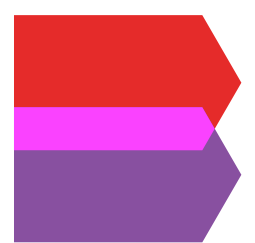
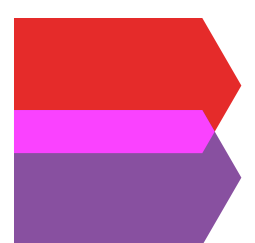


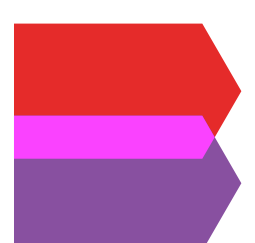
Welcome to the Inclusionary Zoning Public Meeting!



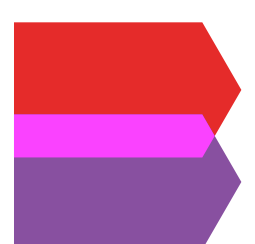
June 17 - Metro Hall



June 18 - Etobicoke Civic Centre



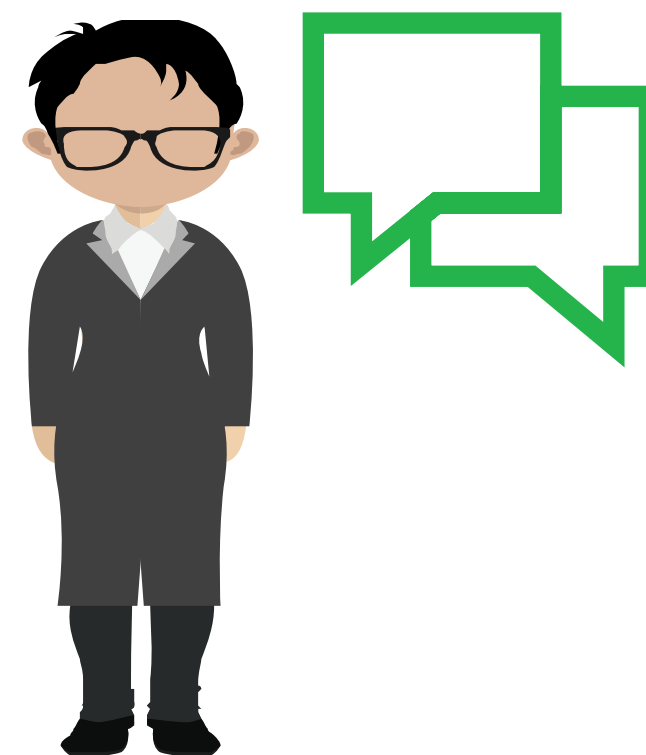
June 19 - Scarborough Civic Centre



June 24 - North York Civic Centre

Purpose: We are consulting today on the proposed policy directions and how Inclusionary Zoning would apply in Toronto. We want your feedback to make sure it is equitable, predictable, flexible and meets our city's needs.

Check out our website:
toronto.ca/InclusionaryZoning
for more information!



What is Inclusionary Zoning?

Of the over 230,000 units built or approved in the last five years, only about 2% were affordable (with rents at or below average market rents for the City).

Inclusionary Zoning is:

- A land use planning tool that would allow the City to require affordable housing units in new developments.
- It typically addresses the housing needs of low and moderate income households, such as those who earn too much to be eligible for low income housing (e.g. government funded rent-geared-to-income or affordable housing) but not enough to be able to afford market rents or prices.
- These households generally fall between the 30th and 60th percentile of the income distribution. In the City of Toronto, this generally includes households earning between \$35,000 and \$87,500 per year, depending on household size.
- Authority provided under the Planning Act and Ontario Regulation 232/18.

Key Goals

- Increase the supply of affordable housing
- Continue to encourage market housing development by supporting a diverse range of housing supply
- Create more inclusive, complete and equitable communities

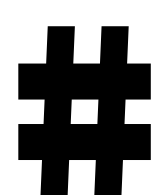
We are looking for feedback on how the following key directions should be applied within the inclusionary zoning policies:



