



Submissions of All IN
to Ministry of Municipal Affairs
and to Ministry of Housing
on Bill 204, *Promoting Affordable Housing Act*
(Inclusionary zoning)



All IN
submissions on Bill 204:
Inclusionary Zoning, Inclusive Communities



All IN advocates for inclusive communities. We are a collaborative, city-wide group with a vision for communities where everyone fully belongs and no one is left behind. We aim to accomplish our goals through engaging with the public and raising awareness; collaborating with businesses; and advocating for policy and legal changes at the governmental level. Our web-site can be found at www.allinadvocacy.ca. For further information, contact info@allinadvocacy.ca.



All IN
submissions on Bill 204:
Inclusionary Zoning, Inclusive Communities

"It is in the shelter of each other that the people live."

-proverb

PART I: EXECUTIVE SUMMARY & KEY RECOMMENDATIONS

In Ontario, we have finally reached a consensus: there is a need for safe, affordable housing for all, and that all of us: developers, government, and residents, are responsible for ensuring that everyone has a home. We are pleased to see that the Ministry of Housing, Ministry of Municipal Affairs, and the Ontario Government have recognized the importance of having sufficient affordable housing, and welcome the province's lead in establishing a framework for it. Housing is all of our responsibility.

Bill 204 is a necessary first step in achieving the goal of housing for all. It highlights some of the key issues relevant to inclusionary zoning. However, there are some glaring omissions in the Bill. These include the need for **integration of affordable housing in all neighbourhoods**, and the need for **supportive and other assisted living housing for persons with special needs**. Furthermore, while the Bill is an important first step, its development and passing into law must incorporate the regulations, policies, and framework that are needed to make inclusionary zoning a reality. These include ensuring that there is sufficient funding for affordable housing, and raising public awareness about the benefits of integrated affordable housing.

The following are All IN's key recommendations on Bill 204:

1. Bill 204 and the Provincial Policy Statement should be amended so that the **definition of affordable housing** reflects the needs of society, not simply the housing market in each neighbourhood or municipality. Homes of varying price ranges should be available and/or built to provide safe and affordable housing to people of diverse income levels.
2. Bill 204 should be amended to ensure **integration of affordable housing in city neighbourhoods**, so that people of diverse socio-economic backgrounds can live anywhere they choose. Through integration, we reduce ghettoization of the poor, and we promote understanding, empathy, and collaboration, all of which will help us build more inclusive, vibrant, and healthy communities.
3. Bill 204 should be amended so that affordable housing forms part of the blueprint of our city planning, and is **integrated into all new development**, including high-rise, mid-rise, brownfield, greenfield and infill development projects.
4. Bill 204 should be amended to include the provision of **supportive housing and group homes** for people with psychological, developmental, as well as physical disabilities and challenges. Such housing should be available in every neighbourhood.
5. Bill 204 should be amended to ensure that the necessary number of **2-4 bedroom homes** (sale or rental) are built to accommodate the needs of larger and multi-generational families.
6. **Threshold requirements** should be established so that developers and others cannot avoid their responsibility of building affordable housing by slight variations in the numbers of units they build.
7. The province must provide adequate, reliable **funding** to ensure that affordable homes are built immediately and in the long-term.
8. The province must provide adequate **funding to set up the monitoring and regulatory** system to administer inclusionary zoning and to ensure its success.

9. **Measures and incentives** should be designed so that there are **sufficient resources available for the building of infrastructure, services**, and for the growth of services.
10. Once effective and achievable inclusionary zoning law, policies, and plans are in place, and have been tested to ensure their effectiveness, **Section 37 of the *Planning Act*** should be amended so that its benefits are geared to communal benefits, excluding affordable housing.
11. The province should undertake **an education campaign** to raise awareness about the benefits of inclusionary zoning, and to encourage the collaboration of residents, businesses, and all levels of government to achieve the goal of affordable housing for all.

PART II: THE FOUNDATION AND THE FRAMEWORK FOR EFFECTIVE INCLUSIONARY ZONING

1. Introduction:

The aim of inclusionary zoning is to ensure that suitable and safe housing is available to people of all backgrounds and income levels. Residents should have the option to live in a variety of neighbourhoods, close to their place of employment, their children's school, and diverse amenities and community and social services. Done effectively, inclusionary zoning will promote vibrant neighbourhoods and businesses. It will improve the quality of life for residents, and will facilitate understanding and collaboration between neighbours. Finally, inclusionary zoning bylaws will foster a sense of communal responsibility between businesses, residents, and government alike.

