

Perspective on the Rental Housing Roundtable

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Meeting the Urgency of the Moment

Toronto is in a housing crisis. Across all orders of government, across the real estate development industry, and across society, there is now broad agreement. The indicators are clear, and the effects visible. Over the past few years, housing costs have skyrocketed. Figures from the 2021 Census show that nearly a third of Torontonians are living in unaffordable housing defined by a household spending more than 30% of their income on housing.ⁱ Renters disproportionately experience core housing need where households are living in unaffordable, unsuitable, or inadequate conditions.ⁱⁱ And more people than ever in Toronto are unhoused or in precarious living circumstances.

Toronto, in fact, is facing two housing crises – one in which rising rents have made it increasingly unaffordable for middle income earners to live in the city; and a second crisis of a lack of deeply affordable and supportive housing for those people with low incomes, or who are experiencing family, physical, mental health and addiction struggles. These intersecting but separate crises require different policy solutions.

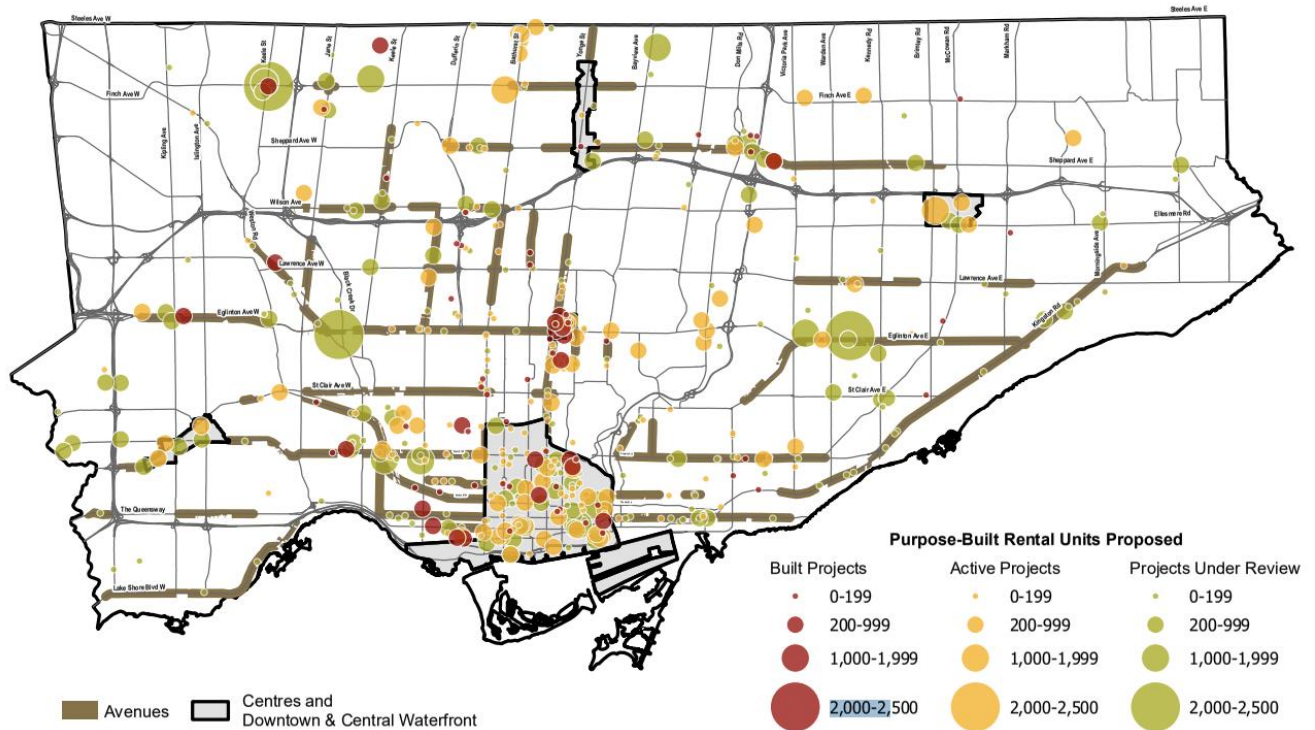
Access to safe, secure, affordable housing for all has been identified by the City of Toronto as a fundamental human right.ⁱⁱⁱ Unaffordable rents and a shortage of deeply affordable supportive housing have a cascading impact on society. It is an urgent issue of equity, dignity and safety for renters who are disproportionately lower income, young people, racialized, people with disabilities, and newcomers to the City as compared to homeowners, and whose wages are not keeping pace with rent increases^{iv}; it impacts on the ability of the City to retain and attract the workforce necessary for a thriving economy; and it threatens the social fabric and family ties of a region if young people can no longer afford to live in the communities where they grew up.

