



Decision Letter

EX10.18a

Affordable Housing Committee

Meeting No.	4	Contact	Jennifer Forkes, Committee Administrator
Meeting Date	Thursday, November 26, 2015	Phone	416-392-4666
Start Time	1:30 PM	E-mail	ah@toronto.ca
Location	Committee Room 2, City Hall	Chair	Councillor Ana Bailão

AH4.2	ACTION	Amended		Ward:All
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Affordable Housing Open Door Program

Committee Decision

The Affordable Housing Committee recommends that:

1. City Council approve the overall direction of the Open Door Program to assist the City in achieving its approved affordable rental and ownership housing targets.
2. City Council request the City Manager to co-ordinate the second quarter 2016 Open Door Program inter-divisional reporting process to include the financial and administrative implications of delivering the results through the various program components.

Open Door Program Pilot Projects

3. City Council request the Director, Affordable Housing Office, to develop an ongoing inventory of public, private and non-profit housing sites for affordable housing developments supported by City incentives and funding, including from the Development Charges Reserve Fund (2009) for Subsidized Housing (XR2116).

Activating Government Land

4. City Council request the City Manager and Chief Corporate Officer, as part of the City-wide real estate review, to report on how to make the creation of affordable housing a corporate priority for surplus lands suitable for residential development owned by the City and/or its agencies, boards, commissions or corporations, and investigate the feasibility of creating a non-profit land registry, similar to the Ontario registry, which would provide registered non-profit organizations the ability to access a circulation list of surplus City properties before they are advertised on the open market.
5. City Council request the Deputy City Manager, Cluster A, and the Director, Affordable Housing Office, to update the Affordable Housing Memorandum of Understanding between the City and Build Toronto to strengthen Build Toronto's role in making land and/or funding available for the creation of affordable housing and set new targets.
6. City Council request the City Manager further engage with the province and appropriate provincial agencies, boards, commissions and corporations to partner in the development of

affordable homes, including through the provision of land on favourable terms on those sites already identified by City Council in Appendix 3 to the report (November 19, 2015) from the Director, Affordable Housing Office.

7. City Council request the City Manager request the federal government to provide suitable surplus federal land on favourable terms for affordable housing development.

Financial Incentives and Streamlining City Processes

8. City Council request the Chief Planner and Executive Director, City Planning to identify affordable housing as a priority Section 37 community benefit to be provided by new developments in consultation with Ward Councillors and the community, and that a preference, where appropriate, be given to providing affordable housing on site.

9. City Council approve the updated Municipal Housing Facility By-law attached as Appendix 4 to the report (November 19, 2015) from the Director, Affordable Housing Office as the enabling by-law which supports the policies outlined in the report (November 19, 2015) from the Director, Affordable Housing Office, and repeal the 2002 Housing Facility By-law 282-2002, and request the Director, Affordable Housing Office to report to the Affordable Housing Committee for approval of individual projects under the new By-law and Open Door Program.

10. City Council approve the extension of the current affordable housing policy providing eligibility for an exemption from building and planning permit fees to purpose-built affordable rental housing developed by the private sector, where affordability is secured for a minimum 20-year term.

11. City Council authorize the Executive Director, Corporate Finance, in consultation with the Chief Planner and Executive Director, City Planning, and the Director, Affordable Housing Office, to undertake a study as part of the next development charges bylaw update process beginning in 2016, to examine what incentives, including development charge relief, can be considered by the City in order to encourage the development of mid-range, private rental housing and bring forward policies around mid-range rental housing for Council consideration and under the Open Door Program.

12. City Council request the Director, Affordable Housing Office, in consultation with the Executive Director, Corporate Finance, the Chief Planner and Executive Director, City Planning, Chief Building Official, and City Solicitor to report to the Affordable Housing Committee in the second quarter of 2016 on improvements and implementation modifications, including potential refinements to the eligibility criteria, to the City's Home Ownership Assistance Program to better support the target of 200 affordable/ assisted ownership homes annually developed by non-profit corporations or developers building on public lands, and that the program provide for the repayment of any incentives with appreciation at the time of resale to the open market.

Expanded Planning Supports

13. City Council request the Chief Planner and Executive Director, City Planning report to the Affordable Housing Committee the second quarter of 2016 on the extension of the City's "Gold Star" planning approval process for non-profit and private-sector developers of affordable rental and ownership housing, including details on inter-divisional pre-application co-ordination, a timely inter-divisional application review, and dedicated staff contacts and resources to facilitate approvals.

14. City Council request the Chief Planner and Executive Director, City Planning to include in the annual report on Section 37 and 45 community benefits a description of affordable housing benefits secured.

Improving Affordability

15. City Council request the General Manager, Shelter, Support and Housing Administration, in consultation with the Director, Affordable Housing Office, support the City's Housing Stability Service Planning Framework by setting a target of 500 housing benefits to be provided in new affordable rental buildings developed under the Open Door Program and accessed through the housing portal or programs serving the homeless.

Support from Other Governments

16. City Council urge the Prime Minister and new federal government to introduce funding and tax measures in its 2016 budget to support the creation of affordable housing, including housing allowances, through the Investment in Affordable Housing Program.

17. City Council request the Premier of the Province of Ontario to join the City in providing new funding and financial incentives to support the creation of affordable housing including income-support initiatives, regulatory reform, reduced taxes on affordable housing construction, and providing the City with new inclusionary zoning powers.

