

PH35.3. Expanding Housing Options in Neighbourhoods: Multiplex Study - Proposals Report

Submission by Melissa Goldstein, July 5, 2022

Dear members of Toronto City Council,

I've addressed this Committee many times over the past 4 years, always with the goal of preserving and improving housing affordability and improving Torontonians' ability to access secure, safe, and stable housing they can afford in all parts of the city. Today is no different.

When City Planning started this initiative back in 2020, the initial *Expanding Housing Options in Neighbourhoods* report said that their work to "review, consult on and advance additional housing options in Neighbourhoods must address a range of interrelated questions raised to date in public discussion," and then they listed a number of those questions, which included:

- Will efforts to increase the supply of missing middle types result in more affordable living accommodation?
- Will additional planning permissions drive land prices higher?
- Will changing planning permissions help to improve access to opportunity, social equity and economic inclusion?
- Will efforts to increase the supply of missing middle housing allow for more equitable access to homes in Neighbourhoods?
- Will increasing planning permissions in Neighbourhoods aggravate speculation and displacement of long-time Residents?¹

These are critically important questions that should be considered fundamental to an initiative that aims to improve housing access and affordability, and increase equity and diversity. However, instead of working to address these questions, City staff have ignored them.

What I'm asking you to do today is to direct staff to conduct an analysis of the draft Official Plan Amendment to assess its likely and potential impact on:

- **housing supply (in terms of which homes are likely to be redeveloped; the tenure, size and affordability of what will be produced vs what will be demolished),**
- **land prices,**
- **housing affordability,**
- **displacement, and**
- **equity, diversity, and inclusion**

...and make this analysis available to the public as soon as possible so that it can inform public consultations, policy development and decision-making.

The reason for this request is that evidence shows that in cities where single-family home zones have been upzoned to allow small multiplexes, the changes produced very little new housing—we're talking numbers like 60 units a year—and in some cities, like Minneapolis (which implemented zoning changes similar to Toronto's draft OPA), upzoning has functioned to inflate property values in single family home zones, especially the values of the most affordable single family homes and homes in its low-income neighbourhoods, making housing even less affordable than it was before and making it even harder for developers to produce housing that can be rented at affordable rates.² When affordable single-family homes are singled out for redevelopment and replaced with high end units, it is likely that the low/mid income renter households who currently occupy those more affordable properties will be displaced, potentially reducing diversity in the neighbourhood. While it is often assumed that creating multiplexes will result in the addition of more affordable units, single units in duplexes in Vancouver are now selling

¹ Toronto City Planning Division. (2020). [Expanding Housing Options in Neighbourhoods](#). pp.8-9

² [Upzoning Toronto's yellowbelt to improve housing affordability and equity: The case for evidence-based discussion & decision-making](#) (pp. 5-8).

for more than single family homes double the size on similar lots,³ indicating that that assumption should be investigated. In Toronto, where homes created before 2018 and subject to rent control will be redeveloped and replaced with units where there are no restrictions to how much a landlord can raise their tenants' rents each year, the issue of affordability is particularly concerning.

While Toronto Planning staff undertook reviews of similar upzoning initiatives in other North American municipalities (see [page 17-19](#)), they only looked at the features of these initiatives, not the effect they had on land values, housing supply, housing affordability, or equity and diversity.

Evidence-based policy development is important, and we shouldn't be pursuing significant land use planning changes without any idea what the impact might be.

To give you an example of what Toronto could and should be doing, Portland, Oregon, which recently increased the allowable density in its single family home zones, started with a proposed zoning change similar to Minneapolis', but changed it significantly after an [analysis](#) (commissioned by the City) indicated that it would produce only a very small increase in housing supply and would put areas with a higher proportion of low-income residents at even greater risk of displacement. An economic analysis of the revised proposal found it would result in 14 times more housing than the earlier proposal, while only increasing demolition by 8%, which demonstrates the value of this kind of analysis to the policy-development process.⁴ Portland City staff also conducted a Displacement Risk and Mitigation report that looked specifically at the impact this new proposal would have on low-income renters and homeowners in single-dwelling zones.⁵ These analyses informed Portland's public discussion of the intensification of its single family home zones and ultimately contributed to the development of better policies that would be more likely to produce the desired impacts: increasing the housing supply, increasing housing affordability, and improving equity and diversity.

Upzoning efforts have the potential to worsen housing affordability and make the housing that is the most affordable in single family zones more expensive, inaccessible, and precarious. Other municipalities have recognized these risks and have developed their policies to address them, and Toronto should be doing the same. To ensure that this Official Plan Amendment is consistent with the City's housing affordability and equity goals and commitments, including its commitment to the progressive realization of the right to housing, its likely and potential impact on housing supply, land prices, housing affordability, displacement, equity, diversity, and inclusion must be assessed and be used to inform policy development, public consultations, and decision-making.

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³ Condon, P. (2022, February 1). [Vancouver's Big, Promising Step on Affordable Housing](#). The Tyee

⁴ Johnson Economics. (2018). Economic Analysis of Proposed Changes to the Single-Dwelling Zone Development Standards, Memorandum from Johnson Economics, November 2018. In City of Portland, (2020), [Residential Infill Project: An Update to Portland's Single Dwelling Zoning Rules - Volume 3](#) (pp. 3-15).

⁵ City of Portland, (2020), [Residential Infill Project: An Update to Portland's Single Dwelling Zoning Rules - Volume 3](#) (pp. 15-30).