In response to the rental housing affordability challenges, a consensus amongst governments and industry has emphasized a shortage of market and affordable rental housing units in the city, and each order of government has set goals to dramatically increase the supply of housing.^v A key plank of the City of Toronto's HousingTO 2020-2030 Action Plans to protect the existing affordable rental housing stock and dramatically increase the supply of rental housing, with a particular target of approving 40,000 new affordable rental units by 2030, including 18,000 supportive homes. The Province of Ontario has set a goal of 1.5 million new homes to be built over the next ten years, 285,000 of which are designated for the City of Toronto. And the federal government's National Housing Strategy prioritizes the expansion of rental housing supply, with a particular focus on affordable homes. To put the scale of the challenge in perspective, at current prevailing construction rates, building 40,000 affordable homes in Toronto would cost at least \$19.4 billion in capital costs alone.

With Canadian immigration targets set to rise to 500,000 annually by 2025 and a significant share likely to settle in Toronto, there is increased pressure to expand the supply of rental housing to accommodate the current need and the many newcomers. There is also a recognition that more deeply affordable and supportive housing is necessary that will not be

provided by the market sector alone, and will require ongoing public interventions and collaborations between all orders of government with Indigenous, non-profit and private sector housing providers.

Despite the shared intentions of all orders of government, it has been stubbornly difficult to unlock the construction of more rental housing, preserve existing “naturally occurring” affordable units, and expand access to deeply affordable and supportive housing. Turning housing supply targets into completed units at a scale well beyond recent historic levels, in neighbourhoods across the city, and at the prescribed level of affordability has been a challenge. Currently, the development pipeline includes a remarkable 113,005 rental units, with the majority to be built downtown or along major corridors inside the 401 (Figure 1). Yet, over the past five years the City has approved nearly double the number of housing units of all type per year than are actually built annually, leaving the number of new housing units coming online well short of the government goals.^{vi}



Source: Toronto City Planning, *Development Pipeline 2022 Q2*, February 2023.

Against this backdrop and to meet the urgency of the moment, in July of 2022 the City of Toronto established a Housing Opportunities Roundtable to provide input into the 2023 Housing Action Plan. This report serves as an independent companion to the City staff report on the Roundtable. It is intended to assist in informing the discussion on a path forward to spur the construction of more rental and affordable housing amidst the challenging macro conditions. The report first charts the dynamics of the rental housing supply shortage in Toronto, and identifies the diverse challenges that are constraining the construction of new

rental housing. It then reviews four case study rental projects in Toronto to provide insights on how and why seemingly viable rental housing projects stall or are cancelled. It concludes with recommendations for the City of Toronto and all orders of government.

A key takeaway from the report is that a cross-government approach that works in concert with Indigenous, non-profit and private sector parties is necessary to both reduce the costs of building housing and increase the pool of resources available to tackle the massive rental housing and affordable housing backlog. At the same time, policy to encourage the development of new market and affordable rental homes entails inherent tensions and trade-offs to navigate the diverse interests at play, and that the best of policy must be matched by intentional, rigorous implementation.

Understanding the Rental Housing Supply Shortage

The seeds of the supply shortage of market and affordable rental housing in Toronto are decades in the making, and stems mostly from federal government programs favouring homeownership over rental housing. Until the mid-1970s, the federal tax code provided indirect incentives via the tax code to support purpose-built rental, and in 1984 the federal government ended its rental subsidy program, the Canada Rental Supply Plan. Exacerbating this shortage currently is the growth of demand: with the growing unaffordability of homeownership, would-be homeowners are crowding into the rental market. This market segment is thus younger and less affluent, creating new demand for moderate- and middle-income rental housing.

In Toronto, the vast majority (79%) of all rental housing is in privately owned buildings, compared with 15% in Toronto Community Housing (TCH) and 6% in other forms of social housing.^{vii} Much of the purpose built private and publicly owned rental housing stock in the City of Toronto was built in the 1960s and 1970s.^{viii} Beginning in the 1970s, the federal government also introduced a succession of programs to support the development of co-op housing, where each resident is a member rather than a tenant, which led to the construction of tens of thousands of co-op homes across the country through to the early 1990s.^{ix} Today this aging stock of private, co-op and public purpose built rental housing is the largest supply of affordable housing in the city, and increasingly requires expensive maintenance and repairs.