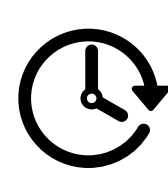
Geographic application



Types of developments

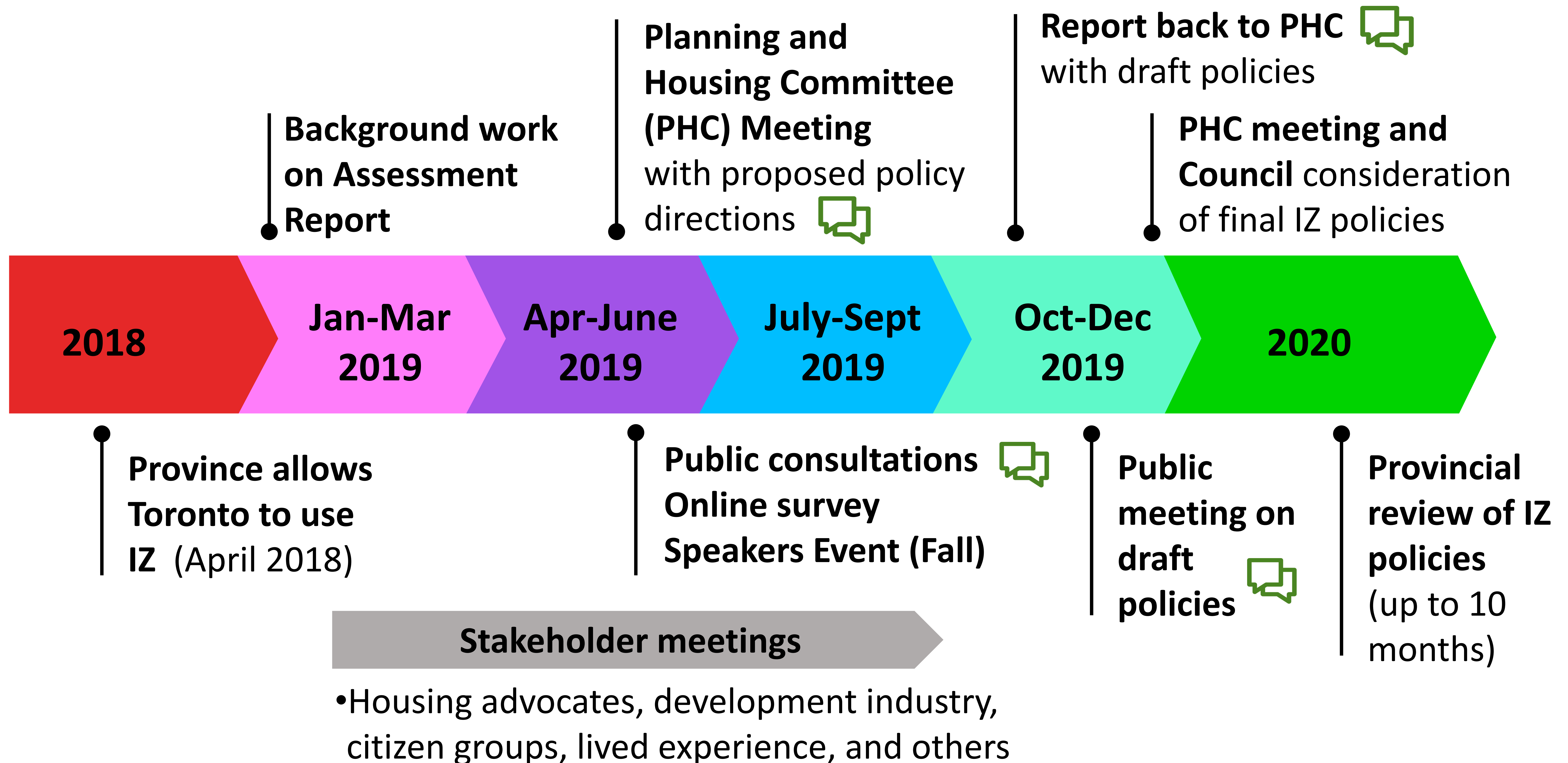


Number of units



Duration of affordability

Project Timeline



Key Terms

Affordable

Housing where the total monthly cost (including utilities) is at or below Toronto's Average Market Rent (AMR) by unit type [as currently defined in Toronto's Official Plan].

Average Market Rent (AMR)

Calculated based on an annual survey by the Canada Mortgage and Housing Corporation of all private apartment rental units, including those that have been occupied by the same tenant for many years as well as units that are vacant or recently turned over. AMR is more affordable (as much as 40% cheaper) compared to current asking market rental rates. The AMR in 2019 is \$1,270 for a one-bedroom apartment and \$1,492 for a two-bedroom apartment.

Depth of Affordability

Households eligible for the affordable housing units (e.g. low to moderate income households) and corresponding prices or rents (e.g. 60%, 80% or 100% of Average Market Rent (AMR))

Affordability Period

Length of time units must remain affordable (e.g. 15, 50 or 99 years).

Measures and Incentives

E.g. density bonus, waived planning fees and development charges, streamlined approvals, reduced parking requirements.

Offsite

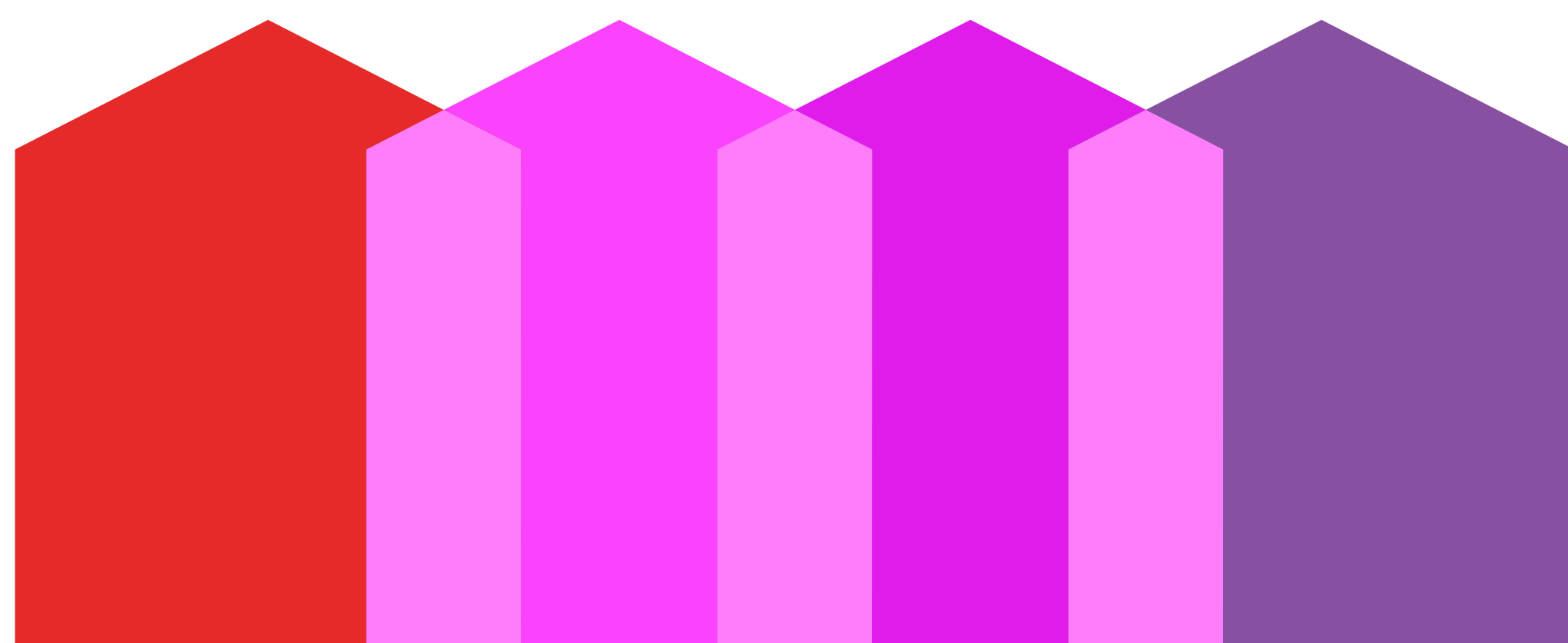
Option for affordable units to be built on another site.

