

Purpose-Built Rental (PBR) Incentives Program - Phase 2

Information Session
August 31, 2026



This session is for the **Purpose Built Rental Incentives Program** that the City has launched to unlock construction of new rental housing. This session is primarily for developers/community housing providers/builders/consultants. **This session will not cover how people can access an affordable housing unit.** That information is available on the City of Toronto's Website at:

<https://www.toronto.ca/community-people/housing-shelter/access-community-housing/>

Land Acknowledgement

The City of Toronto acknowledges that we are on the traditional territory of many nations including the Mississauga's of the Credit, the Anishinaabeg, the Chippewa, the Haudenosaunee and the Wendat peoples, and is now home to many diverse First Nations, Inuit and Métis peoples.

The City also acknowledges that Toronto is covered by Treaty 13 signed with the Mississauga's of the Credit, and the Williams Treaties signed with multiple Mississauga's and Chippewa bands.

African Ancestral Acknowledgement

Though I am not a person of African descent, I am committed to continually acting in support of and in solidarity with Black communities seeking freedom and reparative justice in light of the history and ongoing legacy of slavery that continues to impact Black communities in Canada. As part of this commitment, I would also like to acknowledge that not all people came to these lands as migrants and settlers. Specifically, I wish to acknowledge those of us who came here involuntarily, particularly those brought to these lands as a result of the Trans-Atlantic Slave Trade and Slavery. In support of the City of Toronto's ongoing efforts to confront anti-Black racism, I pay tribute to those ancestors of African origin and descent.

Housekeeping

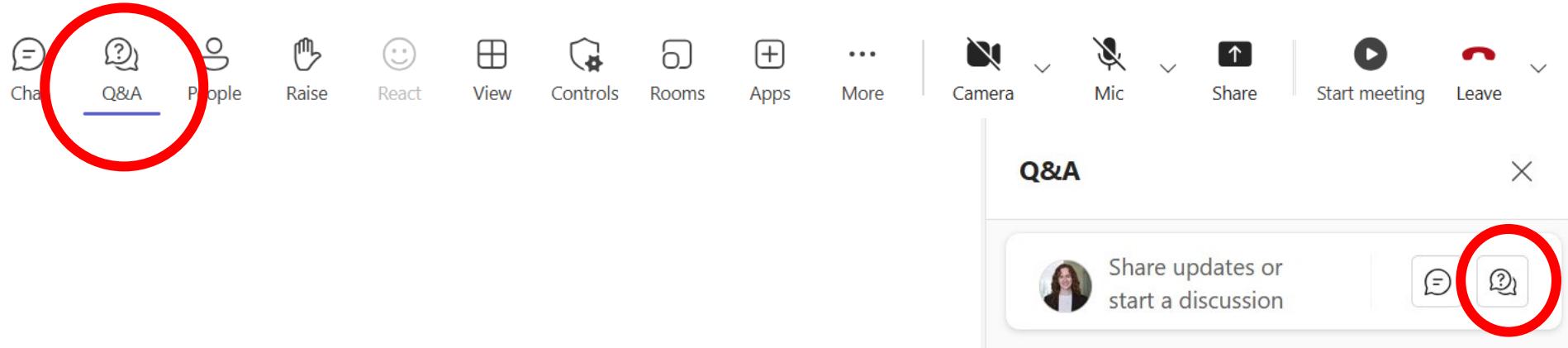
- The purpose of this meeting is to provide an overview of the City's Purpose-Built Rental Housing Incentives Program 2026 Call for Applications
- The slides for this presentation will be available on the [Open Calls for Affordable Housing Initiatives](#) website
- This session is being recorded for internal purposes. The recording will be used by staff to prepare an addendum based on the questions asked today

This session will not provide you with information related to getting access to an affordable home. That information is available on the City of Toronto's Website at:

<https://www.toronto.ca/community-people/housing-shelter/access-community-housing/>

Housekeeping (continued)

