



BILD DEPUTATION: City of Toronto - June 13th Planning and Housing Committee Meeting

Good day Chair Perks and Members of the Planning and Housing Committee. My name is Dave Wilkes, and I am the President and CEO of the Building Industry and Land Development Association. I am joined today by my colleague Danielle Binder who is our Senior Director of Policy and Advocacy.

Thank you for the opportunity to address you today, I will be speaking to item PH13.8 - Launching the Rental Housing Supply Program. At BILD, we have become heavily involved in the economic health of not only new construction for condos, mixed-use, and commercial, but also purpose-built rental, by creating a dedicated PBR committee to support the future pipeline of construction.

We acknowledge that the report proposes a rental housing supply program that provides incentives for up to \$260,000 per affordable rental unit, in a total amount not to exceed \$351,515,142, but only for affordable rental units, our industry views this as – *a lost opportunity to house the maximum number of people*.

There is no dispute that solutions for affordable units must be brought forward. However, as we have expressed to staff, this proposal allocates capital funding to only 18 affordable rental and rent-geared-to-income housing projects, aimed at accelerating the delivery of roughly 2,600 new affordable rental homes – *this is a fraction of what is truly needed*.

According to Urbanation (memo attached), Toronto is facing a rental deficit of 84,000 units by 2030. The City's proposed program, will not close the gap and will also not meet the City's own rental housing targets. I am here because we are at a defining moment in time, where the housing market is stalled, new home sales are at an all-time low, residential supply is sitting, and consumer confidence is shaken.

In this type of market, where new homes purchases are not happening, the new and existing residents of Toronto still need somewhere to live and so they will turn to the rental market for entry-level or more affordable housing. They may also be downsizing to the rental market for financial security. Rental supply provided flexibility and agility to existing and future Toronto residents. Allowing Torontonians to grow and age in place with ease. That is why rental supply is so critical to the Toronto housing ecosystem. Without rental supply, we are not supporting our communities with the diverse housing stock for our ever-changing needs.

According to Urbanation there are currently 93 rental projects on the sidelines that – if unlocked – would result in between 18,000-26,000 market rental units on the market.

That is why today – I ask you, building on the provincial and federal HST relief for new purpose-built rental, to direct staff to take the summer to work with the industry to develop a comprehensive tri-government approach for housing supply, with a particular focus on rental to unlock the 18,000 units that are stalled, and return with recommendations to you in September.

URBANATION

April 24, 2023

Attn: Danielle Binder
Building Industry and Land Development Association
2005 Sheppard Avenue East, Suite 102
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RE: City of Toronto Rental Supply & Demand Projections

Urbanation was retained by Building Industry and Land Development Association (BILD) to produce rental market demand and supply estimations and projections for the City of Toronto for the period between 2011 and 2031.

This work follows Urbanation's rental market demand and supply estimations and projections completed for the Greater Toronto Area for a white paper titled "Purpose-Built Rental Housing in the Greater Toronto Area" released by BILD on February 9, 2023.

Urbanation's estimations and projections for rental market demand and supply are presented in the following table.

- Approximately 175,000 rentals are needed in the next decade. The number of renter households in the City of Toronto is projected to rise by 66% over the next 10 years, adding 174,500 renters.
- The rental supply deficit in the City of Toronto will reach 84,000 units in the next 10 years. Rental supply additions from purpose-built rental and condominium projects are projected to total approximately 90,000 units over the next 10 years under the current development trajectory.

Rental Supply and Demand Projections

City of Toronto: 2011 to 2031

Period	Net Increase in Total Condo Stock	Net Increase in Total Condo Rental Stock (A)	Purpose-built Rental Completions (B)	Total Net New Rental Stock (A+B)	Rental Demand (C)	Excess Rental Demand [C-(A+B)]
2011-2016	68,128	45,643	3,465	49,108	54,596	5,488
2016-2021	61,340	28,167	8,726	36,893	50,428	13,535
2021-2026	75,000	32,250	16,000	48,250	91,999	43,749
2026-2031	55,000	23,100	19,000	42,100	82,492	40,392
2011-2021	129,468	73,810	12,191	86,001	105,024	19,023
2021-2031	130,000	55,350	35,000	90,350	174,490	84,140

Source: Statistics Canada, Ontario Ministry of Finance, CMHC, Urbanation



Should you have any questions with respect to the information contained in this memo, please do not hesitate to contact us at 416-922-2200.

Sincerely,



Shaun Hildebrand
President
Urbanation Inc.

Caveat

The estimations and projections contained herein have been prepared on the information and assumptions set forth in this memo and presented in further detail in the BILD published report titled "Purpose-Built Rental Housing in the Greater Toronto Area. The same methodology for estimating rental demand and supply used in the BILD report were used for this memo. This report relies on information from secondary sources and Urbanation cannot guarantee the accuracy of this data. Moreover, it is not possible to fully document all factors or account for all changes that may occur in the future.

This report has been prepared solely for the purposes outlined herein and is not to be relied upon, or used for any other purposes, or by any other party without the prior written authorization from Urbanation. Urbanation assumes no responsibility for losses sustained as a result of implementing projections set forth in this report.

