

Mayor Tory and the City of Toronto Executive Committee

Executive Committee,
Toronto City Hall, 100 Queen Street West
10th Floor, West Tower, Toronto, ON M5H 2N2

Dear Mayor John Tory and Members of the City of Toronto Executive Committee

Re: Development Charges Bylaw Review and Housing Affordability

Trillium Housing believes that the City of Toronto has an opportunity to create additional housing affordability for Torontonians through an innovative approach to the application of Development Charges.

We wish to thank City staff and the Affordable Housing committee for including a recommendation to replace the current HOAP program with a deferral of Development Charges payments for ownership housing developments produced by non-profits in the DC bylaw (Item 2018.EX33.3, Development Charges Bylaw Review).

We highly recommend that a DC deferral provide non-profit housing providers in Toronto the same level of support as provided to Office and Commercial real estate developers under the DC Bylaw open WAIVER for their activities. The difference is that through our innovative financing structures, the DC relief provided to non-profits can be FULLY PAID over time so a Waiver is not required. All DS's will be full paid. Properly structured, the DC account will bear ZERO additional cost through the provision of the DC relief for non-profits and arguably could improve the financial position of the account. Given current DC account balances and the level of activity by non-profits in Toronto's housing market, there is ZERO risk of negative impact on DC account cash flow.

We recommend that the DC relief be provided only for income-eligible home purchasers who would be paying an appropriate amount of their income to housing costs.

By providing non-profits the certainty of DC relief in the bylaw, we will be able to pursue additional affordable housing opportunities with the certainty that the DC costs will NOT be borne by our projects and income-eligible home buyers. The DC's would be paid later when the home purchasers no longer need the housing affordability support. While we have delivered the HOAP funds on behalf of the City, the lack of certainty of their

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Mitchell Kosny Brigitte Witkowski Sharad Kerur Erik Koudstaal Joe Deschênes Smith Richard Owen Fred Heller



availability from project to project inhibits our ability to pursue the development of as much affordable housing as we would like.

But the proof is in the pudding – at Trillium Housing’s project The LOOP (62 town house units) currently under construction here in Toronto, without any City grant funding but with Toronto investment in our Trillium Mortgages, we were able to create a truly mixed-community with our financing provided to over 50% of the purchasers. On average our Trillium Mortgage will save each family over \$400 PER MONTH. The average household income is BELOW the threshold of the Open Door rental grants program.

The team at Trillium Housing has massive experience in the delivery of affordable housing in Canada – we have led organizations like Toronto Community Housing, Metro Housing, MMAH, Woodgreen, ONPHA, HOA, Mainstay Housing, etc. We would be pleased to work with the Affordable Housing Office and City Finance to build an effective DC Deferral program for non-profits that will maximize housing affordability for Torontonians.

Thank you for your support of our housing affordability initiatives and the proposed DC deferral for non-profit housing providers.

Yours,

A handwritten signature in blue ink, appearing to read "Joe Deschênes Smith", with a long horizontal flourish extending to the right.

Joe Deschênes Smith
Principal and Founder,
Trillium Housing

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