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Planning & Housing Committee
City of Toronto
100 Queen Street West
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RE : PH3.6 - Housing Now Initiative - 2023 Progress Update

Chair & Members of the Planning & Housing Committee,

Volunteers from our **HousingNowTO.com** civic-tech and open-data project have reviewed the report from the Executive Director, Housing Secretariat on the problems and challenges that have hampered the City's Housing Now initiative since it was first announced – more than 4-years ago - in December 2018.

The unexpected COVID impacts on supply-chain and construction costs have made the viability-numbers and affordable-rental targets on all twenty-one (21) transit-oriented sites very difficult to accomplish. In addition, the rapid climb of Bank of Canada and CMHC interest-rates on construction-loans above 2% have seriously impacted the baseline financial assumptions that were used to validate the Phase-1 sites before they went out to RFP in 2019 & 2020.

However, it would be unreasonable to lay all of the blame for the City's failure to break-ground on any of the Phase-1 sites over the last 4-year solely upon the fickle nature of the financial markets and an unanticipated global pandemic. In August 2019 – in the first few months of the Housing Now program, the Globe and Mail reported – ***“As the city of Toronto moves ahead with plans to develop affordable housing on 11 city-owned land parcels, a group of local activists is warning that three of the four initial site proposals are not dense enough to make financial sense and risk never being built.”***

- LINK - <https://www.theglobeandmail.com/real-estate/article-grassroots-group-pushes-for-more-density-to-tackle-torontos/>

Just a month later – in September 2019, the Toronto Star asked the question – ***“Are the City of Toronto's Housing Now plans for Scarborough too small? More density is needed to ensure 99-year term, says a group criticizing Mayor John Tory's Housing Now affordable housing initiative.”***

- LINK - <https://www.thestar.com/news/gta/2019/09/05/are-the-city-of-torontos-housing-now-plans-for-scarborough-too-small.html>

The original eleven (11) Housing Now sites in Phase 1 were all unreasonably burdened with dogmatic deference to legacy neighbourhood based City Planning policy and practices that treated the actual successful delivery of new affordable rental housing units in new housing developments as an afterthought, as a “nice to have”, as a generally low-priority within the myriad of overlapping and conflicting City Planning policies and guidelines that exist within City Hall – and that are uniquely interpreted in each individual Community Council district.

Our volunteers have successfully worked over the last 4-years to encourage the City to increase the proposed height and density on all of your proposed Housing Now sites – and to improve financial viability of the individual projects by reducing (or removing) parking-minimums, relaxing heritage, shadow policy and urban design constraints on individual sites. On average the height and density on Phase 1 sites has been increased by 30-40%.

On one specific Phase 1 Housing Now site the City's original December 2018 plan for a 7-storey building with just 70 units of total housing – is now planned to be 3 ½ times denser as a 25-storey / 240 unit building above a brand-new Eglinton Crosstown LRT station.

If Toronto Council wants to achieve your 2030 affordable housing targets within this decade – then we would encourage you all to focus your attention on the three (3) questions below that are core to determining the success or failure of every new proposed affordable housing development in Toronto -



Real-World Affordable-Housing



Three-Questions

1. *Does it Pencil..?*
2. *Does it Scale..?*
3. *How can we Speed-Up the Delivery..?*

Our volunteers have also been incredibly fortunate to develop detailed affordable housing site-viability projects for four (4) of your current Housing Now sites with some amazing student teams from the University of Toronto's School of Cities, and Toronto Metropolitan University's School of Urban and Regional Planning. We have already provided the students development-assessment reports to CreateTO – and are now having them submitted to Council for your review.