18. City Council request the Director, Affordable Housing Office, in consultation with the Chief Planner and Executive Director, City Planning, and the Executive Director, Corporate Finance, to report in the second quarter of 2016 to the Affordable Housing Committee on a formula or template of City contributions and supports to assist non-profit and private sector organizations who wish to develop affordable housing through the Open Door Program.

Origin

(November 19, 2015) Report from the Director, Affordable Housing Office

Summary

This report fulfills the May request of the Executive Committee to report on the Open Door Program recommendations for a range of affordable housing tools and incentives, as proposed by Mayor John Tory and the City's Housing Advocate, Councillor Ana Bailão. The report also responds to a request of the Executive Committee to identify sites and pilot project opportunities for affordable housing.

Creating affordable housing for residents is a powerful contributor to the economic and social well-being of Toronto. Affordable housing enhances the City's national and global competitiveness by providing housing for a diverse workforce and stimulating a full range of construction-related industries. Equally powerful is the contribution to improving communities, the health of people and to Toronto's equity and poverty reduction goals.

The City's Housing Opportunities Toronto - Affordable Housing Action Plan 2010-2020 (HOT) established targets of 1,000 new affordable rental homes and 200 new affordable ownership homes annually or 10,000 affordable rental and 2,000 ownership homes over the Plan's ten years. Funding and support from other orders of government is essential to meet these affordable housing targets.

During the Plan's first five years, the City, often in partnership with the federal and provincial

governments, has assisted non-profit and private sector organizations to build some 2,800 affordable rental homes and more than 700 affordable ownership homes. The government assistance to support the creation of these units included fee exemptions, provision of land, and provision of loans and direct government funding. Using current resources and delivery methods the City will continue to open new homes over the next five years. However, by 2020 a shortfall in meeting the City's targets is projected of 6,000 affordable rental homes and almost 600 affordable ownership homes.

This report outlines an Open Door Program to improve the City's capacity to work with the non-profit and private housing sectors to achieve the City's housing targets over the next five years. It also requests staff to report on the details of implementation on a range of Open Door Program initiatives by May 2016.

Highlights of the recommended actions for Council approval and consideration include:

- Updating the City of Toronto Municipal Housing Facility By-law
- Activating five surplus City sites for the construction of 389 affordable rental and ownership homes
- Releasing an inventory of 17 other City, Waterfront Toronto, and provincially-owned sites with affordable housing potential
- Extending to the private sector City financial incentives for affordable rental housing that are currently limited to non-profit groups
- Updating the Home Ownership Assistance Program to support the creation of 200 affordable ownership homes annually
- Establishing a "Gold Star" Planning initiative for the timely delivery of affordable rental and ownership housing developments
- Setting a target of 500 housing benefits to be provided within new affordable rental buildings developed under the Open Door Program
- Enhancing the City's advocacy to engage the federal and provincial governments to participate in the Open Door Program
- Creating annual accountability, tracking and reporting mechanisms on the outcomes of the Open Door Program

Together the actions above will assist the City to meet affordable rental and ownership housing targets. However, for the City to meet its targets requires the federal and provincial governments to step-up support by providing surplus land, more funding and housing income supports for lower-income residents, new tax incentives and regulatory changes.

This report was prepared in consultation with City Planning, Finance and other relevant City Divisions and Agencies.

Background Information

(November 19, 2015) Report and Appendices 1 to 4 from the Director, Affordable Housing Office on Affordable Housing Open Door Program
<http://www.toronto.ca/legdocs/mmis/2015/ah/bgrd/backgroundfile-85805.pdf>

Communications

(September 28, 2015) E-mail from Joe Deschenes Smith, Trillium Housing (AH.Main.AH4.2.1)

<http://www.toronto.ca/legdocs/mmis/2015/ah/comm/communicationfile-57356.pdf>

(November 25, 2015) E-mail from Danielle Chin, Building Industry and Land Development Association, (BILD) (AH.Supp.AH4.2.2)

<http://www.toronto.ca/legdocs/mmis/2015/ah/comm/communicationfile-57462.pdf>

(November 24, 2015) E-mail from Ene Underwood, Habitat for Humanity (AH.Supp.AH4.2.3)
(<http://www.toronto.ca/legdocs/mmis/2015/ah/comm/communicationfile-57456.pdf>)
(November 24, 2015) Letter from Daryl Chong, President and CEO, Greater Toronto
Apartment Association (AH.New.AH4.2.4)
(<http://www.toronto.ca/legdocs/mmis/2015/ah/comm/communicationfile-57481.pdf>)
(November 26, 2015) Submission from Nick Volk (AH.New.AH4.2.5)
(<http://www.toronto.ca/legdocs/mmis/2015/ah/comm/communicationfile-57460.pdf>)

Speakers

Steve Deveaux, Chairman, Building Industry and Land Development Association
Ene Underwood, CEO, Habitat for Humanity
Joe Deschenes Smith, Principal, Trillium Housing
Heather Tremain, Chief Executive Officer, Options for Homes
Daryl Chong, President and CEO, Greater Toronto Apartment Association
Nick Volk, Habitat for Humanity
Nancy Singer, Executive Director, Kehilla Residential Programme
Harvey Cooper, Managing Director, Ontario Region, Co-operative Housing Federation of
Canada