



neighbourhood pods TO

November 13th 2024.

Ms. Olivia Chow
Mayor
Toronto City Hall
100 Queen St. W.
Toronto, ON M5H 2N2
mayor_chow@toronto.ca

RE: Urging Opposition to EX18.2 - Build More Homes: Expanding Incentives for Purpose-Built Rental Housing

Dear Mayor Olivia Chow and Members of City Council,

I am writing on behalf of Neighbourhood Pods TO (NPTO), a coalition of grassroots organizations, community workers, and advocates dedicated to enhancing the economic livelihoods and well-being of low-income communities across Toronto. NPTO urges you to oppose the \$325 million bailout for private developers recommended through EX18.2, “Build More Homes: Expanding Incentives for Purpose-Built Rental Housing.” This proposed subsidy not only overlooks community-driven needs but also risks diverting crucial public funds away from investments that would more directly and sustainably address Toronto’s housing crisis.

Public Amenities and Development Contributions

Councillor Gord Perks recently highlighted a critical point during the November 5th Executive Committee meeting: public amenities—funded through development charges and taxes—significantly increase land value and are essential to community life. By eliminating these charges and reducing property taxes for condo and rental developments, the City would strip away a primary funding source for Toronto’s parks, recreation facilities, community centers, and other public spaces. These amenities are foundational to a high quality of life for all residents, yet EX18.2 threatens to remove \$325 million from the City’s budget, potentially compromising the maintenance and expansion of these public resources.

Investing in Rent-Geared-to-Income Housing on Public Land

NPTO strongly advocates that the \$325 million earmarked for developer subsidies be redirected to support Rent-Geared-to-Income (RGI) housing on City-owned land. With this funding, Toronto could subsidize approximately 40,625 RGI units, providing meaningful, long-term affordability to residents. Investing in RGI housing on public land would reduce dependency on market-driven housing, safeguard affordability, and prevent the commodification of housing that often leads to displacement of vulnerable residents. Instead of subsidizing the private sector, Toronto should empower public agencies to directly oversee and manage housing development to ensure that affordability and public benefit remain at the forefront.

Transitioning from Developer Subsidies to Public Development

Our coalition advocates for a shift towards public development on City-owned land, which would ensure that profits and benefits remain within the community. Toronto should focus on using publicly owned development agencies to deliver on its ambitious goal of 20,000 new homes under the Purpose-Built Rental Homes Incentives stream, keeping control and accountability within public hands. The public should not bear the responsibility of bailing out developers who failed to secure financing for their projects, particularly given the glut of unsold condo inventory currently saturating the market.

The Greater Toronto Area faces a backlog of nearly 40,000 condo units that remain unsold or stagnant on the market, including 24,000 unsold new units in development. With active resale listings up 92% over the past two years, it would take more than 50 months to absorb the current supply. These statistics make it clear that the private condo market is not aligned with Toronto's affordability needs, and that reliance on private development to address housing shortages is unsustainable.

Supporting Community-Driven Housing Solutions

In May of this year, NPTO presented a deputation to the Planning and Housing Committee regarding Bill 185, the "Cutting Red Tape to Build More Homes Act, 2024." One of our key concerns was the erosion of public input, which limits community engagement in crucial planning decisions. The proposed \$325 million bailout similarly circumvents community consultation and redirects vital public resources to private developers. The recent **Roadmap for Redevelopment Plans to Confront Systemic Racism: Impact & Next Steps 2024** underscores that community-based planning and non-profit-driven models are essential for preserving affordability and promoting equity in housing. EX18.2, as it stands, runs counter to these community-centered recommendations.

A Call for Bold Action on National Housing Day

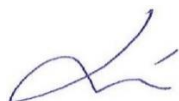
With National Housing Day approaching on November 22, the City has a unique opportunity to commit to bold, equitable housing solutions. By redirecting the \$325 million toward RGI housing and empowering public agencies, Toronto can prioritize affordable housing solutions that benefit all residents rather than subsidizing private profits. This action would demonstrate Toronto's leadership and commitment to inclusivity, equity, and resilience in housing.

Conclusion

NPTO respectfully urges City Council to reconsider the proposed \$325 million allocation for private developers. Instead, we ask you to redirect these funds towards RGI housing on City-owned land, fostering long-term affordability, supporting vital public amenities, and investing in community-centered solutions. Together, we can create a housing future for Toronto that is inclusive, equitable, and sustainable.

Thank you for your consideration of these concerns. We look forward to collaborating with City Council to advance solutions that prioritize the needs of all Toronto residents.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Walied Khogali Ali', with a stylized flourish at the end.

Walied Khogali Ali

Coordinator

Neighbourhood Pods TO (NPTO)

The Neighbourhood Pods TO (NPTO) embodies a consortium of grassroots organizations, community workers, and advocates, all rallying under a unified mission to bolster the economic livelihoods and enhance the overall well-being of low-income individuals and communities across Toronto.