

**Official Plan Review – Official Plan Amendment to Adopt
New Section 37 Policies Related to Affordable Housing**

Date:	January 30, 2013
To:	Planning and Growth Management Committee
From:	Chief Planner and Executive Director, City Planning
Wards:	All
Reference Number:	P:\2013\Cluster B\PLN\PGMC\PG13011

SUMMARY

This report recommends the adoption of an amendment to the Official Plan to add new Section 37 policies related to affordable housing. The proposed amendment will allow, as a Section 37 community benefit, condominium-registered units to be conveyed to a non-profit housing provider as affordable rental units, and will explicitly authorize affordable ownership housing as an eligible Section 37 community benefit.

The amendment is one of a number of proposed amendments to the Official Plan that staff will be bringing forward for Council's consideration which will provide a framework for new affordable housing to be created. Further changes on additional housing policy matters, including a revised definition of “affordable ownership housing”, are proposed to be brought forward later in 2013.

The proposed policies Council endorsed for consultation on October 2, 3, and 4, 2012 have been modified slightly with the one substantive change being the exclusion of rental replacement units in condominium-registered form as an eligible Section 37 community benefit.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council amend the Official Plan substantially in accordance with the proposed Official Plan Amendment appended as Attachment 1.
2. City Council authorize the City Solicitor to make such stylistic and technical

changes to the proposed Official Plan Amendment as may be required.

3. City Council declare by resolution to the Minister of Municipal Affairs and Housing that this Official Plan Amendment:
 - a. conforms with Provincial Plans or does not conflict with them;
 - b. has regard to the matters of Provincial Interest listed in Section 2 of the Planning Act; and
 - c. is consistent with policy statements issued under subsection 3(1) of the Planning Act.

Financial Impact

There are no financial implications resulting from the adoption of this report.

DECISION HISTORY

At its meeting of October 2, 3 and 4, 2012 City Council considered recommendations regarding proposed Official Plan Section 37 policies contained in a staff report dated August 16, 2012, as amended by Planning and Growth Management Committee on September 13, 2012. A link to the decision and report can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.PG17.9>

Council adopted the following recommendations:

1. City Council amend the report (August 16, 2012) from the Acting Chief Planner and Executive Director, City Planning as follows:
 - a. amend item 6. j. of Attachment 1 to remove the 20 unit restriction so that it reads as follows:

"affordable rental units located in registered condominiums, provided the units are owned and operated as rental housing by a registered non-profit housing provider satisfactory to the City and meet established criteria, including securing through an agreement the maintenance of affordable rents for at least 25 years and rental tenure for at least 50 years. Such units will be deemed to be rental housing notwithstanding the definition of rental housing that would otherwise exclude condominium-registered units."
2. City Council authorize City Planning staff to further consult on the proposed revisions to the Official Plan Section 37 policies related to housing as contained in Attachment 1, as amended, to the report (August 16, 2012) from the Acting Chief Planner and Executive Director, City Planning Division, with the public at large, housing stakeholders, and the Building Industry and Land Development Association (BILD).

3. City Council direct City Planning staff to conduct a public open house on the attached proposed revisions to the Official Plan policies in November of 2012.
4. City Council direct City Planning staff to include amendments to the housing definitions of the Official Plan in their upcoming consultation and open house and include these in the report to Planning and Growth Management Committee with final recommendations and amendments in the first quarter of 2013. The amendments to the housing definitions for consultation to include:
 - a. removing restrictions to affordable rental housing owned and operated by the City, or a non-profit housing provider satisfactory to the City, located in registered condominiums. This form of affordable rental housing should be treated identically to purpose-built, stand alone, affordable rental housing;
 - b. align the definition of affordable ownership housing with the current Federal/Provincial affordable housing programs which is set at the average resale price of a home and the existing calculation determining an affordable price is removed;
 - c. that units may either remain affordable on future sales from one purchaser to the next or, upon resale the public contribution to affordability be returned to the City for reinvestment in future affordable housing initiatives; and
 - d. stipulate that the affordability of affordable ownership housing be overseen by the City or a non-profit housing provider satisfactory to the City.
5. City Council direct the Chief Planner and Executive Director, City Planning to report back with final recommendations and an Official Plan Amendment to the Section 37 policies related to housing to a meeting of the Planning and Growth Management Committee in the first quarter of 2013 for the special meeting in fulfillment of Section 26 of the Planning Act.