Beginning in the 1980s and into the 1990s, the construction of purpose built rental housing and co-operatives declined sharply, while population and demand for rental and other affordable housing options continued to grow. This coincided with a period of retrenchment for CMHC where there was less direct federal investment in housing and a greater reliance on the private market, as well as the downloading of affordable social housing provision to municipalities.^x

During this time, condominium construction took off in the City of Toronto. Over the past 20 years, 89% of all apartment construction have been condos, with 119,123 units completed between 2010 and 2018 alone.^{xi} According to a 2023 Statistics Canada report, over a third of condominiums in Toronto are owned by investors, including around 50% of the newer units built between 2016 and 2020.^{xii} Many of these condos are put up for rent. While purpose built

rental units continue to make up the largest share of all rental housing in Greater Toronto, condominiums have effectively become the biggest and most desirable supply of new rental housing stock in the city.^{xiii} A City-commissioned data analysis in 2018 found that 46% of all rental listings were condos, the largest share of any type of rental housing in the city.

The ‘condoization’ of the rental market has had significant implications for renters, and on the economic and spatial restructuring of the city. Condo development and subsequent rentals are primarily high rise apartments located in prime downtown, waterfront and at key transit oriented nodes spread throughout the city. Condo rentals tend to be in newer buildings and command higher rents and have lower vacancy rates than units in purpose built rentals which tend to be older in older buildings.^{xiv}

By comparison, the aging stock of purpose built rentals have become the largest supply of what are known as ‘naturally occurring affordable housing options,’ older mid-rise apartments along suburban arterial roads and high rise concrete-slab apartment buildings spread throughout the city. Toronto lost an estimated 73,091 of these units from 2016 to 2021.^{xv} As housing prices and rents have risen across the city, this housing stock is increasingly targeted for intensification and redevelopment, which can increase the overall number of housing units but risks gentrification and displacement of lower income renters in the absence of strong rental replacement and return policies.

Despite the rapid growth in condo rentals in Toronto, all orders of government continue to promote the importance of protecting the existing rental housing stock and growing a healthy supply of purpose built rentals, primarily because they generally provide greater security of tenure as compared to condo rentals. In the City of Toronto, there has been an uptick in purpose built rental starts, which now make up 16% of all new construction, but this is still a small fraction of the overall residential construction market.^{xvi} At the same time, while there is growing recent interest in non-profit, co-operative housing and community land trust models, there has been a significant underdevelopment of all forms of affordable, non-market and supportive housing over the past thirty years, leaving those most vulnerable at risk of housing precarity.

Identifying the Challenges

The challenges with unlocking the construction of more market and affordable purpose built rental housing in Toronto are broad and deep, touching on all orders of government alongside market and industry issues.

It is worth mentioning the larger context for this discussion. There is a lively discussion about how to spur market-rate purpose-built rental in Toronto, with an implicit assumption that this additional supply will help alleviate the lack of deep affordability as well. Yet, historically, the reason we avoided both housing crises was because of intentional government action on the federal level to support both market-rate, co-operatives, and affordable rental. This history is important. Underlying all the challenges is the inability to align policy and funding programs

across all orders of government to address the dual rental affordability crisis. This then is key to the solution as well.

From a business perspective, purpose built rental developments are – given the withdrawal of significant federal support – long-term investments that require large amounts of upfront patient capital that is only recouped over the long run as rents are collected. While pension funds and other institutional investors that have a long-term outlook are increasingly attracted to market based purpose built rental housing as an asset class, thin returns have challenged financial viability and meant that the major expansion in new construction has yet to materialize in Toronto. Non-profit developers, co-operatives and land trust projects face even greater challenges to making their projects viable. Even where federal funding is now available, non-profit housing projects often need to cobble together funding from multiple government, private and philanthropic sources, which can be difficult to navigate and time consuming to arrange. Non-profit and non-market housing developments can also struggle with gaining access to the expertise and professional networks to carry out complex affordable housing projects

