

Summary of Advice from the Toronto Planning Review Panel Meeting held September 15, 2018

Executive Summary

The Planning Review Panel is a representative group of 32 randomly selected Torontonians that help the City Planning Division guide growth and change in Toronto. They have been asked by the Chief Planner to work together over the course of two years to provide City Planning with informed public input on major planning initiatives. Members are tasked, in particular, with helping to ensure that these initiatives are aligned with the values and priorities of all Torontonians.

Inclusionary Zoning: Panelist Reflections and Recommendations

Panelists made recommendations to the City as to how to balance different considerations for Toronto's forthcoming inclusionary zoning policy.

- Panelists expressed some hesitation to provide detailed recommendations without more data about likely impacts in Toronto.
- Most panelists agreed that maximizing the number of available affordable units is important, since demand for affordable units will almost certainly outpace supply, and that the city should find ways to ensure the inclusionary zoning policy benefits the most people possible.
- Panelists were also generally willing to accept shallower affordability in exchange for other benefits, such as larger unit size or a longer affordability period.
- Panelists who argued for larger units felt it was important in order to be able to support more families.
- Panelists who wanted longer affordability periods felt it was important in order to maintain and grow Toronto's stock of affordable housing, and benefit the most people possible.
- Panelists broadly supported providing incentives in exchange for more stock of affordable housing, but felt it was difficult to do a full analysis of the tradeoffs without better information about what the incentives would entail and what else those incentives could be used to achieve.
- Most Panelists were concerned about people whose incomes may increase over time being able to stay in below-market rent units, and requested more information on how common it is for people's incomes to rise and how common it is for them to stay in below-market units for extended periods of time after their incomes rise.

Detailed Summary

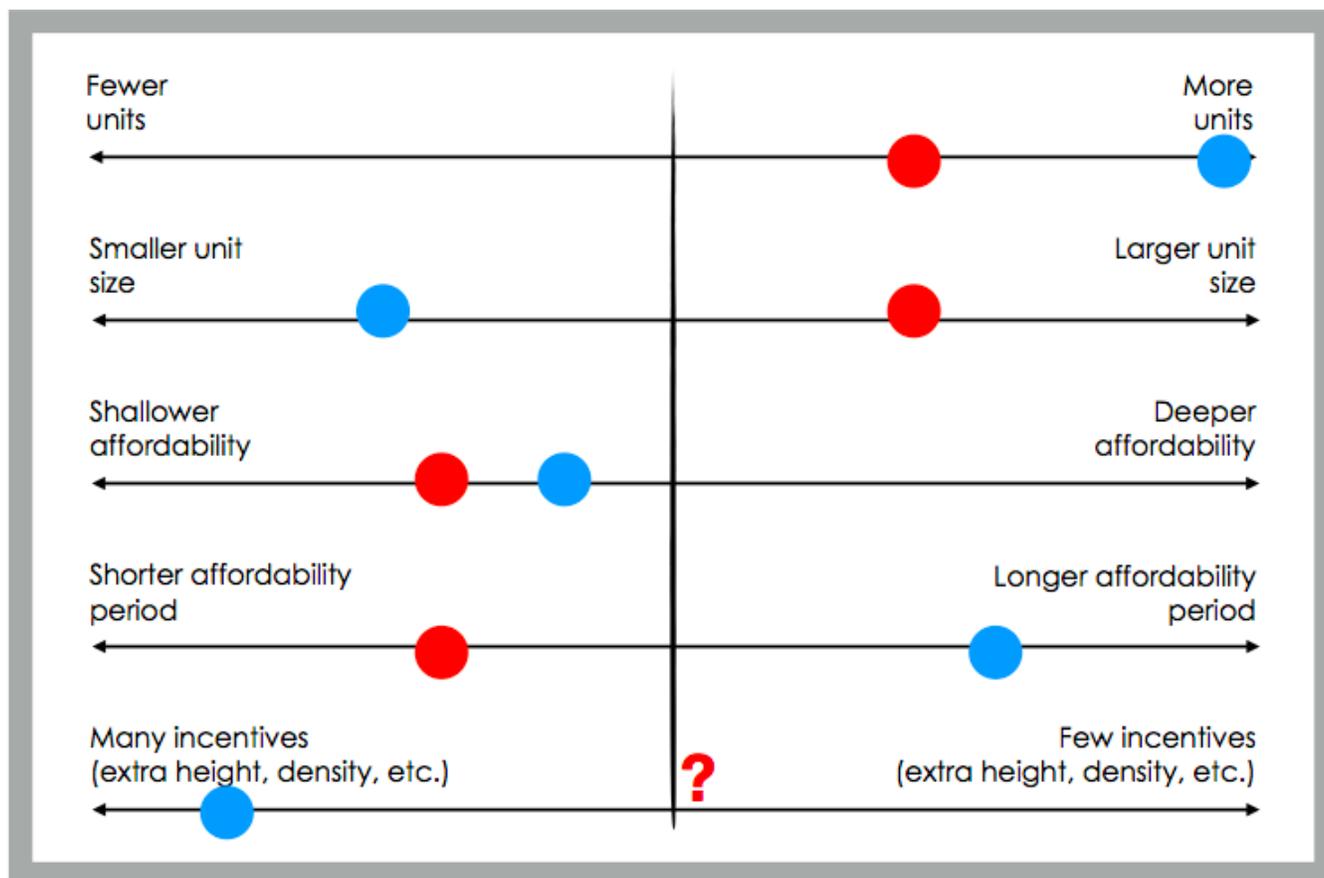
The Panel participated in an introductory and preliminary discussion about the City's new inclusionary zoning policy. The City was seeking feedback on how to balance several different considerations that will eventually inform the full policy. This was the first of two planned consultations on this topic with the Panel. The City committed to return later in the Panel's term to present a draft policy for further feedback.