Consultation Since Council's Receipt of Draft Policies

Staff consulted on the proposed Section 37 policies related to affordable housing with a number of stakeholder groups, including the Building Industry and Land Development Association (BILD), affordable home ownership organizations, rental housing stakeholders, the Advocacy Centre for Tenants Ontario (ACTO), and non-profit rental housing providers.

A widely advertised public open house was held on November 21, 2012. Approximately 40 individuals attended the open house. Attendees included members of the public,

organizations representing: tenants; affordable housing providers; and private rental landlords; as well as other groups interested in increasing the supply of affordable housing in the City. A summary of the Open House is provided as Attachment 3 to this report.

The consultations raised a number of issues, which are outlined below:

Affordable Ownership Housing as an Explicit Section 37 Benefit:

- Concern that no new rental housing will be constructed and secured under Section 37 as all developers will choose affordable ownership housing
- Private developer input is needed to determine conditions where they would choose affordable ownership among other eligible benefits
- Affordable ownership housing does not address those in core housing needs
- Work still needs to be done to determine income thresholds and how to secure the long-term benefit of the housing
- Flexibility is needed to permit previously constructed condominium units to be converted to affordable ownership
- Issues of high current or future condominium fees and poor locations of affordable units within condominium buildings need to be addressed
- A new affordable ownership definition needs to be brought forward to make the policy meaningful

Condominium-Registered Rental Units Owned by Non-Profits

- Requirement to secure units for 50 years may be considered onerous by some non-profits and dissuade them from participating
- Units should be secured in perpetuity; 50 years is not long enough
- Non-profits may be exposed to financial risk due to maintenance fee increases and other costs not within their control
- Purpose-built rental housing should be the priority Section 37 benefit
- Policy should allow for flexibility of a non-profit to move the unit to ownership housing at a later date
- City should not permit condominium-registered rental units as a Section 37 benefit, as the rental status is temporary
- The 20-unit cap should not be removed as condo-registered units are easier to sell off and rental housing should be a permanent, purpose-built asset
- Condo-registered units have less security of tenure in that they can be sold and also as a result of Condominium Act inconsistencies with the Residential Tenancies Act
- Reduced ability of tenants to have maintenance issues addressed
- Prospect of discrimination against tenants in the availability of services and facilities in the condominium buildings

Overall, there was support for policies that encourage and maintain affordable housing in the City. There were some conflicting opinions on how to best achieve this. Some stakeholders felt that purpose-built rental housing should be the only eligible Section 37 housing-related benefit as this type of housing most consistently and securely provides

for affordable housing. However, many other stakeholders felt that a "planning toolbox" is necessary, which would allow private developers and non-profits to pick from a range of affordable housing types and frameworks.

COMMENTS

The proposed Official Plan amendment is appended to this report as Attachment 1, resulting in a revised Policy 6 of section 5.1.1, Height and/or Density Incentives (Section 37 policies), of the Official Plan. Policy 6 sets out a list of eligible community benefits. Policy 6 as it is proposed to be amended is set out in Attachment 2 to this report.

Section 37 Community Benefits

Section 37 of the *Planning Act* permits the City to grant increased height or density through the zoning by-law in return for the provision of community benefits by the owner. Official Plan policies must be in effect pertaining to the use of the planning tool. Official Plan policies require that these community benefits be capital facilities (except in the case of Heritage Conservation District studies are a benefit) and have a reasonable planning relationship to the contributing development, including an appropriate geographic relationship.