Rental housing developers of all types are particularly attuned to issues of unit absorption, phasing for large sites, and when to bring projects to market. Residential construction has not seen major gains in productivity at scale over the years to significantly speed up or reduce the costs of building multi-unit housing.^{xvii} Skilled trade and broader workforce shortages have been a further challenge to scaling up home construction, and the sector is making efforts but continues to struggle to attract women and racialized workers.^{xviii}

The current market conditions are particularly vulnerable to a slowdown, rather than an acceleration of rental housing starts. Housing construction costs have skyrocketed, rising by 25% in the past year alone in Toronto, fueled by labour and material shortages.^{xix} And higher interest rates that have risen to 4.5% over the past year pose a particular threat to the financial viability of purpose built rental projects, because of the need for the project developer to finance the entire capital cost of the project up front without any revenue to offset their costs. In a context where the majority of purpose built rental projects are owned and developed by the private sector, developers will only proceed with projects when they meet profit targets.

Public policy has also struggled to support the retention of the existing stock and development of new purpose built rental housing. Obtaining permit approvals in Toronto is a lengthy process. An analysis by Altus found that Toronto has among the lowest number of planners as a share of the total municipal workforce and nearly the longest building permit approval times in the region. On average it took 32 months to obtain approvals in the City of Toronto, compared with the regional average of 21 months. Development charges and other municipal fees have risen far faster than property taxes on existing residential units, and now account for 15% of the total construction cost on a high rise rental project in the City of Toronto according to CMHC.^{xx} While this funding source is critical to support infrastructure development that enables growth, the City of Toronto has amassed a large reserve of development charge revenues, incorporated into its infrastructure funds. Harmonized Sales Taxes on large market rate, multi-unit purpose built

rental construction projects accounts for a further 7% of the total budget, according to a detailed pro-forma produced by the real estate firm Finnegan Marshal.^{xxi}

The typical development in Toronto requires between 10-20 studies as part of the approval process, some of which are on the structural and design aspects of the building itself while others relate to noise, vibration, shadows, parking, traffic, erosion hazards, loading and lighting. Taken together, Altus estimates that in Greater Toronto a 6 month delay in the approval process adds between \$16,000 to \$20,000 to the cost of a high rise unit, which must be factored into the rent.^{xxii} The City of Toronto developed the Open Door program in 2016 to remove some of the procedural and financial barriers to building affordable housing, by fast tracking permit applications, waving fees, and in some cases providing direct investment for affordable housing projects by non-profit and for profit developers. The City has also introduced the Multi-Unit Residential Acquisition program to fund approved non-profits and Indigenous organizations to purchase and renovate existing private rental buildings. For its part, the province's sweeping Bill 23 is intended to unleash the private market by reducing regulatory barriers to housing construction. However Bill 23 has introduced uncertainty for municipalities and communities, and the empowering of the province to impose limits or revisions to the rental replacement policies in particular could challenge the viability to maintain affordable rental units when redevelopments take place.

Access to land is another issue at play. The City of Toronto and its agencies, boards and commissions own a vast portfolio of underutilized land – Green P surface parking lots, parking lots and air rights above low rise libraries, recreation centres, transit stations and fire stations. Similarly, private developers that own tower in the park style high rises often have considerable infill development possibilities at the foot of their own buildings. The provincial and federal governments also hold significant underused real estate in Toronto. And major shopping mall and large format retailers, as well as some non-profits that have been in their buildings for decades, own sites that could be redeveloped as mixed use properties with tens of thousands of housing units. The challenge has been to unlock these public, private and non-profit sites at scale and encourage the development of purpose built rental, and in particular affordable housing. The City's Housing Now program is aimed at achieving this goal on publicly owned lands. However the program's roll out has been modest with an initial focus on only 20 sites, and delays have led to rising costs that challenge the financial viability of some of the projects.

Federal loan programs as part of the National Housing Strategy have been initiated to support purpose built rental projects that include targeted measure of affordability. These programs have played a role in spurring a rise in the construction of purpose built rental housing, as well as the targeted Rapid Housing Initiative investment in housing for the most vulnerable people.^{xxiii} However, each program has its own eligibility criteria, and the affordability targets to qualify for funding in some National Housing Strategy programs like the flagship Rental Construction Finance Initiative loan program are modest, and will not create units that are deeply affordable to support the most vulnerable in the most expensive markets like Toronto.^{xxiv}

Taken together, building purpose built rental projects, particularly deeply affordable housing projects, is like putting together a jigsaw puzzle, with each project moving through a complex and lengthy approvals process and cobbling together the funding in increasingly uncertain times.