Protected Major Transit Station Area

An area generally within 500 to 800 metres of a transit station (subway or light rail, on dedicated right-of-ways) where official plan policies and zoning bylaw provisions have designated and zoned lands to accommodate transit-supportive densities (e.g. permitting uses, identifying minimum or maximum densities and minimum or maximum building heights).

Scale of Development

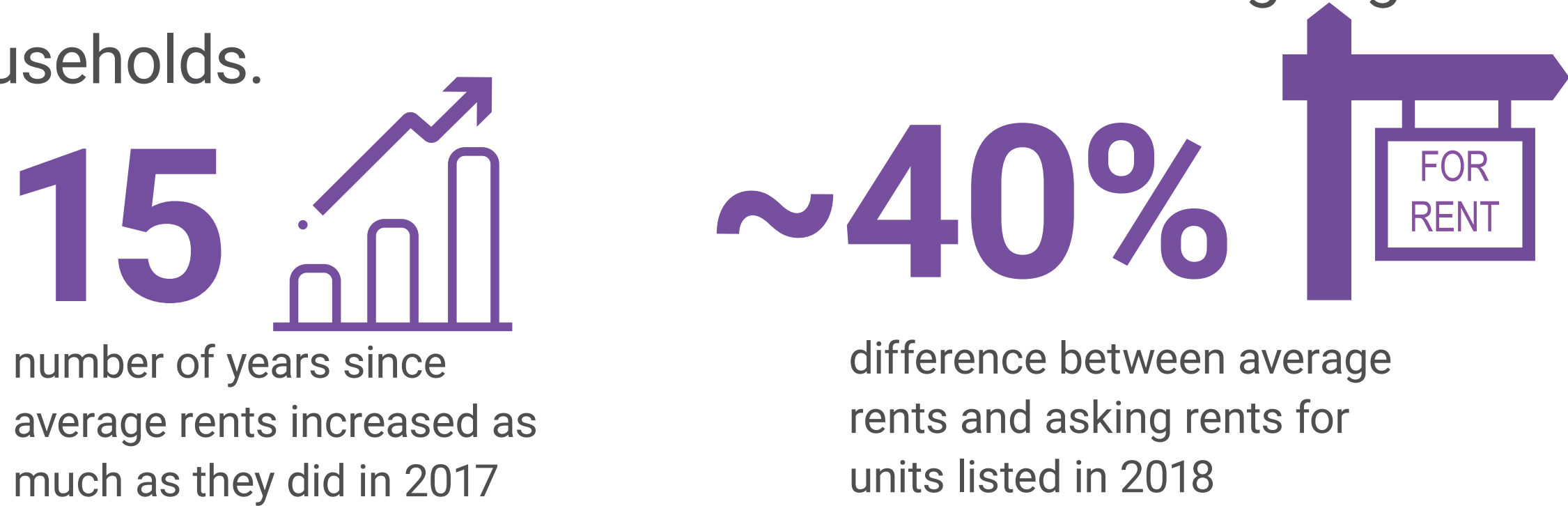
Minimum size of buildings that inclusionary zoning would apply to (e.g. 100 units or more).



Draft Background Studies

Housing Need and Demand Analysis (2019)

- Key research on housing indicators identifying trends over the last 10 years.
- Confirmed that the need for affordable housing is greater than the supply, particularly for renter households.



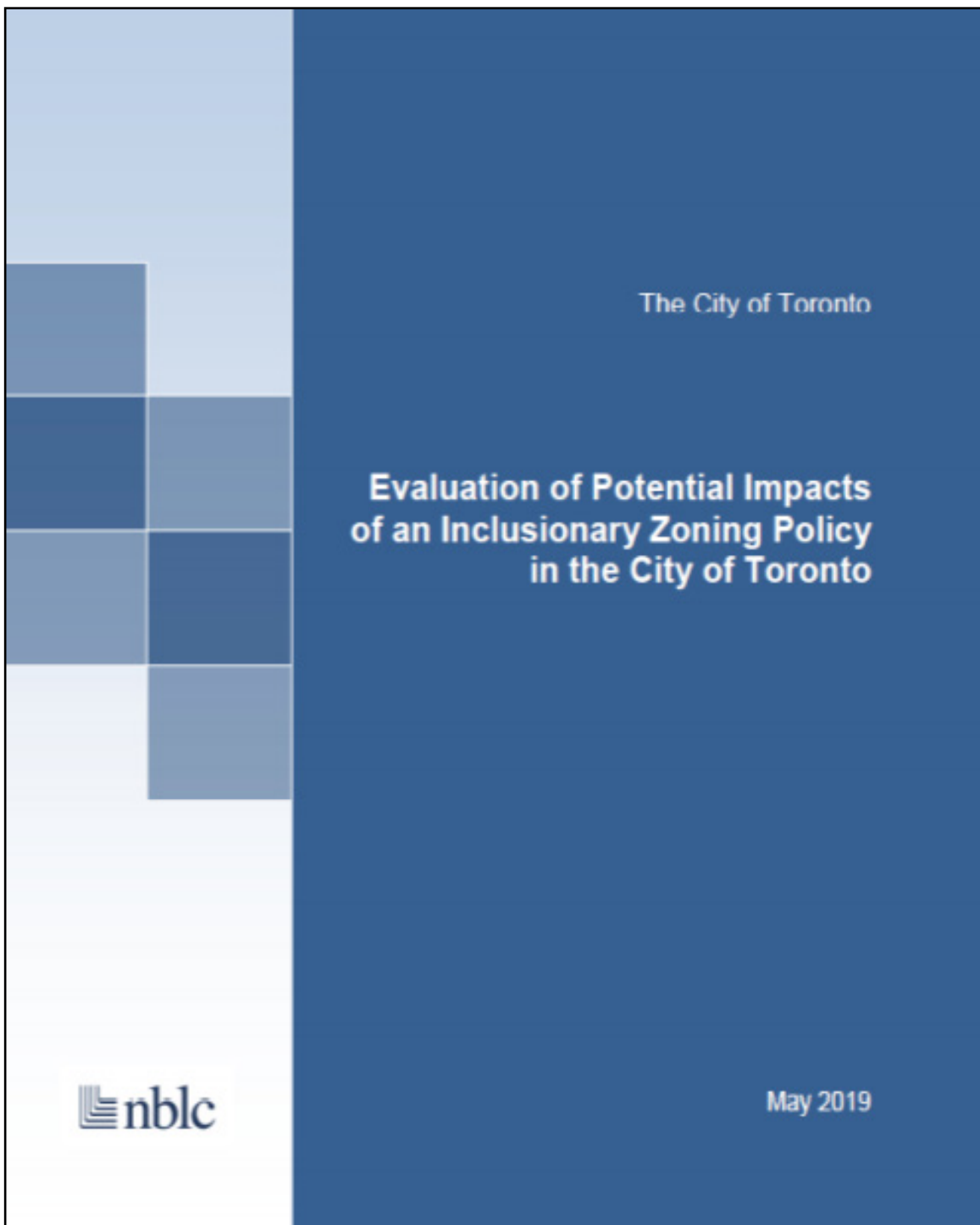
	Resale Condo Prices	Income Needed	New Condo Prices	Income Needed	Asking Rent	Income Needed	CMHC Average Market Rent	Income Needed
Bachelor	\$383,421	\$88,715	\$396,216	\$91,675	\$1,399	\$55,960	\$1,089	\$43,560
One-Bedroom	\$495,920	\$114,744	\$440,240	\$101,861	\$1,738	\$69,520	\$1,270	\$50,800
Two-Bedroom	\$633,774	\$146,640	\$660,360	\$152,792	\$2,026	\$81,040	\$1,492	\$59,680
Three Bedroom	\$587,815	\$136,007	\$836,456	\$193,537	\$2,298	\$91,920	\$1,674	\$66,960
Total	\$581,145	\$134,463	\$809,935	\$187,400	\$1,912	\$76,480	\$1,372	\$54,880