In order to be effective, inclusionary zoning must incorporate several key characteristics and goals.

2. The Key Characteristics of Effective Inclusionary Zoning

The key characteristics and goals outlined below must inform every aspect of our legislative framework and policy setting. It is our submission that Bill 204 needs to be strengthened to properly address and achieve the following goals:

- **Affordable:** Housing should be affordable to people from the entire economic spectrum, with prices indexed to people's income levels. Housing is considered to be affordable if shelter costs are less than 30% of before-tax household income.¹ Inclusionary zoning laws should be designed to provide *sufficient numbers* of affordable homes (ownership or rental) to the entire spectrum of income levels, so that no one is left behind. Bill 204 will need to provide the direction and framework to both require and enable a range of affordable housing.
- **Safe:** Residents should feel physically and psychologically safe in their homes. This minimal requirement ties into the principles of integration, health, and suitability of homes. When people are ghettoized into unsafe neighbourhoods where most are struggling with economic and social challenges, safety is sacrificed, crime is increased, children are put at risk, and the overall society is harmed. Safety also means that residents should feel secure in their homes without the constant threat of eviction due to unaffordable rental prices, precarious employment, disability, and other factors. Bill 204 must be strengthened to promote the safety of residents and society.

¹ Canadian Mortgage and Housing Corporation. (n.d.). "About Affordable Housing in Canada. Retrieved July 10, 2016, from Canadian Mortgage and Housing Corporation: https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce_021.cfm

- **Healthy:** Warmth in the winter, cool air in the summer, and physically healthy environments, free from mould, bed bugs, and other infestations, are all requirements for a healthy home. When low-income households are forced to spend most of their income on housing, it means that fewer resources are spent on necessities that promote good health, such as food, recreation, medicine, psychological support, and dental care. Inadequate and “unhealthy” housing effects both the physical and mental well-being of inhabitants. Stress from the cost of rent, the fear of eviction, excessive noise, or dealing with infestations and lack of heat can exacerbate health problems. Furthermore, the lack of adequate housing can disproportionately impact people who are the most vulnerable: children, seniors, people who are sick, and people with disabilities. Children are especially prone to the impact of poor housing because they are still developing physically and psychologically.²

The health benefits of housing, as opposed to living on the streets, are also well documented. Housing the homeless improves the physical and mental well-being of those living on the streets and enables them to get help and become more independent. It also reduces the high societal costs that are regularly spent on shelters, emergency visits, and involvement with the criminal justice system.³ Bill 204 must give guidance and direction to municipalities to ensure that all homes are healthy and promote well-being. Without these, individuals’ physical and emotional health is compromised, resulting in increased public healthcare costs.

- **Accessible:** Accessible homes and neighbourhoods are important to people with physical impairments, mental health issues, or physical and developmental challenges that requires special, assisted, or supportive living environments to promote independent living. This means a wide range of housing options and locations are needed, spanning from supported independent apartments to transitional housing. Funding in the form of rent subsidies can also ensure permanent long-term secure housing is available to people who need it.⁴ Bill 204 currently does not include any housing provisions for those who require some form of assisted living. Every community should include such housing. Bill 204 needs to be amended to include the provision of supportive housing in each neighbourhood.

² Wellesley Institute. (2015, July 3). *Submission to the Province of Ontario: Long-term Affordable Housing Strategy Update*. P. 4-5. Retrieved from Wellesley Institute: <http://www.wellesleyinstitute.com/wp-content/uploads/2015/07/Long-Term-Affordable-Housing-Strategy.pdf>

³ City of Toronto. (2009). *Housing Opportunities Toronto: An Affordable Housing Action Plan 2010-2020*. Toronto: City of Toronto. P. 4. Retrieved from: https://www1.toronto.ca/city_of_toronto/affordable_housing_office/files/pdf/hot_actionplan.pdf

⁴ Wellesley Institute. (2015, November). *Coming Together on Supported Housing for Mental Health and Addictions in Ontario*. P. 3 Retrieved from Wellesley Institute: <http://www.wellesleyinstitute.com/wp-content/uploads/2015/11/Coming-Together-on-Supported-Housing-in-ON.pdf>

