

Monday, November 8, 2021

Toronto City Council Should Vote for a Stronger Inclusionary Zoning Policy - It will change tens of thousands of lives and evidence shows it's possible

Dear Mayor John Tory and City Council,

Re: PH28.1 - Inclusionary Zoning Official Plan Amendment, Zoning By-law Amendment and Draft Implementation Guidelines

The housing crisis across our city has been getting worse for decades, and it has reached a boiling point. And we know that the housing crisis does not impact all people equally. Housing insecurity is felt most acutely by people experiencing poverty, women, and Black, Indigenous, racialized, newcomer and LGBTQ2S+ communities, people with disabilities, and seniors - especially those who hold intersecting positions. The need for secure and affordable housing is paramount in Toronto.

As City Council gears up to vote on the City's inclusionary zoning policy, you have a once in a generation opportunity to change how housing is built in our city and to ensure a lot more affordable housing is being created. City Councillors will be meeting soon to debate how much affordable housing new building developments will have to set aside through a policy called *inclusionary zoning*.

This is Council's opportunity to vote for a policy that requires 20%-30% of the units in most new residential developments to be affordable to low and middle income renters, instead of the current recommendation that has low set-aside rates and a slow phase-in period. This current recommendation falls short of what we know is possible through the City's own studies and what has shown to be possible in other cities.

It's high time for Toronto to join the over 500 municipalities in North America that use inclusionary zoning to ensure new developments serve the needs of most residents - not just wealthy investors. **In New York City 25%-30% of units in new housing developments are required to be affordable in many areas of the city. In Montreal, 35%-40% affordability is now required. If other cities have higher set-asides, why can't Toronto?**

It would be difficult to argue that anywhere in North America stands to benefit more from a well-designed inclusionary zoning policy than Toronto. Right now, Toronto has [5 times](#) more cranes in the sky than any other city on the continent. The city has built record breaking amounts of new high-rise housing over the past decade. But despite this surge in supply, thousands of people across our city cannot afford the housing they need. To put into perspective how consequential a strong inclusionary zoning policy would be, **if we had strong inclusionary zoning ten years ago Toronto would have built 30,000 units of affordable housing rather than the 4,090 it built in the same ten- year period.**

As housing gets more and more expensive, developers continue making record profits. We are calling on City Council to prioritize affordable housing. **We need development to work for Toronto's residents.**

A recent report by the City's Planning Division found that in 2020, purchasing an average-priced *bachelor*-sized condo was unaffordable for over [90%](#) of Toronto's renters. This is true for both newly built and re-sale units. So, if most Torontonians can't afford these condos, then who are they being built for and who is buying them?

Toronto's new housing supply is being bid up and bought out by a surge in demand from wealthy investors, accruing portfolios of housing. Across the GTA, [at least 57%](#) of newly built condos units were bought by investors in 2020. **In the City of Toronto, the proportion is far higher; over 80% is a common estimate from development industry analysts.**

When they're not left vacant, these investment properties are rented out at the least affordable rates in the city.

It's a bitter irony that the growing number of households forced to pay more than half their income on rent – over 120,000 and rising – are [mostly concentrated](#) in areas that have experienced the largest boom in housing development.

With a strong inclusionary zoning policy, City Council can expand access to affordable housing in these unaffordable areas for thousands of households every year, without costing taxpayers a dime.

Successive inclusionary zoning feasibility studies commissioned by the City show this. In 2021, they [found](#) that the City could require 20%-30% of units in new condo developments in most high growth areas to be affordable rental, while still leaving developers a motivating 15% profit margin and landowners 10% above the current value of their land.

A recent study conducted by researchers at Social Planning Toronto and the University of Toronto found that if these strong, evidence-based inclusionary zoning requirements were applied to development applications currently under review by City Planning, Toronto would add over 25,000 units of affordable rental housing in the coming years. That's over 6 times more than the [4,090](#) affordable rental units Toronto added over the past decade.

And inclusionary zoning's potential will likely grow in the coming years, seeing as the number of housing units under review has risen by a stunning 27% over the past year alone.

We urge Mayor John Tory and our City Councillors to consider the evidence, and the needs of residents, and not vote for the conservative approach urged by self-serving developers.

We are concerned that if Council votes for the proposed inclusionary zoning policy in front of them, instead of what evidence shows to be possible, Toronto will fall far short of realizing inclusionary zoning's full potential to address its housing crisis.

The proposed affordable housing requirements are too low, and "phase in" too slowly. The City's own [feasibility study](#) makes clear that requirements could be set nearly twice as high

as the City is proposing to raise them to by 2030, while still leaving developers a 15% profit margin and landowners 10% above the current value of their land.

Toronto is among the fastest growing and least affordable housing markets in the world; it can and should aim higher. As the Mayor and City Council, we call on you to follow the evidence and vote for an inclusionary zoning policy that realizes its full potential: changing the lives of tens of thousands of households desperate to secure an affordable place to call home.

We recommend City Council adopt an inclusionary zoning policy that:

- is fully phased in by 2025;
- sets affordable rental housing requirements at the highest rates found to be feasible by the City studies: 20-30% in most high growth areas;
- will prioritize affordable rental over affordable ownership - to ensure developers are incentivized to choose to provide affordable rental, it is recommended that affordable ownership requirements are at least 50% higher;
- maintain the current proposal of units to be kept as affordable for 99 years;
- applies to 60 units and above.

Sincerely,

Accessible Housing Network

ACORN - Toronto

affordablehousingaction.org

All Saints Church-Community Centre

Association of Part-Time Undergraduate Students at the University of Toronto

Broadbent Institute

Build a Better Bloor Dufferin (BBBD)

CP Planning

Daily Bread Food Bank

Ethno Racialized People with Disabilities Coalition ON - ERDCO

Federation of Metro Tenants' Associations (FMTA)

Frankel-Lambert Outreach Committee

GTA Disability Coalition

Harbord Village Residents' Association

Junction Triangle Community Action Network (JTCAN)

More Co-operative Housing Collective

Palmerston Area Residents' Association

PARC (The Parkdale Activity - Recreation Centre Toronto)

Parkdale Community Food Bank

Parkdale People's Economy

Progress Toronto

Reflex Urbanism

Right to Housing in Toronto

Scarborough Campus Students Union

Social Planning Toronto
 The Architecture Lobby Toronto
 The Neighbourhood Group Community Services
 Toronto Community Benefits Network (TCBN)
 Toronto Community for Better Child Care
 Toronto Drop-in Network
 Toronto Environmental Alliance (TEA)
 Toronto & York Region Labour Council
 TTCRiders
 University of Toronto Graduate Students' Union
 University of Toronto, School of Cities, Affordable Housing Challenge Project
 University of Toronto Students' Union (UTSU)
 University of Toronto-Mississauga (UTM) Students' Union
 Woman Abuse Council of Toronto (WomanACT)
 York South-Weston Tenants Association
 YWCA Toronto

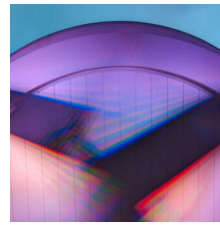


Affordable Housing
Challenge Project





CENTRAL NEIGHBOURHOOD HOUSE
NEIGHBOURHOOD LINK
ST. STEPHEN'S COMMUNITY HOUSE



FEDERATION OF METRO TENANTS' ASSOCIATIONS