Source: TREB, Realnet (Altus), and Urbanation Market Data, 2018; City-commissioned Rental Market Survey Data, 2018

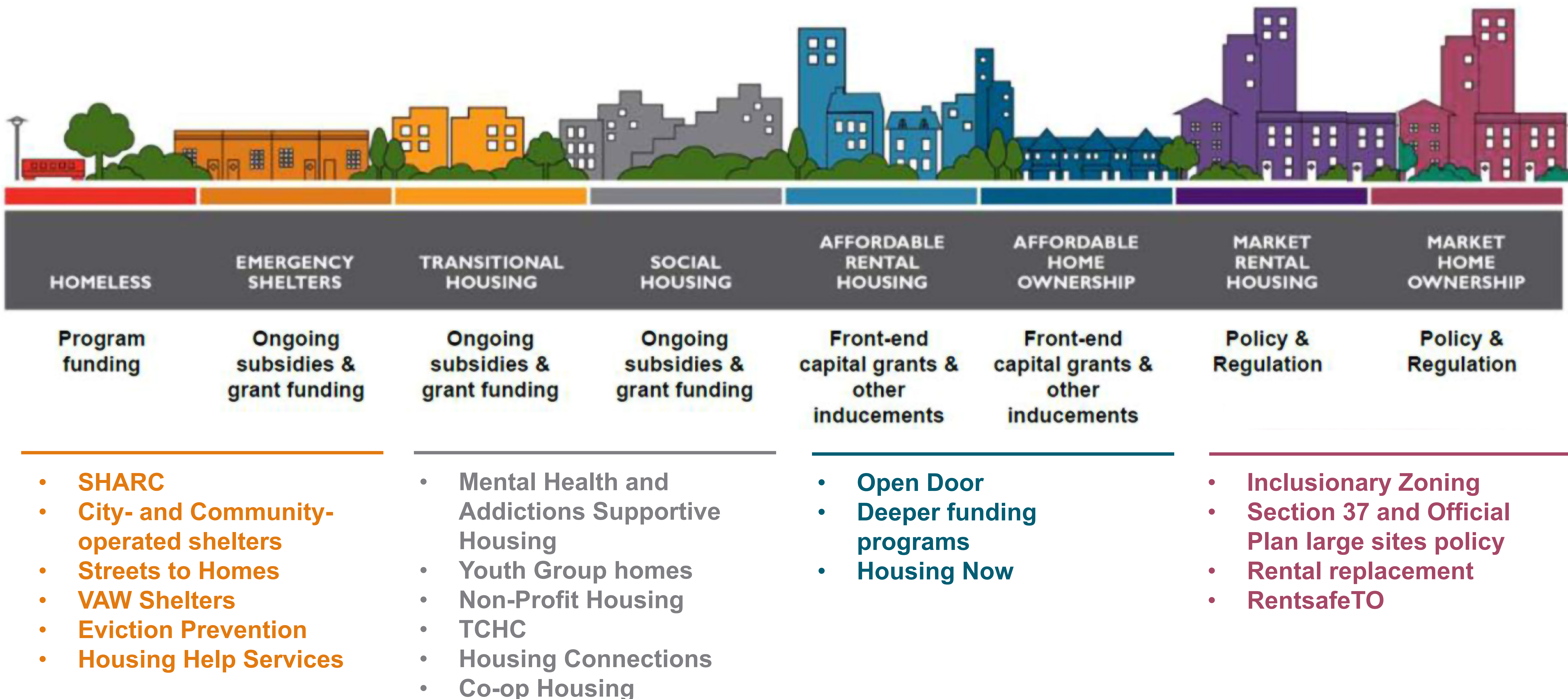
Financial Impact Assessment (2019)

- Assessment of the impact of a range of inclusionary zoning requirements on 11 geographies across the City.
- Analysis found that in strong market areas, the cost of providing affordable units impacted the land value instead of increasing the cost of market units.
- **Longer affordability period** : In strong markets extending the affordability period from 25 to 99 years negatively impacted land values by up to an additional 3.3%. In moderate or emerging areas, a longer affordability period had a bigger impact, in some cases making development not viable with an 18% impact on land values.
- **More units**: Securing a higher or lower percentage of units had one of the biggest impacts on land values, making projects in some market areas no longer viable.
- **Affordability Depth**: Going from 100% of AMR to 80% of AMR had less of an impact in strong markets as moving to a longer affordability period. In moderate or emerging areas, the impact was greater.