- **Suitable:** Homes must be suited to the needs of diverse families, including multigenerational families. According to Statistics Canada, 362,000 multigenerational households were documented across the country in the 2011 census.⁵ A rise in Canada's aging population, paired with increasing life expectancy, is resulting in more children and grandchildren moving in with their parents/children to save costs and provide care. Furthermore, there is an increase in the number of immigrant and indigenous families where multigenerational households are common.⁶ We must build and make available sufficient affordable homes so that people do not have to live in over-crowded, unhealthy environments simply so that they can afford rent. Bill 204 should be amended to require the building of larger homes (3-4 bedrooms), both ownership and rental, to accommodate multigenerational and larger families.
- **Integrated & Inclusive:** People of all backgrounds, income levels, and abilities should live in close proximity to one another so that our society benefits from the many advantages gained from integrated living: cultural bridge-building, equality of services, and promotion of understanding and tolerance. Integrated communities facilitate collaboration, increase equal access to public services, and improve economic opportunities for all. A 2003 study on the effects of residential segregation in the American Journal of Public Health reveals the clustering of low income neighbourhoods limits the social and economic opportunities of residents because they may not be able to access parts of the city that contain retail outlets or social and health services⁷. A truly inclusionary housing plan will not only integrate people of various income levels, it will also ensure the inclusion and integration of people with diverse needs and abilities. Bill 204 must be amended to require that a wide range of affordable homes be built in every neighbourhood, including supportive housing, group homes, and other appropriate housing for people with physical, developmental, and mental health challenges. The Bill should also ensure the building of homes suitable for seniors and for multigenerational families.

3. Minimal Requirements

In order to build and provide healthy, ethical, and sustainable housing with the characteristics outlined above, the Ministry of Housing must commit to certain minimal requirements. These are:

First, housing should be **integrated**, so that every neighbourhood brings together people of diverse socio-economic backgrounds.

⁵ La Rose, L. (2013, November 4). "Our house, it's a demographic feat: How multigenerational family living is changing the face of Canadian households." Retrieved from National Post: <http://news.nationalpost.com/life/our-house-its-a-demographic-feat-how-multigenerational-family-living-is-changing-the-face-of-canadian-households>

⁶ Battams, N. (2016, July 19). "Sharing a Roof: Multi-generational Homes in Canada." Retrieved from The Vanier Institute of the Family: <http://vanierinstitute.ca/multigenerational-homes-canada/>

⁷ Acevedo-Garcia, D., Lochner, K., Osypuk, T., Subramanian, S. (2003). Future directions in residential segregation and health research: A multilevel approach. *American Journal of Public Health*, 93(2), 215-221.

Second, the province must provide the necessary **leadership** so that every municipality will be **required** to provide integrated housing. The question of *whether* affordable and integrated housing should be built should no longer delay our efforts and our obligation to ensure that everyone has a safe home. Furthermore, inclusionary zoning must be detached from the section 37 of the *Planning Act*, as that provision is an *ad hoc*, unreliable, and an ineffective way of building affordable housing.

The Government of Ontario will need to **raise awareness** surrounding the benefits – whether social, psychological, or financial – to all of us by providing integrated housing for all.

Finally, the province must take leadership, set an example, and provide the **funding** necessary to meet essential targets. It must also encourage or require municipalities to implement the means of **raising revenue** for these goals.

Housing is all of our responsibility. These minimal requirements must be incorporated into Bill 204 and supporting regulations. Without these, the Bill will not achieve its goal of ensuring that all Ontarians have safe, affordable housing. We turn to each of these below.

Housing is all of our responsibility.

i) Integrated housing: housing for all, in all neighbourhoods

In order to reach the goal of having safe, affordable housing that promotes a healthy, vibrant society, we must ensure that all housing is integrated. Affordable housing should not be relegated to some parts of the city only. It should certainly not be concentrated in the outskirts of the city, where there are less amenities and services, such as transit, community centres, parks, other public services, and employment opportunities.

Those who live in housing that is available at or below market price should never be ghettoized. Ghettoization and segregation of housing based on cost leads to greater risks, such as social and economic polarization, threats to social cohesion, increased crime, racial tensions, and increased health problems. Lack of social and economic integration can lead to negative impacts on child development and future life prospects.⁸ Ghettoization of housing is not only unethical and divisive, it also costs everyone more in the long-term. We all pay for the higher costs of physical and mental health issues, violence, and insufficient school resources.

Concurrently, integrated housing benefits us all at many levels. It facilitates interaction of people from different backgrounds and income levels in community centres, parks, and other public places or businesses, bringing with it the benefits of bridge-building, collaboration, tolerance, empathy, and advancement.

