. Playgrounds, groceries, etc, need to be 'around the corner'. Many families do not use cars on a daily basis. Many families do not own cars. Furthermore, access to open space is critical. For this reason, the City may want to consider extending the areas affected by the OPA to include the waterfront community. There are two schools and two daycares serving the Queen's Quay stretch between Bathurst and Yonge... and of course, lots of open space. It seems logical that 3 bedroom units be encouraged in this area.
5. Access to quality education for school age children was identified as a 'deal breaker'. If schools did not meet the expectations of the parents, they moved. The community of families in my building feed 3 high schools, 4 daycares and 4 grade schools. But sadly, the downtown public schools in our neighbourhood rank near the bottom! This is a serious dilemma for parents. Some of us have sent our children to independent schools. This added expense impacts a family's willingness to buy a larger luxury condo.

As you already know, many factors impact a family's ability and decision to live downtown. Although I have identified our 'priorities', I hope that I have done so without a tone of entitlement. We love the City, and have found a way to keep our children here while so many others have moved out.

Thank you again for your work. I hope that change will happen soon, before we grow out of our current condos!

### **3. York Quay Neighbourhood Association** (email dated April 10, 2009)

We talked about this with YQNA Planning Committee members. This waterfront is already built or nearly so. There are some large condos on the Central Waterfront, but few people have the \$million-plus to pay for them. There is practically no market for family-sized units on the waterfront for financial reasons. Our previous suggestion was that 10% of all new construction on the Waterfront should be affordable and assisted housing, which was not well received, especially by the developers.

In principle, we applaud the idea of new family-sized homes in our neighbourhood.

### **4. Gooderham & Worts Neighbourhood Association** (email dated April 11, 2009)

The board and members of the GWNA have asked me to respond by saying that we very strongly support this amendment. We live in a neighbourhood blessed by its proximity to the St. Lawrence area and its population of young families. Other areas around us, however, are becoming high-density concentrations of singles and the elderly, with no choice for families with

children other than moving to the outskirts of the city and exacerbating sprawl.

We would like, however, to urge two amendments to the proposal: first that it be extended to all city wards, including areas to be developed by Waterfront Toronto. If Toronto is to be a healthy city, all neighbourhoods must provide space for all demographic groups. While many low-density areas are ripe for intensification, and the OP calls for intensification along the "avenues," we believe that the intent of the OP would be thwarted, as well as the current housing shortage exacerbated, if all the new development were directed to one- or two-person households.

Our second concern is that advantage should be taken of any recession-related lag in bringing to market any of the developments now in the planning stage so that, if legally possible, the amendment may apply to those that are not currently being marketed.

**5. K.** (email dated April 9, 2009)

I think small dwellings will definitely change demographic in the area. (I lived in one for years and loved it, though it was not so family friendly.) The impact of dense small residential still remains to be seen, however families are so much a part of a healthy demographic, it's a shame that planners' foresight as well as family budgets are not "good neighbours" in our region recently. Thankfully, I am a frequent host of families from both the suburbs and the country, and they and I would be thankful for some extra space during our visits, both indoors and out. I am personally extremely surprised at the wealth of small (let me say tiny) residential in our area, and wonder how the new demographic will affect our communities. "Move to the suburbs or country life, why would you *live* there" is what I am hearing from others. It's my belief that residents living in the city centre are a wealth of city health in many ways. I love it here, and hope I will continue to. That depends on us.

## **External Stakeholder Comments Received, Non-Supportive of Proposed Official Plan Amendment**

### **1. Building Industry and Land Development Association (BILD) (letter dated April 24, 2009)**

The Building Industry and Land Development Association is in receipt of the above noted proposed Official Plan Policy Amendment regarding Households with Children. In recognition that staff has circulated the proposal for comment in preparation for the report which will be submitted to the June 4th meeting of the Planning and Growth Management Committee, BILD presents the following preliminary comments for your consideration.

The proposed changes to the Toronto Official Plan would amend two sections as indicated in staff's correspondence of April 6th:

*“Policy 3.2.1.1 of the Housing Section to include the term “housing suitable for households with children”, thereby recognizing the important role that this form of housing plays in the full range of housing required to meet the needs of current and future residents across the City; and*

*Policy 2.2.1.4 of the Downtown Section by adding a new clause (c) which would require, where appropriate, in new developments with 20 or more dwelling units in the Downtown, that at least 10% of those units contain three or more bedrooms suitable for households with children..”*

The proposed Official Plan Policy Amendment was circulated to members of the BILD Toronto Chapter for their comment, and it is fair to say that there is an overwhelming amount of concern regarding the City's intention.