The Viability of Rental Housing Projects

So why is it so difficult to get purpose built rental, and affordable housing projects built in Toronto? For purpose built rental and affordable housing projects, the financial viability is increasingly tight and the process complex, time consuming and expensive.

Even with land costs excluded, either because it is publicly owned and provided at no cost or an infill on an existing legacy property owned by a developer, the economics are still exceedingly tight. Four recent examples illustrate the current struggles with the financial feasibility of purpose built rental projects across Toronto's diverse neighbourhoods.

In the downtown core at the corner of Jarvis Street and Dundas Street, Toronto Metropolitan University had plans since 2018 to redevelop a surface parking lot into a mixed use institutional and student residence building. The mixed use project stood to be a 13 story institutional space with classrooms and research labs, with a further 29 stories of student residences up above. The project is in an area where there has been extensive high rise development and it had vocal support from the local councillor and students. Student residences are important pieces of social infrastructure because universities are major land holders and providing student housing can relieve pressure on neighbouring rental housing supply. However, in July of 2022, TMU announced that it was scaling back and removing the residential component from the project, which it said had risen in cost by 75% since 2020.^{xxv} If this decision ultimately stands it will represent a missed opportunity to use the additional air space for productive use above a university building, a key civic institution.^{xxvi} It also reflects the limits of the institutional setting where the city has no powers to compel a developer to build taller than their desired height, and the province does not fund or take an active role in planning for student housing.

In the east end of Toronto, a proposed non-profit co-op project highlights the high costs of delayed and unpredictable approvals. An experienced non-profit affordable housing developer purchased a site in 2019 on a main avenue with the intent to redevelop it as a mid-rise affordable co-op housing building with 33 units. The previous owner, a co-op operator, had attempted for 3 years to gain approvals to redevelop the site but could not line up the City permits and CMHC funding. Under the current owner, applications for site plan approval with the City stretched over an additional three year period. The consequences of the lengthy approval process was that the cost of the project went up by a reported 30%, interest rates rose by 150 basis points, and the organization struggled to line up its funding from various sources including the Open Door program and CMHC. Financially, the organization says this translates into around an extra \$3 million in construction cost to deliver the exact same building, plus a greater amount of equity to offset the interest rates hike. Taken together, the delays have threatened the viability of the project.

Finally, two projects in Scarborough that made media headlines highlight the burden of rising costs on rental and non-market supportive housing projects. In the case of the Thunder Women’s Healing Lodge, the non-profit leading the development of Ontario’s first healing lodge for incarcerated Indigenous women was close to cancelling the project because of rising costs. The organization had already successfully raised \$20 million, but rising costs put the project in peril. The organization value engineered the building to save costs and raised additional funds from the City of Toronto and Indigenous organizations, but a shortfall of \$2 million remained. As of Fall, 2022, the project’s primary funder, CMHC, had not committed to providing the additional funding, and the project was in jeopardy of being cancelled.^{xxvii} Similarly, rising costs have threatened the financial viability of a pair of apartment buildings in Malvern on a former United Church site that would create 317 rental housing units including a mix of average market rate, affordable and deeply affordable homes. The project led by a non profit that has long roots in the area received over \$17 million in direct investment, fee and tax exemptions for the project through the City’s Open Door program in 2021.^{xxviii} However the project leaders said in the Fall of 2022 that the project cannot proceed because the financial numbers no longer work – the interest rate increases alone added \$600,000 to the annual cost of the project. The organization and the City have been in discussions with CMHC about providing additional financial support to offset the difficult construction environment.^{xxix}

As illustrated, rental projects of all types in Toronto are currently on precarious financial footing. If affordable rental housing projects facing inflationary pressures are to proceed, there are two paths forward: cut costs or raise additional revenues. Neither of these are easy or palatable options. Dialogue and collaborative efforts between all orders of government and rental housing providers are especially necessary to develop rapid response programs to enable projects to continue.

The Implicit Tensions in Housing Policy

There are ever present tensions and contradictions when it comes to getting more rental housing built faster, especially purpose built and affordable rental housing. Every action has an equal and opposite reaction.

