



# DEPUTATION

To: City Council

Date: Wednesday, November 13, 2024

Re: EX18.2 Build More Homes: Expanding Incentives for Purpose Built Rental Housing.

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The Toronto Alliance to End Homelessness (TAEH) is a community-based collective impact initiative committed to ending homelessness in Toronto. Our network includes non-profit organisations that support those living with homelessness and those who are housed and who must spend a disproportionate amount of income on housing, as well as affordable and supportive housing developers, property managers, and landlords.

TAEH supports the recommendations of the Deputy City Manager, Development and Growth Services, as set out in the Report for Action for this agenda item. TAEH especially endorses the proposed new Canada-Ontario-Toronto Build Program, modeled on the existing BC Builds Program, could be a gamechanger moving forward in ensuring the City receives the level of funding it needs to deal with the unique challenges facing it in relation to the ongoing housing crisis in Canada.

TAEH commends the Housing Secretariat for its consultations with a range of private development industry stakeholders, the Building Industry and Land Development Association, the Canada Investment Bank and CMHC, to support the construction of affordable housing rental units. We believe all sectors of the housing development industry need to participate in this construction if the current targets of the City of Toronto's Housing Action Plans are to be achieved. As such, TAEH applauds the creation of a third funding stream under the Rental Housing Supply Program (RHSP), the new Purpose-Built Rental Homes Incentives Stream, to provide a new mechanism to encourage the for-profit housing development sector to build affordable housing rental units. In that light, TAEH likewise supports expanding eligibility for access to funds under the RHSP by removing the eligibility requirement for affordable housing units in EHON projects currently ineligible for RHSP funding.

TAEH supports the work of the Housing Secretariat in seeking to align its definition of an affordable housing project within the RHSP with that used by CMHC. We believe this will make it easier for organisations to create pro forma that are financially viable and can access both sources of funding. Equally, however, TAEH finds it salutary that the Housing Secretariat intends to preferentially score housing development applications that offer

more affordable housing units than the proposed 20% unit threshold. We acknowledge, however, that this scoring differential must be significant enough to encourage applicants to actually maximise the percentage of units allocated for affordable housing in order to receive approval and we encourage the Housing Secretariat to act accordingly.

Furthermore, there will be constant budgetary constraints on the total amount of funds allocated to the RHSP, and the consequent need to distribute such funds between the three funding streams. On a project-to-project comparison, it makes sense to prioritise whichever stream will result in the creation of the most affordable housing units. As such, TAEH believes that funding for the Affordable Rental Homes (formerly Open Door) stream must take precedence over the Community Housing-led Rent-controlled Homes Stream and the newly proposed Purpose-Built Rental Homes Incentives Stream.

Finally, TAEH supports the City's ongoing requests to the Federal and Provincial governments regarding the allocation of adequate funding for its housing plans, especially in relation to the building of affordable and supportive housing. Regarding this new funding stream which the Deputy City Manager, Development and Growth Services is proposing be added to the RHSP, we support and encourage the recommendation from the Deputy City Manager, Development and Growth Services, that the City of Toronto request:

1. The Federal government through CMHC to provide low-cost financing for the construction of 4,000 affordable rental homes; and
2. The Federal and Provincial governments as part of a proposed new Canada-Ontario-Toronto Build Program to each provide the City with \$225.3M in grant funding to support the construction of at least 2,600 of those 4,000 affordable rental homes.

Thank you,



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