



November 24, 2015

To: Ana Bailão, Chair, Affordable Housing Committee
 Members, Affordable Housing Committee
 Via email (ah@toronto.ca)

Re: Affordable Housing Open Door Program

The Greater Toronto Apartment Association's members own and manage 150,000 suites of purpose-built rental housing. We support the recommendations in the report. The apartment industry is very interested in creating new affordable rental housing, and new rental housing across the price spectrum, including many at mid-range.

Your new process of unlocking opportunities is long overdue and well received. We appreciate the extension of incentives to private sector rental housing providers, and look forward to the streamlined incentive application and approval process, in Q2 2016.

We are pleased to see that the report has acknowledged that, "*Purpose-built rental housing is a key component of a healthy housing market, providing secure, affordable opportunities to a large portion of the low and moderate-income population.*"

It is encouraging that the report notes, "*Given the City's public policy interest in supporting new purpose-built rental housing with rents up to the mid-range, City staff are reviewing potential support initiatives. This report recommends commissioning a study on rental housing, including mid-range market rental housing, as part of the next development charges bylaw update.*"

During the decade spanning 1965-1974, over 140,000 suites of new purpose-built rental were constructed in Toronto. In contrast, the past decade (2004-2013) produced only 12,600 new units, and many of these were funded by the Federal Government.

At the time of their construction in the mid-60s to mid-70s, those apartments were conceived, built and marketed mostly at the mid- to high-range of market rents. Today those same buildings offer some of the most affordable housing in the city. Toronto's experience has shown that the starting point is often mid-range, and as buildings age they become more affordable. With the right incentives for mid-range market rental, we can

replicate what was done in the 1960s-70s, and secure additional affordable units for the future.

We request that any incentives for mid-range market rental housing be accelerated rather than as part of the next development charges bylaw update, which will likely be well into 2019. Additionally, we ask that the "Gold Star" program be extended to mid-range rental. If we wait for the next development charge bylaw update cycle and Gold Star is not extended, it will likely be 2025 before any new mid-range apartments are opened.

Although this report recommends infill development for affordable housing, the Planning & Growth Management Committee (*Official Plan Five Year Review: Final Recommendation Report - Amendments to the Healthy Neighbourhoods, Neighbourhoods and Apartment Neighbourhoods Policies of the Official Plan* – November 16, 2015) has recommended several restrictions on infill developments. Their report notes that, "*The purpose of infill development is not simply intensification for the sake of intensification, as **there is no need for infill development on sites with existing apartment buildings in order to meet the City's population forecasts.***" Which is seemingly contradictory to your report. The Affordable Housing Committee and/or Executive Committee should amend the Planning report.

The Affordable Housing Open Door Program is ambitious and potentially transformational. The private sector rental industry has been patiently waiting for 40 years for the political leadership that you are now providing to help create new rental housing for Toronto's residents. We are ready, willing and able to start building again. We look forward to participating in the next stages.

Regards,

A handwritten signature in blue ink, appearing to read 'Daryl Chong', with a stylized flourish at the end.

Daryl Chong
President & CEO
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