

DEPUTATION

To: Planning and Housing Committee.

Date: May 7, 2025.

Re: PH21.4 Toronto Builds – A Policy Framework to Build More Affordable Rental

Homes on Public Land.

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.

As part of our mission, TAEH works directly with the City of Toronto in its mandates surrounding homelessness and maintaining and growing affordable housing stock in the city, including engagement on client support services and funding. This includes TAEH cochairing the Toronto Housing and Homelessness Service Planning Forum with both Toronto Shelter & Support Services and the Housing Secretariat.

TAEH is also the non-Indigenous Community Advisory Board to the City of Toronto on housing and homelessness.

TAEH supports the City creating a policy framework that will harmonise the various City programs that deliver supportive, deeply affordable, and affordable housing in furtherance of achieving the goals of the HousingTO 2020-2030 Action Plan and the Generational Transformation Housing Action Plan, as reflected in the various streams of the Rental Housing Supply Program.

TAEH believes that using a single City-program wide definition of affordable housing that coincides with that used by the federal and the provincial governments will facilitate and speed up accessing funding for development in the immediate future. A single definition makes it easier in the long term for all levels of government to adopt a project-based teams approach to the funding of supportive, deeply affordable, and affordable housing.

Such an approach would have the same rationalisation as that which resulted in the City creating the Development Review Department, speeding up the process – in this case of obtaining funding. Since delays in obtaining funding often result in a project no longer penciling out, speeding up the process maximises the likelihood that nonprofit housing

projects will be built. We note in relation to this goal the intention of the federal government to adopt a similar unified multi-program application and approval process within Housing, Infrastructure and Communities Canada for all federal funding streams, presumably within the soon to be created Build Canada Homes agency.

Consistent with this approach is the waiving of fees associated with construction and development and the entering into licencing agreements at nominal value for parkland contemplated by **Recommendations 8, 9, and 10**. Any way in which costs associated with the development and construction of supportive, deeply affordable and affordable housing by the nonprofit housing sector can be lowered is to be applauded.

TAEH fully supports the proposal in **Recommendation 13** to adopt the principle that the City convey City-owned properties to Indigenous affordable housing providers at nominal rates. TAEH believes this tangible act of reconciliation is an important step in righting historic wrongs that continue to impact Toronto's urban Indigenous community to this day. Not only does it make current affordable housing projects viable, but it provides the opportunity for independent financing of future projects.

TAEH notes that the current City definition of affordable rental housing uses the 50th and the 60th income percentiles in its calculations. Since the definition of 'affordable' is 'below average,' (see Collins Dictionary), the use of these income percentiles skews the normal usage and intent of the word. This is why the nonprofit housing sector has seen fit to use 'deeply affordable' as a synonym for 'actually affordable.'

This usage is also used by the City as seen in the RFP for the Parkdale Hub (West Block) referenced in **Recommendation 30** of this agenda item. In the RFP, as often in the past, the City defines deeply affordable rental units as having a rent at or below 40% of the average market rent. TAEH observes that a complementary definition based on income percentile can easily be created, perhaps using the 20th percentile.

TAEH believes that retaining the requirement, in the Parkdale Hub RFP and including it in future ones, that a certain portion of a project's affordable units be deeply affordable is not inconsistent with the City's intention to create definitional consistency between programs. The current definition of an affordable rental unit can be seen as a ceiling on rent. Continuing to allow the City to require some rental units to be priced below this ceiling as deeply affordable units will allow the City flexibility in addressing the realities of the full spectrum of housing need within complete communities and is consistent with both the Official Plan and the Housing Charter.

Since any units that meet the suggested definition of deeply affordable rental unit will have rents below AMR or that calculated for the 50th or 60th income percentile, they will be classified as affordable units by the federal and provincial governments, and the goal of

definitional consistency for funding purposes embodied in the Toronto Builds framework will still be achieved. TAEH observes that this is already the case regarding affordable studio units, where the City references the 50th income percentile, while the federal and provincial governments use the 60th percentile.

Notwithstanding this concern, TAEH welcomes the opportunity to collaborate with the Housing Development Office and the Housing Secretariat in the creation of a proposed delivery and governance framework to implement the policy direction of Toronto Builds, in the development and delivery of Toronto Builds Projects, and in building the capacity of the sector, as set out in **Recommendations 4 and 12**.

The HousingTO 2020-2030 Action Plan set a target of approving 18,000 supportive homes by 2030, consistent with the nonprofit sector's <u>Toronto Supportive Housing Growth Plan</u>. TAEH endorses the focus of the Toronto Builds framework on building supportive homes on City-owned land. This is especially important since in the first 5 years of the HousingTO Action Plan, only 1,763 of the planned 9,000 new supportive homes were built. TAEH believes it is important to separate supportive housing targets from affordable housing in general, since the scale of projects and the funding needs, both in terms of development and operations, are distinct. As such, supportive and affordable housing developments require different approaches, funding models, and types of program support from the City.

Continuing to distinguish these two types of housing within the Toronto Builds framework, while maintaining a focus on building supportive housing, will ensure that supportive housing receives the attention it deserves, and that it is not subsumed within general affordable housing goals and deprioritised as has been the case in the first half of the HousingTO 2020-2030 Action Plan.

TAEH looks forward to working with the Housing Secretariat, the Housing Development Office, and CreateTO in facilitating the goals set out in the Revised Report for Action: to identify and facilitate new supportive housing and modular housing opportunities, to advance supportive housing development opportunities and conversion of atypical assets into homes, and to achieve the objectives set out in **Recommendations 17 and 18**.

Thank you,

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