



**MORE NEIGHBOURS
TORONTO**

Dear Members of the Executive Committee,

RE: EX9.3 Generational Transformation of Toronto's Housing System to Urgently Build More Affordable Homes

About More Neighbours Toronto

[More Neighbours Toronto](#) is a volunteer-only organization of housing advocates that believe in building more multi-family homes of all kinds for those who dream of building their lives in Toronto. We advocate for reforms to increase our city's ability to build more homes in every neighbourhood. We are a big-tent organization with members across the political spectrum who are committed to counterbalancing the anti-housing agenda that has dominated Toronto's politics, created an affordability crisis, and cost burdened a new generation of aspiring residents. We are firmly committed to the principle that housing is a human right and believe Toronto should be inclusive and welcoming to all.

Position

More Neighbours Toronto supports EX9.3 to transform the housing system and build more affordable homes. The City's goal of 65,000 affordable and rent-controlled homes by 2030, including 6500 rent-gear-to-income, is an ambitious one. It will take bold action, realistic cost estimates, and significant intergovernmental cooperation for predictable funding. We are pleased to see this plan lay out these steps.

Council must prioritize affordable housing by ensuring that this plan does not include veto points where housing can be significantly delayed or denied by other agendas.

We will therefore highlight several key elements of the plan and make some suggestions for amendments. The measures related to streamlining, rezoning, and tools to limit appeals suggest that the City has learned some important lessons from Housing Now. We encourage the City to think more broadly about how timelines, fees and other requirements influence the financial viability of new housing and make changes to its processes so that all types of housing can be expedited and Toronto achieves or exceeds its minimum target of 285,000 new market and non-market homes by 2031.

1. Start rezoning as soon as possible

Figures 2 and 3 of the report provide an outline of the steps to get sites through approvals, funded and built. However "Planning Applications (incl. rezoning and site plans)" is just in one large arrow along the bottom. This is presumably because rezoning is a long process that will run concurrently with some other steps. However, rezoning provides certainty for later steps.

The City should initiate rezoning prior to issuing RFPs on City-led sites in order to have a fair and transparent process. In the first phases of Housing Now, the City

received bids on sites, awarded them and then found that the plans weren't viable under existing conditions and rezoned. Not only did this add to the timelines, but you had to proceed with the partners that you had committed to with plans that didn't match their bids. This means that there will not be a good opportunity to evaluate your selection process against the initial criteria. Councillors who have not heard it should review [the deputation of Eric Cohen](#) on PH3.6, where he relates the challenges of submitting bids to the City as a non-profit developer.

One advantage of the newly identified sites where the City will act as a public builder is that you can begin the rezoning early. We encourage the City to **be ambitious in its rezonings**, looking at the heights and densities of nearby private developments and at the financial feasibility. In addition, **EX9.3 is a plan for a generational transformation and rezonings must therefore be forward-looking**. You should imagine what the city and community will look like in a generation when deciding on heights and densities.

More Neighbours Toronto also supports the request to the province to limit third-party appeals for affordable housing projects. We support the **use of tools like the Community Infrastructure and Housing Accelerator (CIHA)** ([previous submission on PH7.8](#)). Of course, these tools are subject to provincial timelines and decisions so, in the long run, the City should aim to zone land permissively, such that affordable housing is viable without relying on Ministerial approvals.

2. Consultations that prioritize housing

It is important to note that both this report and the framework suggested for the use of a CIHA still require public consultation. We encourage the City to adopt an approach similar to that used for the final consultation for 140 Merton St and that recommended by [Jay Pitter on The Agenda](#): denser housing is coming to the neighbourhood and **consultation is a chance for input on what that should look like, not whether it should happen**.

The height and density are closely linked to the affordability level and the number of homes. Council repeatedly says that housing is a top priority and a human right. This must be demonstrated in the approach to consultations, making clear to participants up front that Council is prioritizing housing: input and concerns on construction staging, site plan and community needs are welcome, but discussion of how many homes there will be is not.

3. Save affordable rentals by growing the whole city

More Neighbours Toronto supports the efforts outlined in this report to preserve existing affordable housing. The City must consider how its current approach to urban growth centres, combined with preservation and limited growth in most Neighbourhoods, runs counter to this goal. **The main places where new apartments are allowed in Toronto are places where apartments already exist, as well as some areas of the downtown core with existing rooming houses.**

Recent moves by the City to legalize rooming houses across Toronto and to permit multiplexes as-of-right in Neighbourhoods are important steps to addressing this, but do not go far enough. **The City should re-examine its decision to make rooming houses the only housing form in Toronto subject to minimum parking requirements.** Although applicants can seek a variance at the Committee of Adjustment, this adds costs and delays, as well as providing opportunities for neighbours to weigh in on what will typically be low-income housing, often with harmful stereotypes or discrimination. That the City only requires this process to exempt rooming houses from parking standards goes against its own equity goals.

