

May 27, 2019

Sent via email: [phc@toronto.ca](mailto:phc@toronto.ca)

Planning and Housing Committee  
City of Toronto,  
10<sup>th</sup> floor, West Tower, City Hall  
100 Queen St. West  
Toronto, Ontario M5H 2N2

Dear Chair and Committee members,

## **Re: Agenda item PH 6.2 Inclusionary Zoning Official Plan Policy Directions**

I am writing on behalf of the Advocacy Centre for Tenants Ontario (ACTO) with comments and recommendations with respect to the staff report on inclusionary zoning OP policy directions you will be considering at your May 28<sup>th</sup> meeting. ACTO is a community legal clinic, funded by Legal Aid Ontario, with a province-wide mandate to advance human rights and social justice in housing for low-income Ontarians.

ACTO is greatly encouraged to see the City of Toronto moving forward in developing an inclusionary zoning policy and a bylaw suitable to Toronto's needs. However, we believe that these policies and by-laws should seek to benefit those in greatest need -- low-income and moderate-income tenant households who are financially disadvantaged in the private rental market. Almost half of tenant households in Toronto spend 30% or more of their income on shelter. The greatest need in Toronto is for more purpose-built rental housing stock that is affordable over the long-term.

We share our colleagues' concerns about the unnecessary restrictions that these policy directions place on the development of an effective inclusionary zoning policy. We particularly want to highlight the following recommended changes.

### **1. Focus on affordable rental housing**

The greatest need in the City of Toronto is for affordable rental housing. The current policy directions would require 2.5-5% of rental housing set aside. The Financial Impact Assessment report cited as the basis for this decision states that approximately 18,000 new condominium units and 2,500 new rental units are built each year. Using the proposed set aside rate, up to 125 (5%) of the rental units each year would be affordable. This figure would likely be lower since the policy directions also limit inclusionary zoning requirements based on total number of units.

Such a low number of affordable rental units is inadequate and fails to address the seriousness of the affordable rental housing need. The report finds that projects in several of the 11 areas analyzed remain viable with rental development set-asides of 20% (p.26). Limiting the set-aside at 5% for rental development in all areas is therefore unnecessarily restrictive. We ask that the committee reconsiders the low set-aside for rental housing with the view to increasing it to obtain the greatest number of units possible

Furthermore, we ask that the inclusionary zoning policy directions prioritize providing affordable units for rental tenure, regardless of whether the market development component is in ownership (including condominium) or rental tenure.

## **2. Extending the affordability period from 25 years to perpetuity**

The proposed policy directions limit the affordability period to 25 years. As has been pointed out by many of our advocacy colleagues, this pushes the affordability crisis down to the next generation. ACTO believes the ongoing affordability of all the inclusionary housing units must be ensured. The length of the affordability period is particularly important in cases where the private sector may own and operate the inclusionary housing units. Examples from the United States show that several jurisdictions that started with a limited affordability period moved to longer ones or perpetuity to prevent the loss of affordable units.

We believe the best way to achieve lengthy affordability periods for the purpose-built rental housing is for the City to require that priority be given to ownership by municipal non-profit, private non-profit or co-op housing providers that have a public interest in maintaining the tenure and affordability permanently.

Thank you for attention to our comments and recommendations. Please keep us notified of upcoming Committee and Council meetings on this proposal.

Yours very truly,

**Advocacy Centre for Tenants Ontario**

per:



Kenneth Hale,  
Director of Advocacy and Legal Services