Toronto's Housing Tools

Inclusionary Zoning is one of several tools to address a range of housing needs in the city. Inclusionary Zoning policies are used in over 800 cities across North America, United Kingdom and Australia.



Defining Affordability

The City needs to determine who would be eligible for Inclusionary Zoning units.

Toronto’s Official Plan currently defines affordable rental housing as:

Housing where the total monthly shelter cost (gross monthly rent including heat, hydro and hot water utilities) is at or below the average City of Toronto rent, by unit type, as reported annually by the Canada Mortgage and Housing Corporation.

For 2019, the following affordable rent limits are used:

Bachelor unit:	One-bedroom unit:	Two-bedroom unit:	Three-bedroom unit:
\$1,089	\$1,270	\$1,492	\$1,657

The policy directions propose a new definition for affordable ownership housing as:

Housing which is priced at or below an amount where the total monthly shelter cost does not exceed 30 percent of gross annual income for households within the moderate income range. The moderate income range includes households earning approximately \$35,000 to \$87,500 per year and is defined as the 30th to 60th income percentiles, depending on household size.

Use sticky notes to let us know what you think about the existing and proposed definitions.



	Income Percentile	Target Income	2019 Price	2019 Price based on current definition
Bachelor (1-person hh)	30	\$42,574	\$179,210	\$167,472
1-BDR (2-person hh)	40	\$55,698	\$234,450	\$197,339
2-BDR (3-person hh)	50	\$70,360	\$296,200	\$231,296
3-BDR (4-person hh)	60	\$87,545	\$368,500	\$272,186

Geographic Application

The City needs to determine where to apply Inclusionary Zoning.

Proposed Policy Direction

Inclusionary Zoning would apply in strong and moderate market areas of the city.

Key Considerations for Strong Market Areas

A market area was determined to be a 'strong market area' based on the following criteria:

- Resale prices for condominium apartments
- Resale and new condominium price increases
- New condominium and new rental prices
- Intensity of development activity measured by the number of approved and proposed units in the development pipeline
- Whether the financial viability analysis determined that a typical development in the market area could support a 10% or 20% Inclusionary Zoning requirement

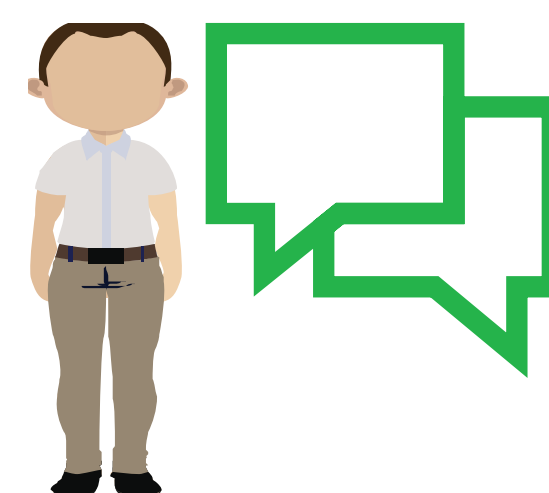
The strong and moderate market areas and major transit stations are outlined on the map.

Use the map to tell us what you think!

Do you have any concerns with the proposed areas?

Are there areas which should be included?

Are there other criteria you think should be used to determine Inclusionary Zoning policy areas?