⁸ Freiler, C. (2004, November 4). *Why Strong Neighbourhoods Matter: Implications for Policy and Practice*. Retrieved July 10, 2016, from Strong Neighbourhoods Taskforce, Toronto: <http://3cities.neighbourhoodchange.ca/files/2011/05/2004-Toronto-Strong-Nhoods-TF-Why-strong-neighbourhoods-matter.pdf>

Schools and our children also benefit from integration and inclusion. Children and adults learn more about one another – and about empathy, tolerance, co-operation and success- when they learn in schools that include children from diverse socio-economic backgrounds. School resources will be better balanced when people of various income levels attend all schools. An appropriate level of parental involvement can benefit schools, teachers, and students. Currently, that involvement, and, in particular the financial and monetary resources that result from it, vastly differ from one school to another. These differences are based on the income levels of the parents and the luxury that some families enjoy by having a non-working parent who can be involved in school activities. If we want to give all children a greater chance at academic success, at having healthy minds and healthy bodies, then resources (financial and otherwise) among our schools should be more evenly spread. This can best happen through better integration.

Every neighbourhood, every community, should integrate a range of housing options for all: for people of different income levels, different backgrounds, different physical and psychological or emotional needs, and different ages. Such housing should be integrated so that the location of homes do not publicize people's income levels.

Bill 204 must be amended to require that affordable housing be built not only where there are planned new developments of a certain height or density, but also in neighbourhoods where there are lower densities of affordable housing.

ii) Affordable housing is not optional, Section 37 of the Planning Act

As noted in the Ministry of Housing's "Inclusionary Zoning Consultation Guide," some tools are already available to municipalities that wish to build affordable housing. However, these options have proven ineffective in sufficiently increasing the supply of affordable housing. In particular, Section 37 of the *Planning Act*, while providing some benefits to various neighbourhoods, has not been regularly used by municipalities to build affordable housing. According to a 2013 study conducted by The Institute on Municipal Finance and Governance (IMFG), the City of Toronto entered into 157 Section 37 agreements between 2007 and 2011, amounting to approximately \$136 million in cash contributions. However, only 6% of the community benefits secured was put towards the creation of affordable housing. The majority of the benefits were invested in capital facilities like community centres and libraries, as well as "desirable visual amenities" like parks, public art, and streetscape improvements.⁹

Part of the difficulty with creating affordable housing through Section 37 is that the section only provides *ad hoc* opportunities for building affordable housing. Agreements are negotiated on a case-by-case basis between ward councillors and developers, where councillors are given considerable discretion in negotiating and distributing benefits.¹⁰ This results in an unreliable, unpredictable, and ineffective system

⁹ Moore, A. A. (2013, February). Trading Density for Benefits: Section 37 Agreements in Toronto. P. 4-6. Retrieved from Munk School of Global Affairs:

[http://munkschool.utoronto.ca/imfg/uploads/221/imfg_perspectives___moore_\(feb_2013\).pdf](http://munkschool.utoronto.ca/imfg/uploads/221/imfg_perspectives___moore_(feb_2013).pdf)

¹⁰ *idem*

whose yield is dependent on the strength and negotiation skills of the city councillor, and their courage, or appetite, for building affordable homes. Thus, Section 37 does little to address the need for a significantly increased supply of affordable ownership and rental units in Ontario.

In order to be effective, Bill 204 must include specific features and avoid the pitfalls of Section 37:

Inclusionary zoning must be mandatory.

Municipalities, particularly those with greater affordable housing needs, should be required to build a certain number of affordable housing units. This building should reflect the rate of development and the need for affordable homes in those municipalities.

Furthermore, inclusionary zoning must be universally required and integrated. It should not be left up to individual city councillors. Ensuring that Ontarians of all income levels have a suitable and safe home in all neighbourhoods is not a political matter. Everyone deserves a suitable home. Ontarians who have lower incomes because they work in low-waged and precarious jobs, who are just entering the work force, or who live with physical, psychological, or developmental challenges, should not be at the mercy of unpredictable, occasional, and insufficient funding.

iii) Provincial leadership

Changing the way we think about housing and development requires confident, persistent, informed, and collaborative leadership. The Ministry of Municipal Affairs, The Ministry of Housing, and the Government of Ontario are aptly placed to take on this role. The Government of Ontario must educate the public and businesses about the importance of integrated housing for all and lead the way in building and providing such housing. They must ensure that the needed foundation, framework, and **financial and other resources** are available to achieve the goals of inclusionary zoning. In other words, the provincial commitment must advance beyond the drafting of legislation.