Where Section 37 applies to a new development, there are often multiple and competing needs in the local community – from park and public realm improvements to the provision of affordable housing, child care facilities or public art. The overall value of the community benefits to be secured is related to the planning needs in the community, the size and value of the density increase, and often the value of community benefits secured in other developments in the community. The specific type(s) of community benefits to be secured in any particular development are determined in accordance with the Official Plan policies, and with the assistance of the Section 37 Implementation Guidelines and the Section 37 Negotiating Protocol as adopted by City Council. With a finite value of community benefits secured in any one development, a number of possible types of community benefits, and competing priorities for planning needs in the local community, the type and value of community benefits varies significantly in developments across the City. The developer also has an important voice in the type and value of community benefits to be secured as Section 37 is a negotiated benefit.

In the case of securing new rental housing, since the Official Plan Section 37 policies came into force in 2006, three developments have secured 206 new, purpose-built rental housing units as a negotiated, eligible Section 37 benefit unrelated to replacement of demolished rental housing or to the "large site" affordable housing policy. Only one developer has provided a large number of rental units, being 190 new rental units, of which 100 units were secured with mid-range rents. In that instance, the developer already owned rental housing on the site and was involved in the on-going operation of rental housing. This does not mean that no other rental housing was approved or constructed in the City during this period, rather that only three developers have agreed to

secure new rental housing as a Section 37 community benefit not required by other housing policies.

The proposed Official Plan revisions will expand the options for other types of affordable housing tenures to be secured as Section 37 benefits. Concern was raised at the Open House that by allowing for affordable ownership or condominium-registered affordable rental housing, the amount of purpose-built rental housing secured as a community benefit will diminish. It may be true that the proposed amendments will reduce the likelihood of securing purpose-built rental housing. However, given that a minimal number of purpose-built rental housing units have been secured under the approved Section 37 Official Plan policies to date, City Planning staff is of the view that the proposed amendments will expand overall the opportunities for providing affordable rental housing.

Some developers may be more amenable to providing affordable rental units in a condominium-registered format than in purpose-built (not condominium-registered) format within a building that is primarily of condominium tenure. Purpose-built housing in the same building as condominium units requires more complicated legal agreements, and often more complicated and costly building design and construction. The provision of condominium-registered affordable rental units would avoid such increased legal complexities and costs and thus will hopefully be a more attractive benefit. Condominium-registered units can also be scattered throughout a building as opposed to being concentrated in a contiguous formation. The policies will not preclude the securing of contiguous affordable rental units within a condominium building that are collectively registered as a single condominium unit.

In general, developers who own and operate rental housing are more likely and able to choose to secure new rental housing through rental intensification projects. The demand for, and provision of, new purpose-built rental housing could possibly increase in the future as economic conditions may become more favourable, but the provision of new affordable rental housing is unlikely to occur without government or non-profit involvement.

As noted in the August 16, 2012 staff report, the need for affordable housing, and in particular, affordable rental housing, is increasing. It is expected that the demand for rental housing will continue to grow. The amended Official Plan policies will continue to prioritize and encourage new affordable rental housing, while also providing the flexibility and option for affordable ownership and condominium-registered rental units owned by non-profits. Good planning calls for a balance of opportunities to attempt to meet the City's longer-term interests and needs through creative city building. The proposed policy revisions attempt to provide additional opportunities for meeting the affordable housing needs.

Securing Rental Tenure

The proposed policy revisions will secure the rental tenure of condominium-registered rental units owned by a non-profit for a period of at least 50 years. Stakeholder feedback suggested both that this amount of time was too long and could act as a disincentive for non-profit participation, as well as that the time period was too short and all new units should be secured for a much longer time in order to preserve the community benefit.

The 50 year period is meant to ensure that this much needed resource – affordable rental housing – is secured for a significant period of time. By securing the housing for at least 50 years, it will be treated identically to purpose-built rental housing during this period, meaning that the rental tenure will not be lost due to conversion to ownership or other non-rental use without the approval of the City.

The 50 year period has been previously used with other non-profit housing organizations where the affordable rental housing has been secured as a Section 37 benefit . While stakeholder feedback was mixed on the appropriate period of time needed to secure condominium-registered rental housing, the 50 year period most suitably addresses the Section 37 principle that community benefits be durable and long-lasting. As noted above, there is a significant need for rental housing in the City and securing the rental tenure for at least 50 years helps to respond to this need.