Significant apprehension and opposition has been raised by BILD members regarding the proposed wording of Policy 2.2.1.4, particularly as it relates to the modifying clause, “where appropriate” and the recommendation of its interpretation in a sidebar which would eliminate any discretion, making this a mandatory requirement.

### **Alternative of Combinable Suites**

Upon review of the City's proposal, BILD members have presented a possible alternative which may help the City meet its intent to provide housing suitable for households with children. It is understood that some builders are considering, or have already incorporated combinable suites in to their projects. A series of one bedroom suites could be located adjacent to two bedroom suites, which could in turn be combined should consumers wish to purchase a three bedroom suite. This alternative would offer the flexibility to potential purchasers while not mandating the industry to provide the larger suites should there not exist a demand.

## **Demand for Larger Units and their Affordability**

The City's August 27, 2008 'Request for Direction – Official Plan Amendment to Encourage the Development of Units for Households with Children' staff report (page 9) notes that "...fewer families with children (couples and lone parents)" live downtown and further quotes the results of the "Living Downtown Survey" citing reasons that people chose to live downtown. The inference is that if families with children were provided with three bedroom apartments in developments greater than twenty units, the market would be better met. However, there is no discussion or information from the survey on preferences for ground related versus high-rise apartment living and no evidence to suggest that more families with children would prefer to live in three bedroom apartments in high rises. There is also no mention on how the choice would change depending on the availability and access to adequate schooling.

There is no acknowledgement that if the demand for three bedroom apartments was so great, and the economics worked, that demand would be met. Our member's find that larger units in for-sale housing are generally absorbed by higher income families that want to downsize from a large single family home whose children have left the family home and return as visitors.

In the case of for-sale housing, BILD members have indicated that three bedroom units have rarely been in demand. It is usually the provision of two bedroom and den units that more than satisfy the market. Larger units carry premium pricing by virtue of their size and BILD members have indicated that it is quite often the case that only more mature, wealthy households are interested.

Members have indicated that the larger suites in their buildings are generally not occupied by families with children. They are shared accommodation for students, and couples without children. BILD has been provided with examples of buildings that are in the planning stages for new rental accommodations where the suite mix includes three bedroom units equating to two percent which does not come close to the City's proposed ten percent. If BILD members were convinced that the market for three bedroom rental apartments existed at a price that could be delivered, they would do so. Members who have included units with three bedrooms in their projects have indicated that sales of those units simply did not materialize, which resulted in their conversion to smaller units. The provision of three bedroom units generally cannot happen, except at a subsidy. The financial viability of rental housing under this policy directive would be seriously called into question.

The August staff report does acknowledge that the provision of three bedroom units would not deal with the issue, as it is also a question of affordability. BILD members have indicated that if they were to supply three bedroom units at a price which will ensure their absorption, either the price will have to be artificially low or the balance of the suites will have to absorb the shortfall in revenue. This does have the potential to shift

the financial burden onto households with no children, affecting all levels of affordability.

### **Affordability as it Relates to Additional Associated Costs**

The question arises as to whether or not the City has determined if families can and will truly be able to afford to purchase a three bedroom condominium in downtown Toronto when considering the additional costs such as the Land Transfer Tax and the recent PST/GST harmonized sales tax.

In addition, the City's increasing impact fees that have compounded throughout recent years have been a significant contributor to the rising cost of housing which has individuals desiring smaller suites from an affordability perspective. These fees are not only development charges, cash-in-lieu of parkland, planning and development related costs, but also those associated to Section 37 agreements and the higher costs related to building to higher environmental and "green" standards.

### **The Provision of Incentives**

Page 3 of the City's August 27th staff report states that "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". The report has uncovered a perceived need, however the response to meet a social goal such as this should be through incentives and not prescriptive language in an Official Plan. This initiative needs to take the form of an incentive as opposed to a directive.

The City could look to use the very successful tactic that they took to encourage retail, office and residential uses via its "mixed use development" density bonus provisions. As opposed to including provisions in an Official Plan Amendment, the City could also look to encourage housing suitable for households with children through incentives such as reducing or eliminating development charges for family units, and/or exempting the municipal Land Transfer Tax. The City is presenting a social policy that should be met through incentives, which would be a win-win for both the City and the development community.