- City staff from the Housing Secretariat will provide a brief presentation followed by opportunity for Q&A
- Questions will be answered at the end of the presentation
- You can raise your hand using the raise hand function to ask a verbal question at the end of the presentation or enter a written question at any time during the presentation through the Q&A box
- All questions and answers will be published in a written Addendum



Purpose-built Rental Housing Incentives Program – Phase 1

**7,985
homes**

Approved for incentives in
16 sites

**24%
affordable**

Exceeding
the 20% target

**1 in 5 rental
starts**

Supported by the program
since Jan. 2025

- The first phase of the Purpose-built Rental Housing Incentives Stream was launched in late 2024 and is supporting approximately 8,000 rental homes, including 2,000 affordable homes with a City investment of \$654m.
- Key Learnings from Phase 1:
 - Need a strong focus to prioritize shovel-ready projects
 - Improve coordination with CMHC to advance projects
 - Maintain emphasis on simple program design and rapid implementation

PBR Phase 2 – Activating Up to 10,000 New Rental Homes

Enhanced funding certainty enables **City to complement overall residential DC reductions with Phase 2 of the PBR program.**

City to approve **10,000 new rental homes** through PBR Phase 2 — **up to 8,000 market rental homes and at least 2,000 affordable homes.**

	Affordable Homes	Market Rental Homes
Housing Outcomes	2,000 affordable rental homes at income-based definition for 40-99 years	Up to 8,000 new market, purpose-built rental homes
Available Benefits	Full package of Rental Housing Supply Program incentives • Waivers of building permit fees • Exemptions from DCs, Parkland, CBCs • Property tax waiver for 40-99 years	Indefinite deferral of all residential DCs 15% property tax reduction via the Multi-Residential Tax Subclass, for 35-year period

Eligibility Requirements

Note: Proponents of in-flight projects on City-owned land are also eligible to apply. Approval of these applications will require an additional detailed financial review, including consideration of all benefits the City may already be providing.

Projects must meet minimum requirements to be eligible for incentives for affordable and market rental homes:

- Private sector, Indigenous, and non-profit community housing providers are eligible to apply
- At least 20% of units in the development must be affordable, meeting City requirements, for a min. of 40 years.
- Must have **approved Zoning and, at minimum, an active Site Plan Application**
- Development must be in pre-construction and have not yet paid or deferred DCs
- Property must be owned by applicant or have a lease secured for sufficient time to meet minimum 40 year affordability requirement with permission to develop
- Demonstrates a realistic path to **construction start within 12 months**
 - Multi-phase developments should be submitted separately with focus on shovel-ready phases/sites
- Must agree to enter into agreements securing the value of incentives, affordable housing obligations, and rental tenure

Affordable Rental Requirements

Through the Rental Housing Supply Program (RHSP), the City is prioritizing the creation of mixed-income communities that include new rental housing affordable to Toronto’s current and future residents.

20% of homes must be affordable rental:

- 1. Rents meet RHSP rent levels (see table)
- 2. Maintain affordability for at least 40 years
- 3. Rent increases capped at the Provincial Guideline
- 4. Match the market units in bedroom-mix, unit size and materials/finishings
- 5. Be secured by way of a mortgage registered on title
- 6. Meet requirements for tenanting access and administration

RHSP Affordable Rent Levels - 2026

Unit Type	Affordable Rent
Studio	\$1,127
1-bedroom	\$1,426
2-bedroom	\$2,055
3-bedroom	\$2,290
4-bedroom	\$3,245

Prioritization Criteria

The PBR Phase 2 Call is focussed on **supporting shovel-ready projects** to achieve viability, reach construction start, and support the home-building industry and workforce. Projects will be prioritized on:

✓ **A viable path to construction start within 12 months:**

- More advanced development review and building permit status, with a demonstrated path to secure outstanding approvals
- Financing status and experience securing construction financing (frequent builder status of the Applicant with CMHC)
- Detailed project schedule with timelines for approvals and steps required to achieve construction start

✓ **Supporting City-building objectives:**

- Projects that support creation of transit-oriented communities, located near existing higher order transit stations or along an Avenue
- Projects that unlock additional community services and facilities (including schools, childcare, libraries, community recreation centres, social/community agency space and parkland)