Reasons given by those few non-profit housing providers who thought that 50 years was too long included a lack of flexibility in managing their housing portfolios including the resulting increased financial risk in not being able to address needed changes to their portfolios, and the reduced ability to "transition" their client tenants to affordable home ownership during that 50 year period.

In the case of financial hardship, the City can always consider site-specific amendments to the Official Plan and changes to whatever agreements have been entered into between the City and the non-profit housing provider. That is part of the risk associated with allowing condominium-registered affordable rental units as a Section 37 benefit (see discussion in the section).

Staff anticipates increased opportunities for affordable ownership housing through upcoming additional Official Plan amendments to the Housing Policies through the Official Plan Review. Non-profit housing providers interested in affordable ownership housing will be able to participate in further dialogue on the matters. Affordable rental housing is very important to the City and where secured under Section 37 should be a long-lasting community benefit. A reduction in the 50-year tenure is not warranted and would be detrimental to the objective of increasing the availability of affordable rental housing.

Risks Associated with Condominium-Registered Units

There is a risk that as years progress, the non-profit housing provider could be faced with escalating condominium fees and property taxes that may not be covered by affordable rents. The Advocacy Centre for Tenants Ontario (ACTO) has raised this concern. One-time assessments of costs for emergency or unforeseen repairs by the Condominium Corporation could also present financial hurdles. Other unrelated assets owned by the non-profit housing provider could cause a financial strain. Should these risks occur and the non-profit housing provider find itself unable to pay the bills, some or all units might have to be sold. That could represent a loss of rental units (and the Section 37 benefit) in that community. However, the risk that the non-profit housing provider may have to sell some or all units to meet financial obligations is deemed to be an acceptable risk. The tenants could admittedly face disruption and dislocation in such circumstances, but again, the proposed policy revisions could also provide a greater number of tenants with access to affordable rental housing than the current situation.

The City can also require that the owner of the property register on title to the condominium units a restriction under Section 118 of the Land Titles Act, requiring the consent of the City in order to sell or otherwise convey the unit to another owner. The City will be able to have a say in the disposition of the units, but in the face of financial duress on the part of the non-profit owner, there may not be much the City can do. Such a restriction on title could assist, however, where the City does not agree that the affordable housing provider has a valid case for reducing the rental term.

Tenants' Rights and Standing in Condominiums

Concerns have been raised in the consultations to the effect that condominium-registered units will result in the reduced ability of tenants to have maintenance issues addressed, and also, that there will be an increased prospect of discrimination against tenants in the availability of services and facilities in the condominium buildings. Staff is not denying the possibility that such concerns could materialize, but those do not seem to be valid reasons for not undertaking a course of action that could increase the availability of affordable rental housing overall.

If the current policies were resulting in a great deal of purpose-built affordable rental housing being secured, the concern would have greater legitimacy in that condominium-registered units could be displacing purpose-built units as Section 37 benefits; however, most condominium-registered affordable rental units are likely to represent a net new addition to the affordable housing stock that might not otherwise have materialized.

In any event, the non-profit housing providers would have some responsibility for advocating on behalf of their tenants with the condominium corporations.

Exclusion of Rental Replacement Units

Staff is recommending that rental replacement units be excluded from the permission to be provided as condominium-registered units. Existing purpose-built rental units, including social housing units, constitute a very important housing resource and include a stable, durable, long-lasting stock of affordable and moderately priced rental housing units. The provision of new affordable rental housing as condominium-registered units presents a further opportunity to add to the existing affordable rental stock. However, the demolition of existing, purpose-built rental housing and replacement with condominium-registered units would represent an erosion of the existing, stable, durable stock of purpose-built rental housing. If purpose-built rental housing is to be demolished and replaced, such replacement units should also be purpose-built rental housing and not condominium-registered rental housing. To allow condominium-registered rental replacement units would not be furthering the objective of protecting and maintaining the existing rental housing stock.