The upcoming City Planning studies through the Housing Action Plan remain an important piece for allowing new housing in more areas of Toronto, but the updated timelines in this report suggest that **several items are already delayed relative to the original timelines from March.** This includes several items estimated to have “high” housing potential and equity implications. The final report on Major Streets, initially scheduled for Q4 2023 is now due Q2 2024. As-of-right midrise on avenues was scheduled for completion in Q4 2023 and now is Q1 2024. Expanding mixed-use areas was Q1 2024 and is now scheduled for Q1 2025. We strongly encourage the City to ensure that the Planning department is appropriately staffed and that the highest impact items are prioritized.

4. Socialize the costs of social programs

It is good to see the City encourage the Federal and Provincial governments to fund affordable housing from general revenues and we hope to see the City follow. Despite lamenting the downloading of social program costs onto the City by the Provincial and Federal governments, the City has itself eagerly embraced the downloading of costs onto new residents through development and community benefits charges. Despite the frequently repeated “growth pays for growth” refrain, development charges from new housing (including affordable housing) were used to pay for other affordable housing while property taxes were lowered in real terms. **Social housing should not be the disproportionate responsibility of new residents but of society as a whole.** (See [our previous submission](#) on the Updated Long Term Financial Plan for a more detailed explanation of the problems with the “growth pays for growth” model, which treats new residents as a burden to be managed and for which existing residents should be compensated, rather than seeing new residents as valuable community members).

As identified in this report, predictable funding for operating is important in order to avoid the maintenance issues that Toronto Community Housing Corporation has faced. We support the mixed-income housing model in this report and the aim to negotiate a long-term funding framework with other levels of government. We also support the use of a public builder to negotiate low-cost financing with CMHC, which should expedite the process when done for multiple sites and provide greater overall certainty about financing.

Finally, regarding recommendation 19 k about time limits on planning approvals, More Neighbours Toronto feels that this is likely to have unintended consequences. The fact that the City's own Housing Now program failed to start projects on time is an indication that development under the current planning system and financial constraints is unpredictable. The City should aim to increase predictability, not add to it by granting and then reverting land use permissions. If housing was needed and a site was deemed acceptable for rezoning by City Planning, that remains true even if the housing goes unbuilt. **We instead recommend amending item 19 k so that City Council requests the Government of Ontario implement a land value tax, or gives the City of Toronto the power to do so.** A land value tax is a better way to capture the losses from bad actors and poor land use in the city. (More detail in [previous submission on EX7.1](#))

5. Learn lessons to expedite all types of housing

This report is full of good ideas to help the City navigate funding challenges and the planning requirements of both itself and the province on sites where the City owns the land or is a partner. **Many of these ideas would also expedite and lower costs for market housing.** For example, if the new Development and Growth Services division is successful at quickly reviewing and approving applications, it should be expanded to apply this process for all applicants. Similarly, More Neighbours Toronto supports the outlined technology changes to improve the speed and accuracy of application submissions, review and commenting. Making data available to the public could also be useful for identifying what is or isn't working.

This report also estimates costs for affordable housing in the billions of dollars per year when the land is provided for free; development charges, parkland dedication, HST, building permit and application fees are waived; and tools are used to expedite rezonings and avoid lengthy, costly appeals. **This gives a conservative estimate of the true costs of building affordable housing that should be taken into consideration when developing an Inclusionary Zoning (IZ) or other affordable housing policy.** As explained by staff and in the third-party report when the IZ by-law was passed, affordable housing costs that are not appropriately offset by fee waivers, density bonuses or other measures will delay housing as developers wait for land values to rise. Delaying housing is not good policy during a housing shortage and does not result in more affordable homes.

The City should use this opportunity to learn about the barriers and costs in the housing market and aim to reduce them in areas where they have control, rather than attempting to exploit the shortage to capture rising land values.

In summary, we are pleased to see this ambitious but realistic plan brought forward. Please pass this plan with the suggested amendments.

Regards,
Colleen Bailey,
More Neighbours Toronto