Application Materials

1. Review all PBR materials on the [Calls for Application Website](#) in detail prior to applying including:
 - Program Guidelines
 - Application Package and Five Appendices
 - Addenda (*when posted – recommend check regularly*)
 - PBR Template Agreements
 - Contribution Agreement
 - Section 27 Agreement
 - Section 4.1 Agreement
2. Submit a complete application package by **5 p.m. on September 18, 2026** via email to RHSP@toronto.ca

Application Details

Submissions must include:

1. **one combined PDF for the complete application package:**
 - Cover Letter including overview of project, organizational chart of partnerships and company roles, key stats, roles and responsibilities of Applicant team, information on land ownership and planning application status
 - Demonstration of Construction Readiness, including description of steps remaining to construction and funding and financing plan
 - Contribution to City-Building Objectives demonstrated with narrative description
 - Mandatory Submission Form

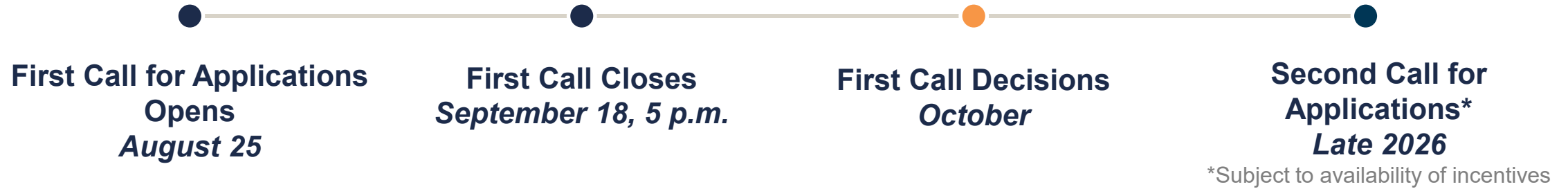
Application Details (continued)

2. Completed excel spreadsheet with project data, proponent data, and budget & financing information (template provided); and

3. One consolidated PDF for all supplementary information and attachments

- Project Gantt chart
- Articles of Incorporation/Letters Patent and Certificate of Status/Compliance
- Current copy of the parcel register for the property
- Planning documentation to evidence development review status
- Site Plan drawings including site statistics and floor plans with ARH units identified
- Documentation to evidence funding and financing plan

Key Dates



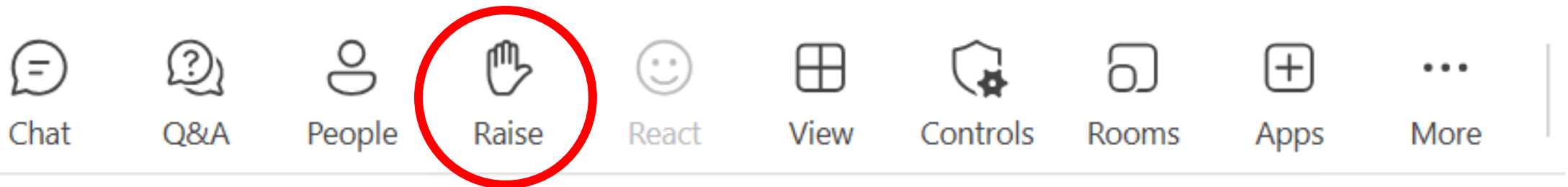
- Complete applications to be submitted by email to RHSP@toronto.ca by 5 p.m. on September 18, 2026
- Award letters will not be issued to applicants until the Development Charges Reduction Program Transfer Payment Agreement has been executed between the City and the Province.

Q&A



Questions & Answers

- To ask a question verbally, click the 'Raise' button on the top banner of the Teams Call
- You will be called upon to speak by the presenter and given the ability to unmute yourself
- You can lower your hand by clicking on the same button again
- **Today's questions and answers will be published in a written Addendum**



Thank you!

All questions will be answered in writing and
made available online as an Addendum at
Open Calls for Affordable Housing
Initiatives – City of Toronto

