October 27th 2021

City Clerk Planning and Housing Committee 10th Floor West Tower, City Hall 100 Queen Street West Toronto Ontario

Dear Members of the Planning and Housing Committee,

Re: Official Plan Amendment on Updating the Definitions of Affordable Rental and Ownership Housing (PH 28.4)

We are writing as Houselink and Mainstay Community Housing, St. Clare's Multifaith Housing Society, Wigwamen Incorporated, and Community Affordable Housing Solutions. Our organizations develop, own and operate approximately 2,500 units of rental housing in Toronto, and support Indigenous peoples, people with mental health and/or substance use issues, people who have experienced homelessness and other populations that face systemic barriers to housing and are living on very low incomes.

We agree that the gap between incomes and market rents is a critical issue in Toronto.

However, we are concerned about the potential impact of the proposed income-based definition on our organizations' ability to develop affordable housing:

- 1. The change in the definition will have a financial impact. The reduction in rent revenue will make our projects significantly more dependent on grants or other contributions from Government.
- Securing additional resources to offset the reduction in rent revenue <u>prior to the</u> <u>implementation of the new definition</u> is an absolutely critical pre-condition to ensure that our organizations are able to continue developing affordable housing.
- 3. While making it more challenging to develop new projects, the new definition still does not ensure that units are affordable to most people experiencing homelessness.
- 4. As proposed, a transition plan from the current definition to the new definition will not be provided until the new Municipal Housing Facility By-Law is presented for approval. Lack of certainty about implementation is creating challenges in our development models, and reducing our ability to generate new affordable housing projects.

We request that the Housing Planning and Development Committee pass motions to mitigate the impacts of the new definition, including the following:

- 1. Staff to consult with non-profit developers of affordable housing in undertaking the financial impact analysis and in developing mitigation strategies.
- A commitment that the new definition will not be implemented until offsetting measures have been identified <u>and</u> committed.

- 3. Staff to consult with non-profit developers of affordable housing in engagement with other levels of government. We will support the city's engagement with other levels of government to seek additional funding, including an increase in housing allowance and capital grants that are reflective of affordable housing development costs in Toronto.
- 4. Staff to develop a transition plan in consultation with the non-profit sector, to be provided to the Planning and Housing Committee at the same time as the financial impact analysis.

Thank you for your consideration and we would be happy to meet with you to discuss our feedback.

Sincerely,

DocuSigned by: . BC4C1A4AD0944A8.

Angus D. Palmer General Manager Wigwamen Incorporated

DocuSigned by: 3560B58B6B443

Andrea Adams Executive Director St Clare's Multifaith Housing Society

DocuSigned by: Joshua Benard 81DC45E6B9134FA.

Joshua Benard Board Member Community Affordable Housing Solutions

DocuSigned by: 3F6E6FDF055D4FD.

Gautam Mukherjee Executive Director Houselink and Mainstay Community Housing