In conclusion, BILD members have expressed that they are vehemently opposed to this policy as constructed. The existing City of Toronto Official Plan already contains policies related to the preservation of family housing which protects existing low density residential neighbourhoods. The proposed policy does not reflect current demand for larger units in condominium projects, and would severely threaten levels of affordability. As presented, and without a substantial discussion on actual incentives, the City's proposal is simply not feasible.

BILD would recommend continued discussions with staff and its members on the possibility of alternatives to staff's proposal which must include consideration of tangible incentives. In addition, BILD requests that staff give serious consideration to NOT

having this sort of policy included in the Official Plan but rather that discussions related to housing suitable for households with children be left to Section 37 negotiations on a Ward by Ward basis between the applicant and respective Councillor.

We trust that you will take these preliminary comments into consideration.

**2. Lewis Poplak, Director of Planning and Development, Context Development**  
(email dated April 14, 2009)

In response to your letter to external stakeholders regarding the Proposed Draft Official Plan Amendment to Encourage Housing Suitable for Households with Children in the Downtown, please find my comments below:

- I don't believe that the three bedroom threshold is reasonable - there is nothing that prevents parents from raising children in a two bedroom home; if anything, it may be appropriate to consider revising the proposed 3 bedroom requirement to 2 bedroom plus den;
- Context has marketed and constructed numerous 20+ unit projects in the area to be subject to the proposed amendment. We always have a wide range of buyers, from singles to families with children. Most of these projects have ended up containing about 5% of a combination of 2 bedroom plus den and 3 bedroom units. This percentage (as opposed to the proposed 10%) is reflective of market demand, and not of prescriptive planning and design by Context, as we permit our purchasers to combine and reconfigure units to their satisfaction;
- In point of fact, the larger the unit is, the more it costs. I think that the City would be well advised to consider the "carrot" rather than the "stick" approach to encourage private provision of housing suitable to families, as this will help lower the cost of larger units. For instance, how about making provision of 3 bedroom units voluntary, but waiving development charges on any 3 bedroom units provided in 20+ unit projects?
- Finally, I note that those areas in the downtown that fall under Waterfront Toronto's purview seem to be excluded from the pink shading illustrating the proposed affected areas -- why is this?

In sum, I do not support the proposed amendment as currently drafted.

**3. Michael Stewart, Goodmans, Solicitors for Distillery SE Development Corp**  
(letter dated April 24, 2009)

We are solicitors for Distillery SE Development Corp. ("Distillery SE"), the owner of a residential redevelopment project at the Distillery District. On behalf of our client, we are writing in opposition to the proposed Official Plan Amendment requiring that 10% of the units in residential projects with 20 or more units contain three or more bedrooms (the "Proposed OPA").

The Proposed OPA will do little to encourage the development of downtown housing accessible to the majority of Toronto families, as it will simply force the construction of significantly more expensive units. It seems odd that the City of Toronto would interfere with the market so as to negatively impact condominium affordability, thus rendering it even more difficult for families with children to live in the downtown core.

Desirable development is encouraged through incentives, not through the imposition of additional controls. If the City really wanted to encourage the development of housing in the downtown for families with children, it should offer incentives such as the elimination of development charges on units with three or more bedrooms. This would be consistent with the City's approach in encouraging other types of desirable uses.

We also note that the Proposed OPA should be clarified to make clear that the policies are not intended to apply retroactively. We trust that the Proposed OPA is intended to apply only to new proposals requiring rezonings, and not to sites that have already been zoned.

#### **4. Fred Darvish, Liberty Development** (letter dated May 11, 2009)

We feel compelled to comment on the City's initiative to encourage housing suitable for households with children in the downtown. While we do agree with the premise that households for children should be encouraged, unfortunately, we do not believe it is a realistic goal that is achievable in the form of units in high-rise development.

To put it in its most simplistic terms, currently, condominium high-rise units are selling in the downtown core of Toronto, for an average of approximately \$500.00 per square foot. Add on LEED and Green Roof technologies, (which are also in the process of becoming mandatory in the City) and this can bring the per square foot cost up to \$530.00. A 3 bedroom unit which would be suitable for families, will have a size of at least 1200 square feet. The market price of a unit of this size would be approximately \$636,000.00 plus parking, which is extremely high, and would most likely not be at all attractive for families with children. On top of that, you would have to tack onto the square foot price, the cost of Development Charges, which we understand are increasing, along with the cost of the new Provincial HST tax. These additional costs also add to the increase of the Purchase Price of the 1200 square foot unit.

