



OLIVIA CHOW MAYOR

April 14, 2025

Dear Executive Committee,

RE: Build More Homes: Identifying Opportunities for More Purpose-Built Rental Housing

In Fall 2024, City Council advanced the new Purpose-Built Rental Housing Incentives program, an important new initiative to unlock new rental supply and affordable rental housing.

This program provides eligible projects with relief on property taxes and development charges to bring down the cost of building, and help new rental and affordable units break ground at a time when many are stalled due to economic conditions.

There has been an overwhelmingly strong response to this program, far exceeding expectations and demonstrating the housing sector's readiness to build. The City received a total of 75 applications in 21 wards across the city, representing over 32,600 purpose-built rental homes and over 7,400 affordable rental homes that are ready to break ground by the end of next year.

In December 2024, City Council approved incentives for 17 applications in 12 wards across the city, representing 7,156 net new rental homes and 1,047 net new affordable rental homes, to be funded by the City.

With provincial and federal government support, the City can move forward to unlock additional shovel-ready projects.

In March 2025, the federal government indicated it has earmarked up to \$7.3 billion in low-cost financing through the Canada Mortgage and Housing Corporation's Apartment Construction Loan Program for projects in Toronto. This funding is contingent on securing required support from the Government of Ontario.

This motion requests City staff to review the remaining applications to the Purpose-Built Rental Housing Incentives program and report on additional shovel-ready housing projects that could be eligible to receive property tax and development charge relief if provincial funding is received. This will help the City move quickly to advance these projects with provincial financial support.

RECOMMENDATION

1. City Council direct the Executive Director, Housing Secretariat, in consultation with the Executive Director, Development Review division, to resume the review and eligibility verification process for the remaining projects received by the City in Phase One of the Purpose-built Rental Homes Incentives stream and report to the Executive Committee by July 2025 with a list of eligible projects and their status that can be supported through an indefinite deferral of development charges payable, as long as the development remains a rental property, should sufficient provincial funding be made available.

Sincerely,

A handwritten signature in black ink, appearing to read 'Olivia Chow', followed by a long horizontal flourish.

Olivia Chow
Mayor of Toronto