

Purpose Built Rental in Toronto



Toronto Executive Committee
Growth-Related Funding Tools

2022 July 12

Purpose Built Rental in Toronto

Chronic Under Production 1980s-current

	Pre-1960	1960s	1970s	1980s	1990s	2000s	2010s	Total
Private	42,419	117,123	93,753	5,107	320	3,139	14,130	275,991
Social	812	546	1,685	6,333	8,364	1,075	985	19,800
TCHC	1,816	10,403	20,649	8,629	4,184	1,065	1,242	47,988
	45,047	128,072	116,087	20,069	12,868	5,279	16,357	343,779

Data: Toronto MLS 2020 Apartment Assessment

Starting to Improve Rental Completions by Year

Toronto Planning Report (2021 June) – Development Pipeline

Table A.3: Completions by Submarket and by Intended Market

Toronto City	Freehold	Condo	Rental	Total	Condo %
2007	1,524	4,690	572	6,786	69%
2008	2,071	10,058	1,321	13,450	75%
2009	2,231	9,322	920	12,473	75%
2010	1,286	10,923	879	13,088	83%
2011	1,449	14,568	804	16,850	86%
2012	1,528	9,961	1,985	13,474	74%
2013	1,735	11,126	1,681	14,542	77%
2014	1,573	7,777	201	9,551	81%
2015	1,368	28,017	1,364	30,749	91%
2016	1,505	13,428	1,090	16,027	84%
2017	1,849	11,507	815	14,171	81%
2018	1,798	11,816	2,472	16,086	73%
2019	1,559	9,724	3,310	14,593	67%
2020	1,247	13,315	2,714	17,276	77%
Avg 10 yrs	1,561	13,124	1,644	16,332	80%
Percentage	10%	80%	10%	100%	

Source: Housing Now publications, Canada Mortgage and Housing Corporation

Toronto Planning Quantifies Shortage

Right Sizing Housing Report

Toronto Planning Profile – 2021 May

- *Within Toronto, 4,114 rental units would need to be built annually in order to fulfill the increase in younger generations' demands in the 35 years between 2016-2051*
- *This number includes 2,549 more rental units annually on top of the 1,565 average annual rental completions*
- *Given that 4,114 or more rental completions per year has only been achieved once in that time period (in 1993), it is very unlikely that this level of rental development could be achieved consistently in the future without expanded policy and program support for the rental housing sector.*

Current Status

- Some positive momentum in the past few years with uptick in production and proposals
- New challenges have emerged that negatively affect project viability – Toronto and CreateTO experiencing the same
 - Increased construction costs
 - Supply chain interruptions
 - Rapidly rising interest rates
 - Financing challenges
- Purpose-built rental has been in chronic undersupply for decades, and it is more difficult now than pre-pandemic

Request

- Interim cost certainty for rental to keep projects alive
 - “*staff recommend that the DC rates for developments with IZ units and purpose-built rental be phased-in as follows: the current level of DCs be maintained for two years following which, the DC rate increase would be phased-in over two years with 50% of the increase coming into effect on May 1, 2025 and the balance on May 1, 2026.*”
- GTAA and our members look forward to discussions with staff and other governments over the coming months to figure out how to get much needed rental built

Today's Market Rental is Tomorrow's Affordable Housing



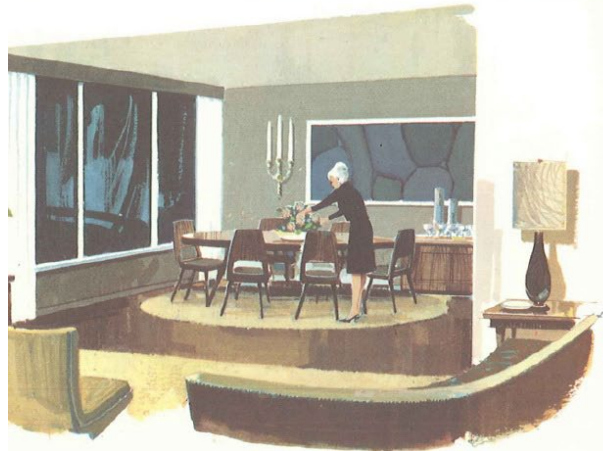
Original Marketing



Need exercise? Let's go for a swim!



Tired?
Relax in a Swedish Sauna Steam Room!



Kitchen: Village Green style



Thornccliffe Park