In our opinion, the City needs to take their initiative one step further and factor in ways to minimize/eliminate all the extra costs associated with bringing this type of family unit to market, such as eliminating Development Charges on 3 bedroom units or having the Province exempt these units from the HST. If the cost issue is not addressed, we do not believe the goal of the City can be achieved.

**5. John M. Alati, Davies Howe Partners, Solicitors for the Conservatory Group of Companies** (dated May 11, 2009)

We are counsel for the Conservatory Group of Companies ("Conservatory Group") an umbrella organization that has a controlling interest in a number of different development companies. Through its affiliated companies the Conservatory Group is involved in several developments in the City of Toronto including Fancy Dell Developments Inc. (25 Lower Simcoe Street and 19 Grand Trunk Crescent), the Canadian Tire site (Yonge Street and Davenport Road), Syme Developments and Bay Elizabeth Construction (between Bay Street and Elizabeth Street). Our client is continually expanding its portfolio of properties and may add additional addresses and sites to its current list of holdings.

Our client is opposed to the draft Official Plan Amendment to Encourage Housing Suitable for Households with Children in the Downtown ("OPA"). The proposed amendment is inequitable in that it will apply to a limited area within downtown Toronto thereby adding additional pressure and cost to developments within that area that will not be borne by similar development in other parts of the City.

Furthermore, the proposed wording for policy 2.2.1.4 as revised by the OPA eliminates any discretion, making three bedroom units mandatory. Rather than making this a mandatory requirement the City may be better served by providing an incentive program to encourage developers to include three bedroom units where there was a market demand for them. Alternatively there may be other options whereby the creation of three bedroom units may still be achieved but within the framework of a more flexible policy provision.

By making this policy mandatory, City officials have not provided any market information identifying a need or demand for three bedroom units. Ongoing consultation with interested stakeholders should continue since downtown developers are more familiar with the demands of the market and have stressed that there is a lack of demand for these units. The OPA as contemplated will threaten affordability both with respect to the required three bedroom units themselves and affordability for developers whose projects are located in the downtown area as this is yet another cost that will have to be factored into the overall project requirements.

It is our client's position that the proposed policy is politically driven and ill-conceived and does not represent good planning.

## Appendix C:

### Proposed Official Plan Amendment Re: Households with Children

#### 1. Proposed Amendment to Housing Policies – Section 3.2.1 of the Official Plan

Amend Policy 3.2.1.1 by inserting the words “housing suitable for households with children,” after the words “at-risk groups,” so the policy would read as follows:

“A full range of housing, in terms of form, tenure and affordability, across the City and within neighbourhoods, will be provided and maintained to meet the current and future needs of residents. A full range of housing includes: ownership and rental housing, affordable and mid-range rental and ownership housing, social housing, shared and/or congregate-living housing arrangements, supportive housing, emergency and transitional housing for homeless people and at-risk groups, housing suitable for households with children, housing that meets the needs of people with physical disabilities and housing that makes more efficient use of the existing housing stock”

#### 2. Proposed Amendment to Policies relating to the Downtown - Section 2.2.1 of the Official Plan

Add a new clause (c) to Policy 2.2.1.4, which would read as follows:

- 4(c) requiring in new developments with 100 or more dwelling units in the *Downtown*, that at least 10% of those units be provided as units suitable for households with children in the following manner:
- i) the units be built to contain three or more bedrooms; or
  - ii) the units be built to contain a lesser number of bedrooms if requested by the initial purchaser, provided that such units retain the ability to be converted to contain three or more bedrooms through relatively minor changes to internal bedroom wall configurations; or
  - iii) any combination of (i) and (ii) above.

Transitional, supportive or seniors non-profit or co-operative housing that is subject to recognized government funding programs and municipal housing agreements is not subject to this requirement.

Add a side-bar to the above clause, which would read as follows:

Where some of the units for households with children are provided as flexible units, they must be designed and constructed to allow the potential for three or more bedrooms which would satisfy minimum bedroom size, natural lighting and ventilation requirements set out in the Ontario Building Code.