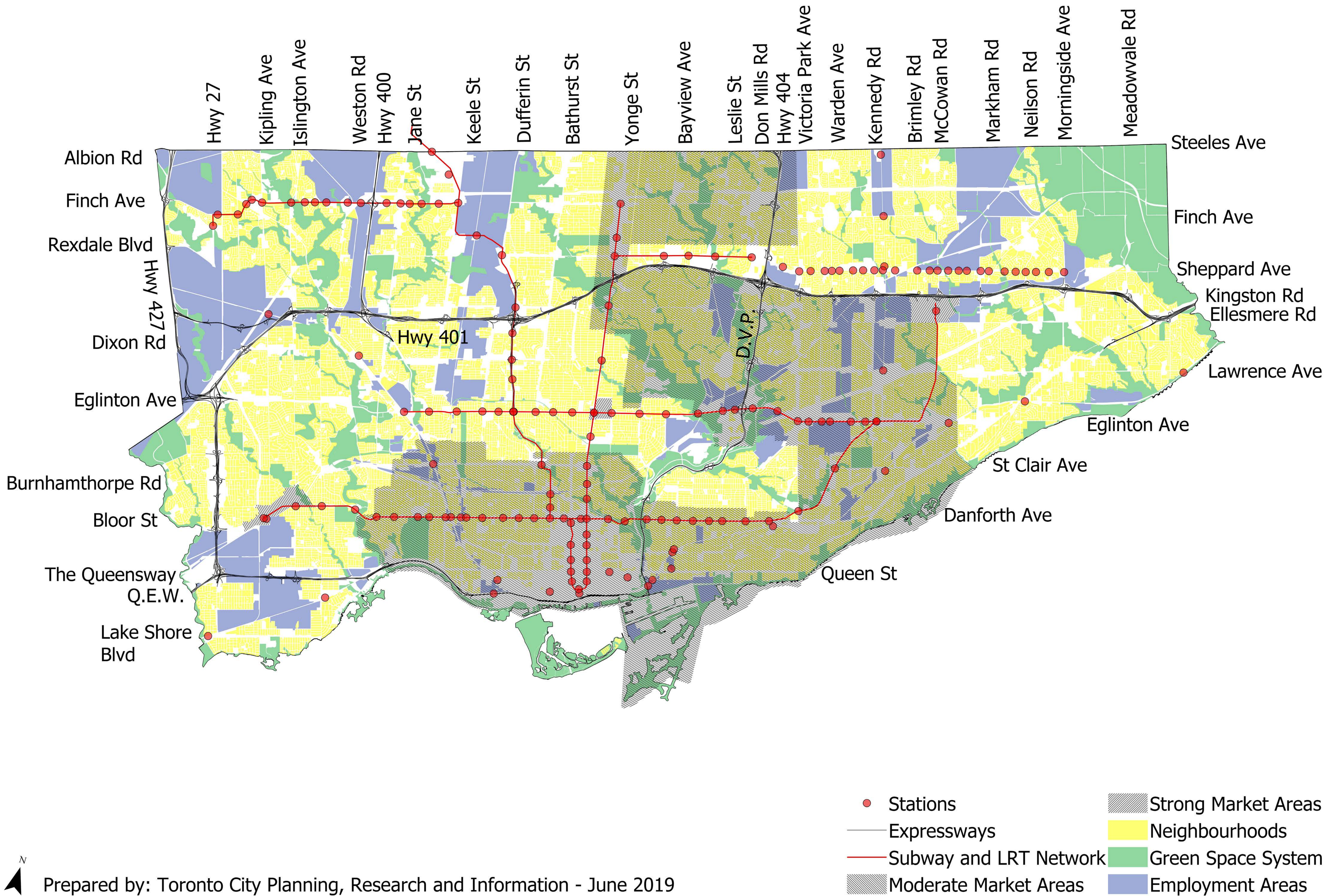
Mapping Activity

Do you have any concerns with the proposed areas?

Are there areas which should be included?

Are there other criteria you think should be used to determine Inclusionary Zoning policy areas?

TORONTO Strong and Moderate Market Areas



Do you have any concerns with the proposed areas?

Are there areas which should be included?

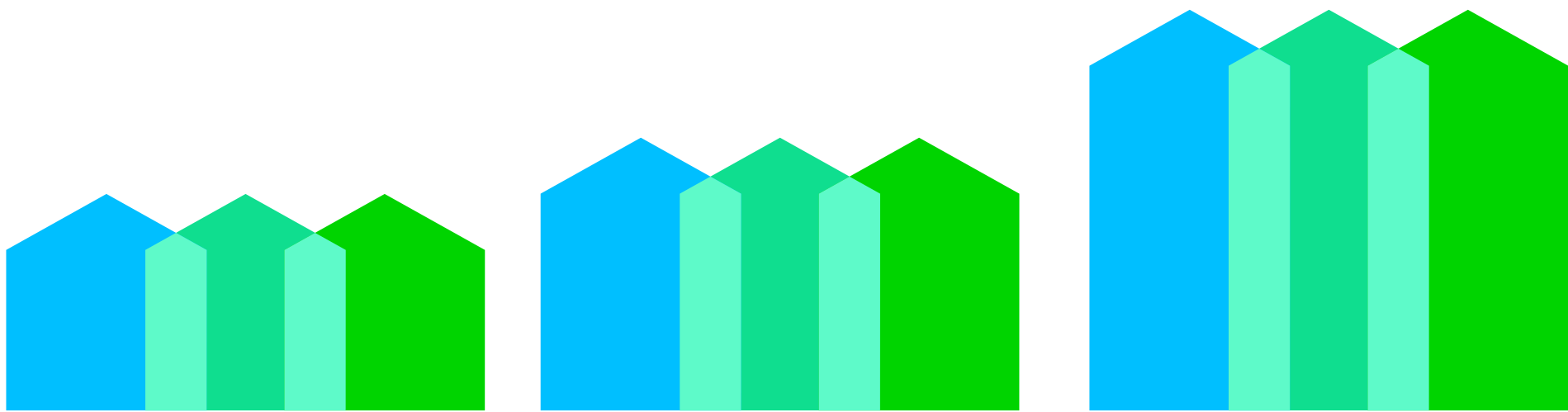
Are there other criteria you think should be used to determine Inclusionary Zoning policy areas?

Scale of Development

The City needs to determine the minimum size of new developments where Inclusionary Zoning applies.

Proposed Policy Direction

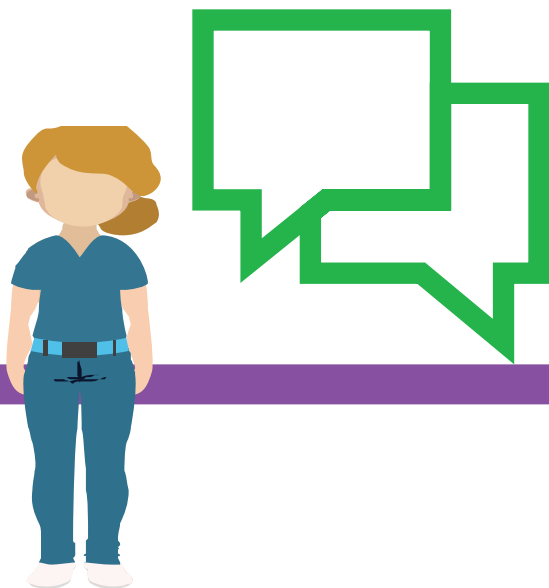
- Inclusionary zoning would apply to developments in proposed Inclusionary Zoning areas containing:
- 100 or more units downtown, and
 - 140 or more units in other areas of the City



Key Considerations

- Provincial regulation states 10 units minimum
- Of 328,691 residential units in the development pipeline, about 90% are in high-rise projects and 8% are in mid-rise projects (as of mid-2018)
- 67% of mid-rise projects in the downtown have less than 100 units
- 82% of mid-rise projects outside the downtown have less than 140 units
- Administration of affordable units may be more burdensome in smaller developments
- How to continue to support and encourage mid-rise developments

Do you think that Inclusionary Zoning should apply to smaller or larger developments? Why?