Policy Action	Reaction/Implication	Solution
Waive development charges and property taxes on purpose built rental developments to lower total costs to the developer.	Reduce municipal revenues that are used to fund critical infrastructure, while there are no guarantees that the savings from any fees that are waived will be passed on in the form of lower rents.	Not only mandate affordable rents when waiving DC as in Bill 23, but couple with increased density to increase revenue potential

Policy Action	Reaction/Implication	Solution
Make rental housing projects more financially viable by adding density as of right or remove parking minimums as the City did in 2021	Face strong opposition from neighbours about increased density and lack of parking	Always couple increased density with affordability; Allow unbundled parking for renters to incentivize alternatives to auto ownership ^{xxx}
Remove HST/GST from purpose built rental housing projects to make them more financially viable	Reduce federal and provincial revenues with no guarantee that the savings will be passed on to tenants ^{xxxi} , while subsidizing housing projects that are likely to benefit middle income earners rather than the most vulnerable.	Mandate affordable rents when removing HST/GST
Implement measures to encourage greater speed, flexibility, predictability, and coordination in the way that the City processes rental housing applications	Elicit responses about chronic understaffing and a complex planning system overwhelmed by the volume of applications.	Simplify planning regulations to streamline approvals, and offer faster service for a fee and for priority types of projects.
Make City requests to senior orders of government for permanent and predictable financial support to fund purpose built and affordable rental housing	Receive intergovernmental feedback that the City of Toronto is not doing everything it can, by keeping property tax rates below the regional average, accumulating large development charge reserves, and showing resistance to infill intensification in large swaths of the city.	Foster better understanding of the conditions that have historically encouraged PRB, i.e., federal tax incentives and supply programs.
Introduce policies to encourage the infill redevelopment of aging small apartment buildings, which can create hundreds of new rental units on the same site.	Displacing tenants from their homes to enable intensification is disruptive for existing tenants and often vigorously opposed, even when plans are in place to provide a right of return at the same rent.	Design more flexible right-to-return (Section 111) policies, e.g. allowing off-site relocation in certain circumstances, and explore additional density to add revenue.
Pass strict federal regulations prohibiting foreign investments in the housing	Receive claims from some purpose built rental developers that their projects are stalled because they	Ask federal government to use tools such as the

Policy Action	Reaction/Implication	Solution
market to try and make homes more affordable for Canadians	have lost access to their primary source of international investment capital. ^{xxxii}	secondary home transfer tax to target multi-home buyers rather than immigrants and developers
Identify the need for construction innovation in a sector where there has been little perceptible efficiency gains in the time or cost of building housing units over decades	Face industry pushback about labour shortages and overregulation as the actual cause of lengthy and expensive residential construction.	Support pilots in innovative techniques such as prefab and mass timber, while also helping to build labour pipeline starting with apprenticeships
Ensure that rental projects are built across the city, particularly in the east and west.	Encounter market dynamics that encourage building downtown.	Level the playing field through tools like DC discounts.
Provide city-level incentives to make rental development more financially viable. .	Face reality that municipalities have jurisdiction over some of the tools and a limited amount of the resources to increase rental housing development, particularly affordable housing.	Create a cross-government approach that aligns policy and funding tools to incentivize the construction of rental housing, especially affordable housing.

Acknowledging these tensions transparently is important, as it is an explicit recognition that there are no easy answers to the rental housing crisis that Toronto faces. Any changes to the existing status quo may improve conditions for some but are likely to leave one stakeholder or another worse off than their current position. Nevertheless, change is necessary to meet the urgency of the moment. Below we outline a set of recommendations that will have the greatest impact in expanding and accelerating the construction of rental housing in the City of Toronto, recognizing that to be effective policy must be translated into effective implementation.

Recommendations

This section offers seven broad principles to unlock the rental housing market. Under each, we list what we believe are the highest priority actions for stakeholders to take.

1. **Recognize that there are two rental affordability crises – workforce and low-income – with similar causes but different implications for action.** Increasing market-rate rental supply will help to alleviate the rental crisis for middle-income households, but

intentional government action in the form of subsidies for households or units is required to serve a wide spectrum of residents from moderate-income to the homeless.

- a. Support the vital nonprofit sector role in providing deep affordability.
- b. Optimize and coordinate funding for homelessness across agencies.
- c. Support the purchase of existing affordable rental buildings through MURA and other mechanisms.

2. Align efforts across levels of government and collaborate to achieve goals. Historically, Canada produced purpose-built rental housing at scale via federal tax subsidies and the Canada Rental Supply Plan. It will not be possible for the City of Toronto to achieve scale alone, without supportive programs like these at the provincial and federal level.

