



**The Parkdale Activity-Recreation Centre:
"A community where people rebuild their lives."**

1499 Queen Street West
Toronto, ON M6R 1A3
Phone: (416) 537-2262
Fax: (416) 537-4159

www.parc.on.ca

Registered Charity: 129678231RR0001

Wednesday October 27th 2021

Submission to the City of Toronto Planning & Housing Committee concerning item PH28.3 A New Multi Unit Residential Acquisition Program.

First of all I want to congratulate the Housing Secretariat and the Planning & Housing Committee for the creation of the Multi Unit Residential Acquisition Program. There has been much research in the city and across the country that points to a robust acquisition program as a key pillar to solving the affordable and supportive housing crisis. An oft cited study by Steve Pomeroy, of Focus Consulting, identified that between 2011 and 2016 322,000 units of affordable housing were lost across Canada. The number of affordable units lost between 2016 and 2021 is likely as many, if not more.

The National Housing Strategy identifies adding 160,000 new affordable units over ten years which is clearly not going to resolve the affordable housing in our city. We cannot build our way out of this deep hole. A Multi Unit Residential Acquisition Program is essential and really should be supported in partnership by the provincial and federal governments.

In 2019 the Parkdale Neighbourhood Land Trust was part of a rooming house acquisition pilot that saved a multi tenant home from being sold and most likely upscaled out of affordability. Subsequently PARC partnered with the PNLT as the long term service provider and property manager.

In the fall of 2019 PARC was awarded Ontario Priorities Housing Initiative funding that allowed us to enter into an agreement of purchase and sale for a three story brownstone containing 38 units. The sale finally closed in mid-May of 2020. PARC could not have completed the sale without the support and financial assistance of the City of Toronto as well as a private charitable foundation that stepped in with patient capital. The foundation provided a simple loan that made the purchase financing possible.

Some might criticize that using public money to purchase private stock is not a good use of scarce funding. But public money was already involved. A large number of people in Multi Tenant Housing and other (still reasonably) affordable apartment buildings, are on some type of income assistance

program (Ontario Works, Ontario Disability Support Program, Old Age Security, Canada Pension Plan). This means that the mortgages and loans are paid for by public funds. When a building of this type is sold the affordability is effectively lost as is the millions in public funds paid in rent. The MURA program helps to keep these types of buildings affordable and often affordable into perpetuity.

I have two recommendations for the MURA Program:

First, increase allocation to the fund in successive years to address the backlog in affordable and supportive housing as well as inevitable increases in fair market cost of purchase. Ten million is not nearly enough to address the gaping chasm between affordable housing need and current availability.

Second, that the Housing Secretariat create an advisory committee of groups that have participated in acquisition to learn from each other and provide insight to the Housing Secretariat on the program. Often buying these types of buildings is complicated and risky as they often come with significant capital expenditures to bring the properties up to standard. Similarly the financing is tricky and without significant equity or quick access to funds, being able to seize opportunities are limited.

In closing, as I write this, there are 4 significant, affordable housing properties in south Parkdale that are being offered for sale. We need more not for profits able and willing to enter the acquisition circle as quickly as possible.

Again, congratulations for the creation of this important solution to the affordable housing crisis.

Submitted respectfully,

Victor Willis
Executive Director
PARC