Number of Units

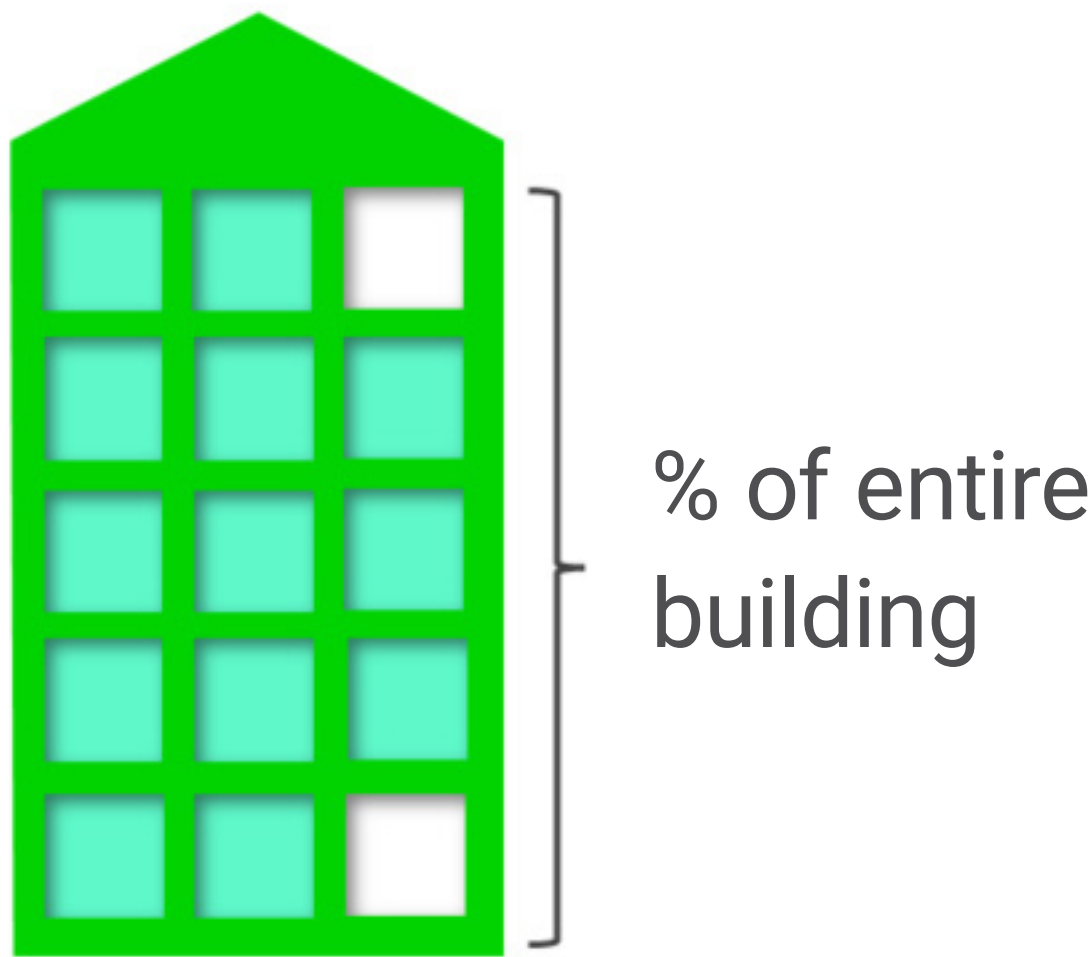
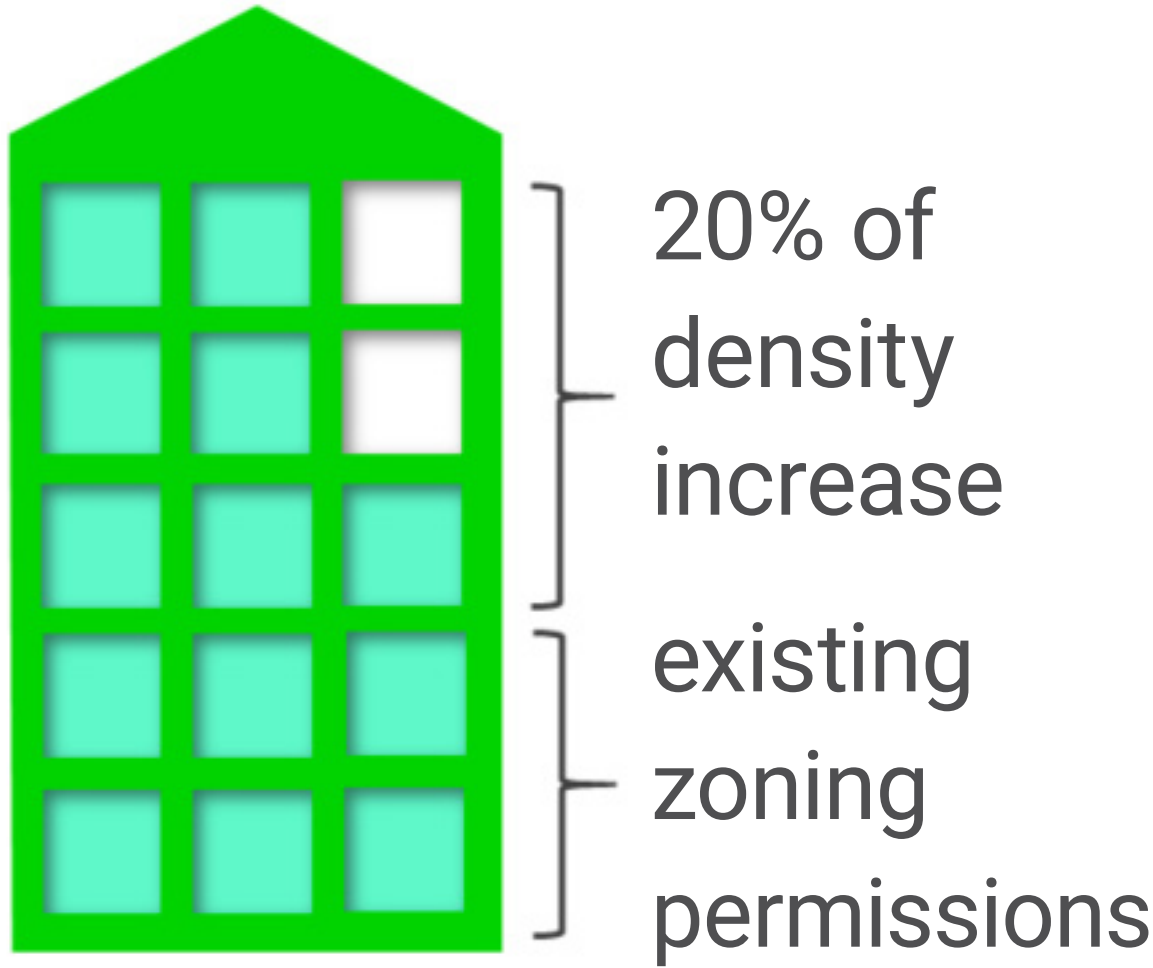
The City needs to determine how many units should be affordable in new developments.