- a. City to study the housing supply, development viability and budgetary implications of providing development charge and other municipal fee relief for for-profit purpose built rental projects that secure a share of affordable housing units, beyond what is already contained in the Open Door and Housing Now programs.
- b. Tweak the Co-Investment Fund and Rental Construction Financing Initiative to work better in the Toronto context.
- c. Streamline access to Canadian Infrastructure Bank funding to support community infrastructure and green affordable housing retrofits.
- d. Provide a CMHC mortgage product that is below Bank of Canada rates, which could be achieved by buying down rates being offered through affordable housing funds created by banks and credit unions.
- e. Pass new provincial legislation that enables rental-only zoning tool, as in Vancouver.
- f. Work across agencies to help build the pipeline into the construction workforce.
- g. Waive HST/GST on new affordable rental and defer HST/GST on market rental units (re-payable after first 10 years).
- h. Provide deeper subsidies for affordable rental in provincial and federal housing programs to help Toronto's nonprofit sector.
- i. Study the reasons why nearly half of all residential units approved annually on average over the past five years were not built, and examine the trade-offs of a 'use it or lose it' policy to incentivize developers to construct the units that have been approved.

3. Revisit planning regulations and policies to identify areas for streamlining and flexibility. Despite Toronto's efforts to accelerate the development pipeline (e.g., the *End-to-End Review of the Development Review Process* report commissioned from KPMG in 2019), approval processes remain burdensome and slow.

- a. Evaluate implementation of the Concept to Keys initiative and refine streamlining reforms as necessary
- b. Identify opportunities to streamline environmental and heritage regulations that are sometimes used to slow development, and build consensus around more effective approaches.

- c. Continue to implement rental replacement (Section 111) but with increased flexibility (e.g., off-site replacement within a certain radius) for developers building significant numbers of new rental units.
4. **Level geographic playing field to incentivize infill across all of Toronto's neighbourhoods.** New rental development is overly concentrated in downtown and along major corridors due to issues of financial feasibility. This creates a mismatch with existing infrastructure, overburdening some areas.
 - a. Assign different levels of incentives (additional density, fee waivers, permit streamlining) to different neighbourhoods across Toronto.
 - b. Assign purpose-built rental targets (both affordable and market-rate) to different neighbourhoods, with rewards (e.g., new funds for capital investments) to council districts that achieve targets.
 5. **Connect any developer incentives to long-term affordability benefits.** In recent decades, Toronto has often allowed developers to build at high densities without requiring anything in return for the windfall. The crisis means a shift in business-as-usual, to couple affordability with any new residential development.
 - a. Consider additional density, as appropriate, and fee waivers that correlate to the years of affordability guaranteed (25, 40, or 99).
 6. **Identify developable public lands (City, Province, Federal) and prioritize affordable rental housing production.** Land already in public hands presents an unparalleled opportunity for affordable rental construction, making affordability more viable.
 7. **Commit significant funding to effective initiatives.** It will not be possible to alleviate the rental affordability crisis for Toronto's households of moderate means and below without significant funding, comparable to 20th century levels.
 - a. Consider issuing a social housing bond for the City of Toronto.
 - b. Replicate British Columbia's \$500 million Rental Protection Fund to preserve existing affordable housing via Toronto's MURA program.
 - c. Encourage impact investors to create Social Purpose Real Estate Funds to support non-profit, co-op and community land trust housing projects.

ⁱ <https://www150.statcan.gc.ca/n1/daily-quotidien/220921/dq220921b-eng.htm>

ⁱⁱ https://www.torontomu.ca/content/dam/centre-urban-research-land-development/CUR_Quantifying_Lower_and_Moderate-Income_Households_in_Housing_Need_GTA_Feb._27_2023.pdf

ⁱⁱⁱ <https://www.toronto.ca/wp-content/uploads/2022/02/948f-Toronto-Housing-Charter-2020.pdf>

^{iv} <https://www.ohrc.on.ca/en/right-home-report-consultation-human-rights-and-rental-housing-ontario/housing-human-right>

^v There is a vigorous debate about the role that various demand factors such as stagnating wages, housing speculation, and foreign investors are having on rental housing availability and affordability, though these are not the focus of this paper.

^{vi} <https://www.toronto.ca/legdocs/mmis/2023/ph/bgrd/backgroundfile-234518.pdf>

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