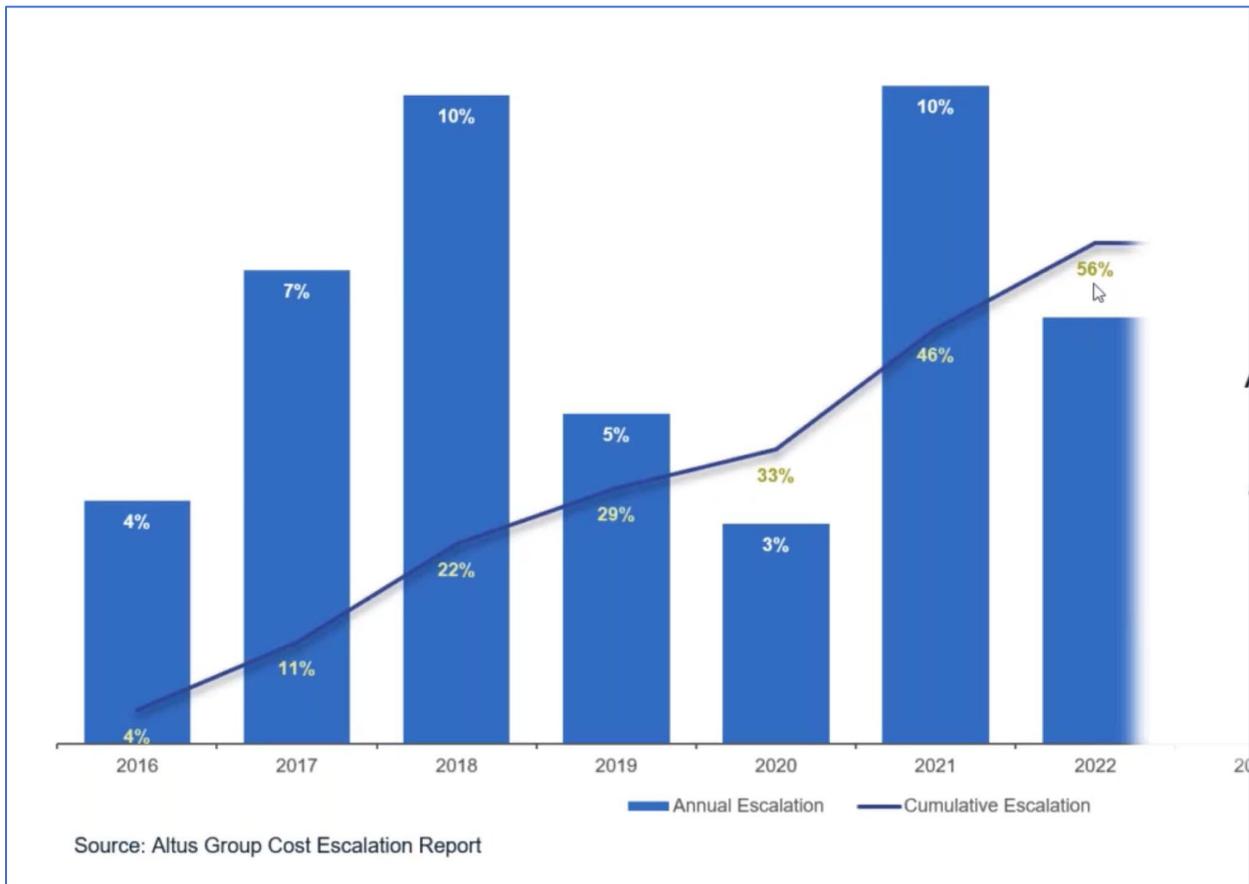
As always, our open data and civic-tech volunteers are happy to answer any questions the committee or city staff may have on "Transit-Oriented Affordable-Housing" development best practices in Toronto in 2023.

Yours,

A handwritten signature in black ink, appearing to read "Mark J. Richardson".

Mark J. Richardson
Technical Lead – [HousingNowTO.com](https://www.housingnowto.com)

APPENDIX 'A' – Altus Group Cost Escalation Report (October 2022)



Greater Toronto High-Rise Hard Construction Cost Cumulative Escalation (2016 - 2022) from Altus Group, Per Square Foot Costs were 56% more expensive to build in 2022, than they were in 2016...

- LINK - <https://knowledgestore.altusgroup.com/products/cost-escalation-report-toronto-multi-family>

APPENDIX 'B' – Bank of Canada's Overnight Interest Rate since the Housing Now program was launched

Canada's Overnight Rate History 2018 to 2023



- LINK - <https://www.bankofcanada.ca/core-functions/monetary-policy/key-interest-rate/>

APPENDIX 'C' – Globe & Mail article on HOUSING NOW program (Aug. 2019)

 The Globe and Mail 
@globeandmail

Grassroots group pushes for more density to tackle Toronto's affordable housing crisis [dlvr.it/R9qHNB](https://www.theglobeandmail.com/real-estate/article-grassroots-group-pushes-for-more-density-to-tackle-torontos/)



VIEW FROM NORTH-EAST

RESIDENTIAL USE RETAIL USE OFFICE USE

8:09 AM · Aug 7, 2019

- LINK - <https://www.theglobeandmail.com/real-estate/article-grassroots-group-pushes-for-more-density-to-tackle-torontos/>

APPENDIX 'D' – Toronto Star article on HOUSING NOW program (Sept. 2019)



thestar.com

Are the City of Toronto's Housing Now plans for Scarborough too sm...
More density is needed to ensure 99-year term, says HousingNowTO,
a group criticizing Mayor John Tory's Housing Now affordable housin...

- LINK - <https://www.thestar.com/news/gta/2019/09/05/are-the-city-of-torontos-housing-now-plans-for-scarborough-too-small.html>