For these reasons, wording has been added to the proposed policy regarding condominium-rental units to explicitly exclude replacement of demolished rental housing units, including social housing units. Under the proposed policy amendments, new condominium-registered affordable rental units could be added to the rental housing stock through the "large site" (Policy 3.2.1.9) affordable housing policy, which will also be reviewed as part of this Five-Year Review. That policy is implemented through Section 37.

Affordable Ownership Housing as an Eligible Section 37 Benefit

No amendment to the Official Plan Section 37 policies is actually required in order to secure affordable ownership housing. The list of eligible benefits in Official Plan Section 37 policy 5.1.1.6 has never been considered to be exhaustive or exclusive, so there is nothing to currently prevent affordable ownership housing from being secured, provided the units meet the Official Plan definition of "affordable ownership housing". In fact, the "large site" Housing policy 3.2.1.9(b) explicitly permits affordable units to be provided as ownership units, and is implemented through Section 37.

The proposed addition of "affordable ownership housing" to the list of eligible Section 37 benefits will simply make the permission explicit, as a means of clarifying that it is an eligible benefit and to increase awareness of this potential benefit during Section 37 discussions and negotiations. As discussed below, the definition of "affordable ownership housing" will be addressed in later reports to this Committee on draft amendments to the Housing Policies of the Official Plan.

Future Work

At the October 2, 3 and 4, 2012 meeting of City Council, City Planning staff were also requested to consult on amendments to the housing definitions of the Official Plan. Specifically, a definition of affordable ownership housing that aligns with current Federal/ Provincial affordable housing programs was put forward for consultation. This definition is unlikely to comply with the maximum price thresholds set out in the Provincial Policy Statement for affordable ownership housing. As such, further review of the affordable ownership housing definition is required and is currently underway. Implementation details, such as how affordable ownership units could be secured upon resale and how it would be monitored, will be considered along with the definition. A recommended approach to the definition and implementing policies will be brought forward later in 2013.

Additional work on revisions to the housing policies will take place towards the end of 2013. In addition to the matters discussed in the previous paragraph, this work will address the inclusion of adding secondary suites to the list of a full range of housing, adding demolition control for residential buildings, revisions to the "large site" affordable housing policy, adding requirements for "family-sized" units, and revisions to facilitate tower renewal.

Reviewing the Official Plan under Section 26 of the Planning Act

The Five Year Review of the Toronto Official Plan is being conducted under Section 26 of the Planning Act and amendments are being proposed in accordance with the procedure set-out in Section 17 of the Act.

Section 26(3) (a) of the Planning Act requires that Council consult with the Province with respect to revisions that may be required. Staff of the Ministry of Municipal Affairs and Housing were consulted on the proposed policies and did not raise any issue with the proposed revisions.

Section 26(3) (b) of the Planning Act also requires Council to hold a special meeting, open to the public, to discuss revisions to the Official Plan. In the case of the City of Toronto, this has been delegated to Planning and Growth Management Committee under the delegation provisions of Section 24 of the City of Toronto Act and the Toronto Municipal Code. The special public meeting scheduled for the February 28, 2013 meeting of Planning and Growth Management Committee will fulfill this requirement.

Conclusion

The proposed Official Plan amendment set out in Attachment 1 to this report is a first step in providing for a broader range of planning tools that will hopefully encourage the provision of more affordable housing.

CONTACTS

Kerri A. Voumvakis, Director
Strategic Initiatives, Policy and Analysis
Tel. No. 416-392-8148
E-mail: kvoumva@toronto.ca

Peter Langdon, Acting Manager
Strategic Initiatives, Policy and Analysis
Tel. No. 416-392-7617
E-mail: plangdon@toronto.ca

SIGNATURE

Jennifer Keesmaat, MES, MCIP, RPP
Chief Planner and Executive Director
City Planning

Attachment 1: Proposed Official Plan Amendment

Attachment 2: Complete Official Plan Policy 5.1.1.6 with Proposed Amendments
Incorporated

Attachment 3: Consultation Open House Summary Report

[P:\2013\Cluster B\PLN\PGMC\pg13011]

Attachment 1

AMENDMENT NO. 214 TO THE OFFICIAL PLAN OF THE CITY OF TORONTO

The following text and schedule constitute Amendment No. 214 to the Official Plan for the City of Toronto, being an amendment to Section 5.1.1 Height and/or Density Incentives, Policy 6.