The Government of Ontario must conduct public awareness campaigns informing people of the benefits of integrated, affordable housing, emphasizing the need for all of us to be partners in this endeavour. The province must make necessary amendments to the legislation and must provide the resources required for inclusionary zoning so that affordable homes are available for all.

The government of Ontario must engage in a public awareness campaign that outlines the societal and financial benefits of integrated housing, emphasizing the role that all of us—residents, businesses, and government—must play a role in bringing about this essential transformation.



All IN
submissions on Bill 204:
Inclusionary Zoning, Inclusive Communities

iv) Provincial funding

Without appropriate funding, affordable housing cannot and will not be built. In order to meet the objectives set out above, developers, municipalities, the public, and the provincial government must make a concrete commitment to housing for all, in every neighbourhood.

The province must demonstrate leadership by making a significant financial commitment that will allow goals to be achieved.

PART III: ISSUES RAISED IN THE CONSULTATION GUIDE

In responding to the various issues raised in the Inclusionary Zoning Consultation Discussion Guide, we must keep in mind the key characteristics of inclusive communities. These are set out above as affordable, safe, healthy, accessible, suitable, integrated and inclusive. We respond to each of the areas identified in the Consultation Discussion Guide with that framework in mind.

1. Program Targets

The target population for inclusionary zoning will vary depending on whether we are speaking about home ownership or rental. It may also vary depending on the municipality or community in question. The guiding principle in determining the targets in all of these circumstances should remain the same:

People of all economic backgrounds should have access to safe, healthy, suitable homes in each and every neighbourhood. Thus, inclusionary zoning laws should target a broad spectrum of income levels.

i) What is affordable? Is 10% below average market value truly affordable?

The 2014 Ontario Provincial Policy Statement defines affordable housing in terms of home ownership and rental units for low and moderate income earners.¹¹ For home ownership, affordable housing is the least expensive option between the following two:

- a) housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or
- b) housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area

Affordable rentals are defined as the least expensive option between:

- a) a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households or;
- b) a unit for which the rent is at or below the average market rent of a unit in the regional market area¹²

This definition of “affordable” is too restrictive and unrealistic, in many cases. It leaves many families and individuals insufficiently housed, and is an obstacle to building inclusive communities. It also acts as an obstacle to integration.

¹¹ Ministry of Municipal Affairs and Housing. 2014 *Provincial Policy Statement Under the Planning Act*. Retrieved from <http://www.mah.gov.on.ca/AssetFactory.aspx?did=10463>

¹² *Ibid*, page 42

In a city like Toronto, where housing prices are highly inflated, home ownership prices that are 10% below market value are not, in fact, affordable. With the average purchase price of a home in Toronto being \$676,100 (including single-family attached, single family detached, townhouses, and condominiums), a home that is available at \$608,490, which is 10% of that price, is not affordable to most people.¹³ It is certainly not affordable to families with income levels of \$76,219, which is the estimated average income level in Toronto in 2015.¹⁴ A traditional measure of home affordability states that a home should cost no more than three times a family's gross household income. Under this measure, average house prices of \$228,657 would be considered affordable in Toronto.¹⁵

Similarly, so long as the cost of rental homes vary widely from neighbourhood to neighbourhood, measuring affordability using an average or below market value definition will not yield more integrated or affordable rentals for middle income and lower income families and individuals.

Even if we use the Provincial Statement Policy definition of affordable rentals for those with low or moderate incomes, we find that most individuals and families live in unaffordable homes. A 2015 TD Economics report on housing in the GTA reveals that the bottom 40% of income earners in the GTA are paying almost half of their income on rent. Furthermore, much of the new rental supply built over the last decade was geared towards upper and middle income households with a rental price of \$1700 a month. The supply of these units does little to alleviate the need for affordable rental housing in the GTA where approximately 90,000 low income households are on a wait list for public housing.¹⁶

The situation is more dismal for seniors, people who require assisted or supportive housing, single-income families, and other groups. A 2010 report on low income earners in the City of Toronto reveals that a disproportionate number of children, youth, seniors, women, recent immigrants, visible minority groups, and lone parent families make up low income households.¹⁷ Inclusionary zoning housing laws and policies must consider the income levels and the housing needs of persons in these groups, and include requirements for appropriate housing for these persons as well.