Deanna Chorney and Rishab Mehan from Strategy Initiatives, Policy & Analysis at the City of Toronto Planning Division presented to the Panel. They gave context on Toronto's current housing affordability challenges, and what policy tools currently exist to help the City and province address these challenges. They explained how recent changes to provincial legislation will enable the City of Toronto to establish an inclusionary zoning policy, which would let cities require developers to incorporate a certain percentage of affordable units into all new housing developments. They then discussed the different considerations that will need to be balanced when designing such a policy for Toronto. These considerations are:

- Number of units;
- Deeper vs shallower affordability;
- Affordability period;
- Unit size; and
- Developer incentives

To provide Deanna and Rishab with feedback on how to weigh these considerations, the Panelists began by completing an individual reflection activity. Each of the five considerations was placed on a spectrum, and Panelists were asked to put a dot on each spectrum to indicate how they thought the City should balance them, with the caveat that they could not put all of their dots on one side of the spectrum.

After compiling and comparing the individual worksheets, two broad scenarios for balancing the considerations emerged. The Panel split into groups according to the scenario they most agreed with to further discuss and refine each scenario and provide the City with more detailed feedback. These were the two final 'scenarios, using red and blue dots:



The primary consideration for most Panelists was how to maximize the number of people who benefit from inclusionary zoning. As a result, most Panelists thought that maximizing the number of available affordable units was very important.

Panelists also agreed that deeper affordability could be sacrificed for other benefits, though they disagreed on what this should be exchanged for. Some Panelists accepted shallower affordability in exchange for having larger unit sizes, because they thought it was important to prioritize being able to house families. The 'Blue Group' traded shallower affordability for a longer affordability period, because in addition to providing greater benefit to more people over a long period of time, a longer affordability period would mean that it is possible to increase the city's overall stock of affordable housing over time because the City would not have to be constantly replacing affordable units.

Panelists were broadly supportive of providing developer incentives, but found it difficult to analyse the possible trade-offs without understanding what incentives would be on the table, what types of benefits could be attained in exchange for providing these benefits, and what the possible consequences of these incentives might be.

Since, unlike in social housing, there would likely be no ongoing income checks to be able to qualify to stay in the affordable units, most participants were concerned about people whose incomes may increase over time being able to stay in below-market rent units. Panelists debated whether a longer affordability period would encourage people to stay in units longer, but did not draw any conclusions due to a lack of

information on the behaviour of people who live in affordable housing. The City suggested they would look for more data on this to better inform their analysis on the possible impacts of longer vs shorter affordability periods.

One group also added that they felt it was important to ensure these affordable units are available in a range of development types and in many different parts of the city.