1. Section 5.1.1, Height and/or Density Incentives, Policy 6 is amended by:
 - a) In subsection (i), adding the words "affordable ownership housing," after the words "land for affordable housing,", and adding the words "or ownership" after the words "cash-in-lieu of affordable rental"; so that the revised subsection (i) reads as follows:
 - "i. purpose built rental housing with mid-range or affordable rents, land for affordable housing, affordable ownership housing, or, at the discretion of the owner, cash-in-lieu of affordable rental or ownership units or land;"
 - b) Adding a new subsection (j) which reads as follows:
 - "j. affordable rental housing units located in a registered condominium, deemed to be rental housing notwithstanding the definition of rental housing that would otherwise exclude condominium-registered units, provided the units are owned and operated as rental housing by a registered non-profit housing provider satisfactory to the City and meet established criteria, including securing through an agreement the maintenance of affordable rents for at least 25 years and rental tenure for at least 50 years, and are not replacing demolished rental housing under policies 3.2.1.6 or 3.2.1.7 of this Plan;"; and
 - c) Renumbering the existing subsections (j) to (m) as (k) to (n).

Attachment 2

Complete Official Plan Policy 5.1.1.6 with Proposed Amendments Incorporated

5.1.1 HEIGHT AND/OR DENSITY INCENTIVES

6. Section 37 community benefits are capital facilities and/or cash contributions toward specific capital facilities, above and beyond those that would otherwise be provided under the provisions of the Planning Act or the Development Charges Act or other statute, including:
 - a. the conservation of heritage resources that are designated and/or listed on the City of Toronto Inventory of Heritage Properties;
 - b. fully furnished and equipped non-profit child care facilities, including start-up funding;
 - c. public art;
 - d. other non-profit arts, cultural, community or institutional facilities;
 - e. parkland, and/or park improvements;
 - f. public access to ravines and valleys;
 - g. streetscape improvements on the public boulevard not abutting the site;
 - h. rental housing to replace demolished rental housing, or preservation of existing rental housing;
 - i. purpose built rental housing with mid-range or affordable rents, land for affordable housing, affordable ownership housing, or, at the discretion of the owner, cash-in-lieu of affordable rental or ownership units or land;
 - j. affordable rental housing units located in a registered condominium, deemed to be rental housing notwithstanding the definition of rental housing that would otherwise exclude condominium-registered units, provided the units are owned and operated as rental housing by a registered non-profit housing provider satisfactory to the City and meet established criteria, including securing through an agreement the maintenance of affordable rents for at least 25 years and rental tenure for at least 50 years, and are not replacing demolished rental housing under policies 3.2.1.6 or 3.2.1.7 of this Plan;
 - k. local improvements to transit facilities including rapid and surface transit and pedestrian connections to transit facilities;
 - l. land for other municipal purposes;
 - m. substantial contributions to the urban forest on public lands; and
 - n. other local improvements identified through Community Improvement Plans, Secondary Plans, Avenue Studies, environmental strategies, sustainable energy strategies, such as deep lake water cooling, the capital budget, community service and facility strategies, or other implementation plans or studies.

Attachment 3

Toronto Official Plan Review
CONSULTATION OPEN HOUSE
SECTION 37 HOUSING-RELATED POLICIES
SUMMARY REPORT
November 2012

INTRODUCTION

On November 21, 2012, the City of Toronto held a public open house to present draft changes to the City's Official Plan Section 37 policies regarding affordable housing and to receive public feedback on the changes. The draft changes are part of the five-year review of the Official Plan.

ATTENDANCE and OUTREACH

Approximately 40 individuals, including representatives from a number of rental housing, tenant and affordable housing organizations, attended the open house. The meeting was widely advertised and notices were provided to local Councillors, housing stakeholders and through an 'e-update' to over 800 people who had signed up to receive updates on the Official Plan Review. In addition, an advertisement for the meeting was posted on the Spacing.ca website and on the City's twitter feed.