Proposed Policy Direction

- Inclusionary Zoning would apply on up to 20% of the density increase OR an equivalent % across the entire project.
- 2.5-5% for purpose-built rental projects.
- Lower requirements for moderate market areas.

Key Considerations

- Affordable rental units could be provided in condominium developments.
- In 2018, 2,472 purpose-built rental units were built compared to 11,816 condominium units.
- Other jurisdictions typically require between 10%-30%, with higher requirements tied to incentives.
- How can we ensure a fair and equitable approach that takes into consideration recent land transactions?



Do you think that Inclusionary Zoning should apply to a % of the entire building or the density increase? (Comment below)



Period of Affordability

The City needs to determine how long units should remain affordable.

Proposed Policy Direction

Affordable housing units created through Inclusionary Zoning would be secured at affordable prices or rents for 25 years.

Key Considerations

- If a resident moves into an affordable unit during the affordability period, their rent will stay affordable until they move out.
- Other jurisdictions use 25 years to perpetuity.
- The City uses 30 years inclusive of a phase-out period to market rents for Open Door (which provides City financial incentives for rental housing) and 99 years for Housing Now (creating mixed-income housing on public lands).

Proposed Policy Direction for IZ



What do you think about the proposed 25 year affordability period?



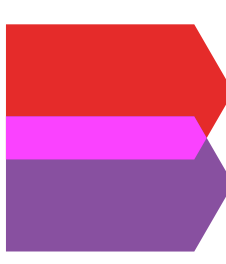
Questions? Comments?

Please let us know if there is anything else you need clarity on. We will be creating a FAQ list based on your comments and questions.

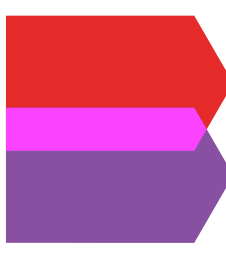
Please use the sticky notes to record your comments below!



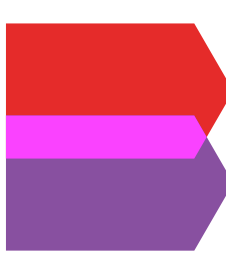
Thank you for attending the public meeting for Inclusionary Zoning!



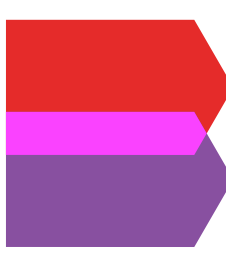
Please complete the survey using the tablets or send us a hard copy



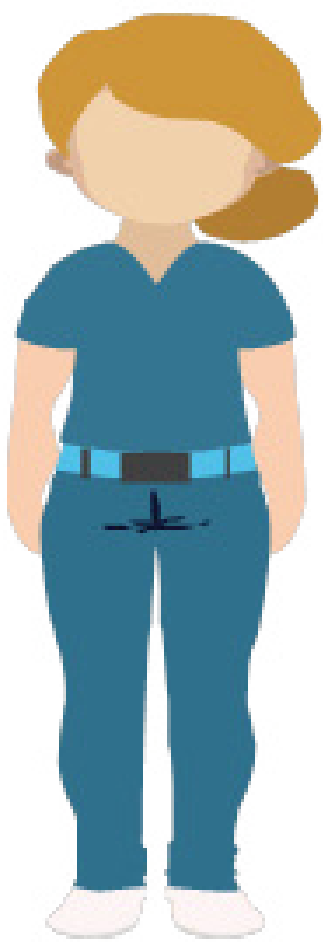
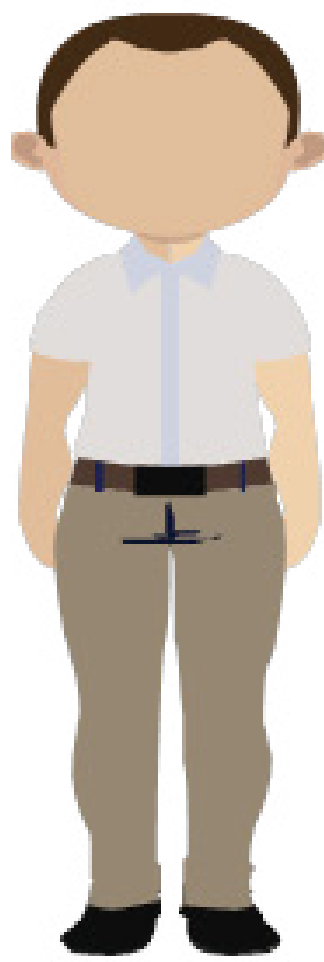
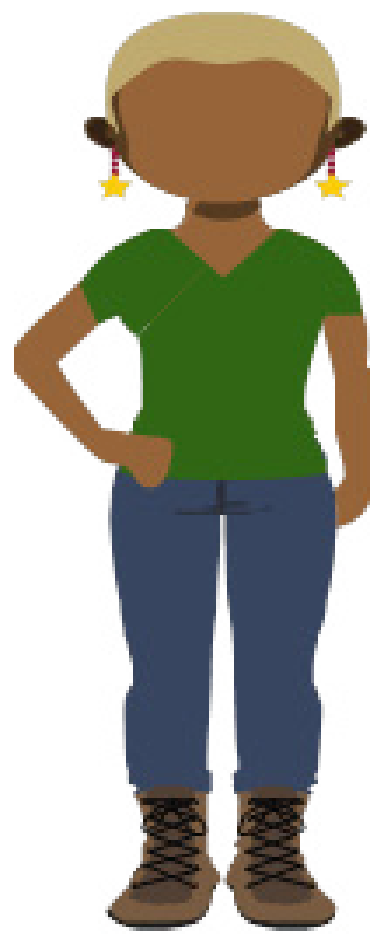
Submit an event comment form



Be sure to sign-up for the Speaker Series on the sign-in sheet



Host a DIY Facilitation - ask us how!



For more information:

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Social Hashtag:

#InclusionaryZoningTO