

October 28, 2021

To Planning and Housing Committee Chair and Members,

**Re: PH28.1 Inclusionary Zoning Official Plan Amendment, Zoning By-law Amendment and Draft Implementation Guidelines**

Our city is faced with a critical vote today around Inclusionary Zoning, a policy that has the potential to create thousands of units of affordable rental housing every year without costing the City a dime.

This policy is a long time coming and I have been fighting for years, alongside many across the city, to get regulations like this enacted. Finally, the province has allowed the City to create such a policy, but the current iteration of what is proposed is not bold enough.

The current proposal sets the targets too low, and ramps up affordable housing requirements too slow. The City's requirements wouldn't reach the proposed low level of units until the end of the decade -- 2030. The proposal would also only require developers to include around half the amount of affordable housing the City's studies show could be feasibly required in most areas while still leaving developers a 15% profit margin and landowners 10% more than their land's current value.

Inclusionary Zoning has huge potential to help address our city's housing crisis. It's our responsibility as a government to be brave and use Inclusionary Zoning to its full potential.

We need to ensure the policy achieves some critical outcomes:

- The highest affordable housing requirements that are feasible in each area, while ensuring we also incentivize the creation of affordable rental units that are so desperately needed by low and moderate income residents
- A faster implementation - full implementation by 2026, not 2030.

If we are not more ambitious, we risk losing thousands of potential new affordable homes. I therefore suggest the Planning and Housing Committee put forth the following recommendations:

1. City Council amend policies 13, 15 and 16 in the proposed Official Plan Amendment included as Attachment 1 to this report from the Chief Planner and Executive Director, City Planning, and reflect the same changes in the proposed Zoning By-law Amendment included as Attachment 2 to this report, so that the Official Plan Amendment now reads:  
"13.a)ii. if a purpose-built rental development is proposed, a minimum requirement of 6% of the total new residential gross floor area shall be secured as affordable rental housing;

13.b)ii. if a purpose-built rental development is proposed, a minimum requirement of 3% of the total new residential gross floor area shall be secured as affordable rental housing;

15. The affordable rental housing required in Policy 3.2.1.13 a) i. will increase by 3.5%, b) i. will increase by 1.5%, and c) i. will increase by 0.5% per year beginning January 1, 2023 and until January 1, 2026. Affordable ownership housing requirements will be set at one point four times the affordable rental housing requirements.

16. Beginning January 1, 2022, the minimum affordable rental housing required in Policy 3.2.1.13 a) ii. will increase by 1% per year beginning January 1, 2023 until January 1, 2026”

2. Request the Chief Planner and Executive Director, City Planning to review the policy one year from implementation and assess the maximum number of affordable rental units and affordable ownership units that could be secured and review the percentage of affordable rental and affordable ownership units secured through the policy to ensure that the proposed set aside rates do not unintentionally secure only affordable ownership units.

Thank you,

Councillor Mike Layton  
Ward 11, University-Rosedale

**ATTACHMENT 1**

<b>IZ rates that could be achieved with this amendment</b>					
	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
IZ1 Condo (aff rental)	7%	10.5%	14.0%	17.5%	21%
IZ1 Condo (aff own)	10%	15%	20%	25%	29%
IZ1 Rental	6%	7%	8%	9%	10%
IZ2 Condo (aff rental)	6%	7.5%	9%	10.5%	12%
IZ2 Condo (aff own)	8%	11%	13%	15%	17%
IZ2 Rental	3%	3%	3%	3%	3%
IZ3 Condo (aff rental)	5%	5.5%	6.0%	6.5%	7.0%
IZ3 Condo (aff own)	7%	8%	8%	9%	10%
IZ3 Rental	-	-	-	-	-