FORMAT OF MEETING

The open house ran from 6-8 pm. The first half of the meeting was an open house format, with boards and flipcharts placed around the room to generate discussion and gather feedback. The second half of the meeting included a presentation from City staff and questions and answer period. The presentation by staff included information on the Official Plan Review process, background information on the draft policies and an overview of feedback from stakeholders to date.

DRAFT CHANGES

The draft policy text discussed at the open house was as follows (draft changes underlined):

"Section 37 community benefits are capital facilities and/or cash contributions toward specific capital facilities, above and beyond those that would otherwise be provided under the provisions of the Planning Act or the Development Charges Act or other statute, including:

- i. purpose built rental housing with mid-range or affordable rents, land for affordable housing, affordable ownership housing, or, at the discretion of the owner, cash-in-lieu of affordable rental or ownership units or land;
- j. affordable rental units located in registered condominiums, provided units are owned and operated as rental housing by a registered non-profit housing provider satisfactory to the City and meet established criteria, including securing through an agreement the maintenance of affordable rents for at least 25 years and rental tenure for at least 50 years. Such units will be deemed to be rental housing notwithstanding any definition of rental housing that would otherwise restrict condominium registered units.

WHAT WE HEARD

Theme #1

Ownership housing as a community benefit

- Concerns about thresholds for ownership – definitions and income levels,
- Concern that with ‘affordable ow’ as an option for community benefits, it will be taken up by the development community as a preferred benefit option t of affordable rental
- Concern as to who will be the providers/run the mortgages:
 - *ie: who qualifies as ‘providers’?*
 - *who qualifies as recipients of ‘ale housing’?*
 - *are charities, not-for-profits or co-ops suitable ownership housing recipients of Section 37 funds*
- Affordable ownership housing will not address deep/core housing need.
- The units that become eligible for affordable ownership may not be-income needs.
 - *ie: badly placed units (marginal units), ones with high condo fees/utility costs (larger units), or foreseeable maintenance issues due to building quality*

Theme #2

Rental tenure issues

- Rental tenure should still be the priority for the policies
- Family-sized units should be provided affordably for both rental and ownership
- Will developers be able to use “off-site” | provisions to provide ownership or rem other developments?
- What about co-ownership, leaseholds and rent-to-own tenure models?
- Why 25 and 50 years? Would different time limits create different issues? (more units, difficulty in managing them, less desirable to operators)
- How will rental tenants’ rights in condos be represented?

Theme #3

General Section 37 comments

- Good plannng has to be supported first of all, Section 37 secondary consideration
- Methodology in creating/calculating the value of units and what the value should be to the City and to provider versus the developer needs to be addressed.
- How successful have the current policies been? How mancen created?
- Capital ii improvements to existing social housing stock still needs to come funds.
- New policies have to be flexible enough to allow “creative” housing solutions
- New policies and definitions need to be rigorous enough to deal with true affordability issues
- This has become a very political process and outcomes vary widely by ward.

Other Considerations

- Financing tools other than Section 37 funds need to be considered.
- Developers need to be consulted, possibly thr
- The Province should be consulted, eg. MPPs
- The Federal government needs to fund/create a strategy a strategy focusing
- “Zoning with Conditions” and “Inclusionary Zoning” should be tools that can be implemented
- Large sitite policy need be dealt with
- Definitions of “affordable ownersrds to be dealt with in conjunction with Provincial Policies.
- Participants wished to continue to be informed and involved in the process, in particular around new definitions.

NEXT STEPS

Following the Open House, City Planning staff are reviewing the input and advice received to date on the proposed policies, and will begin to finalize the preparation of an Official Plan Amendment containing the recommended Section 37 affordable housing policies. This Official Plan Amendment will be considered by the Planning and Growth Management Committee on February 28, 2012. The Planning and Growth Management Committee meeting will provide a further opportunity for public comment on the policies. If the Planning and Growth Management Committee recommends the Official Plan Amendment, it will be considered by City Council for adoption.