¹³ Toronto Real Estate Board. (2016, June). Toronto Real Estate Board MLS Home Price Index. Retrieved from Toronto Real Estate Board:

http://www.trebhome.com/MARKET_NEWS/home_price_index/pdf/TREB_MLS_HPI_Public_Tables_0616.pdf

¹⁴ Carrick, R. (2015, November 5). A house for three times your income? Think again. Retrieved from The Globe and Mail: <http://www.theglobeandmail.com/real-estate/mortgages-and-rates/canadas-old-standards-of-housing-affordability-need-an-update/article27126408/>

¹⁵ Carrick, R. (2015, November 5). "A house for three times your income? Think again." Retrieved from The Globe and Mail: <http://www.theglobeandmail.com/real-estate/mortgages-and-rates/canadas-old-standards-of-housing-affordability-need-an-update/article27126408/>

¹⁶ Burleton, D., & Petramala, D. (2015, January 19). GTA Housing Boom Masks Growing Structural Challenges. P. 9. Retrieved from TD Economics: http://www.td.com/document/PDF/economics/special/GTA_Housing.pdf

¹⁷ Toronto Social Development, Finance & Administration. (2010). Profile of Low Income in the City of Toronto. P. 12. Retrieved from Toronto.ca: http://www1.toronto.ca/city_of_toronto/social_development_finance_administration/files/pdf/poverty_profile_2010.pdf

It is clear that without further commitment from the provincial government, we will fail to provide sufficient affordable rental or home ownership units to Ontarians.

Housing prices, be they for rentals or ownership, and inclusionary zoning policies that aim to increase affordable housing across the map, must be based on residents' income levels and not on market prices.

The Government of Ontario must make concrete commitments to increase the supply of rental units that do not exceed 30% of gross annual income for low and moderate income households

The definition of affordability in the Provincial Policy Statement should be changed so that a broader range of people, at all income levels, can have access to housing that is affordable to them.

ii) Who should take responsibility on program targets?

We submit that the province must take leadership on program targets, and clearly provide a definition of affordability that sets a reasonable standard. This new definition would widen the target group to include people of different income levels, ages, physical, developmental, and psychological needs, and set standards that will require municipalities to integrate sufficient affordable housing into all neighbourhoods.

Without provincial leadership that sets an appropriate standard, some municipalities may take on the minimal amount of responsibility permitted under the law, and some neighbourhoods may resist any changes that would result in greater integration and inclusion. Neither of these ends is desirable or helpful. The province should set the standards in this area as well as in price and rent. We do not advocate absolute uniformity of rules. But we do need to create and implement policies that will ensure that all of our communities will be inclusive.

2) Price and Rent

For the reasons stated above, the province should take the lead and set the minimum standards and requirements for rentals and housing prices.

As we have already urged, housing prices should be based on the needs of residents in cities and not on the market itself.

Cities are made up of many neighbourhoods and communities. Most of these communities, especially in larger cities, are divided along the lines of income and housing prices. Integration and inclusion are currently exceptions. Housing prices should not be based only on median incomes (which is a suggested

approach in the consultation guide), as this approach will likely exclude people in the lower end of income levels. If we determine the affordability of home ownership or rental property based on the median income in these segregated neighbourhoods, nearly half the residents in some neighbourhoods will not be able to afford their homes. This approach hinders inclusion and integration, and perpetuates ghettoization.

A range of housing options at different prices should be available in every neighbourhood. Provincial and federal funding must be made available for low income renters who cannot afford rent in apartments at or below the average market price. This funding can be administrated through rent geared to income programs.

3) Unit Set-Aside

The percentage of unit set-asides should both reflect the need for affordable housing at any point in time in each municipality and espouse the goals of integration and inclusion. Higher percentages of set-asides should be available where transit and services are more readily available. David Hulchanski's report on income polarization in the City of Toronto reveals that low income neighbourhoods located in the inner suburbs (northeastern and northwestern parts of the city) have poor access to transit and services. Increased access to affordable housing, transit, and services can help to alleviate economic segregation in the city.¹⁸ It is, therefore, particularly important that more housing be made available in areas where there is greater access to public transit and where services are easily accessible by walking.

Currently in Toronto, the neighbourhoods with the greatest and easiest access to services and subways have become more expensive and less financially accessible to people from middle and lower incomes. This trend can be changed through properly established and generous unit set-aside requirements.

The province should take the lead by establishing minimum set-aside requirements that reflect residents' needs for affordable home ownership and rentals. These standards should also establish minimum requirements for the distributions of these units throughout different neighbourhoods — particularly those with greater access to transit, community centres, libraries, parks, and other public services. Standards should also apply to those neighbourhoods with low concentration of affordable homes and rentals.

¹⁸ Hulchanski, D. (2007, December). *The Three Cities Within Toronto: Income Polarization Among Toronto's Neighbourhoods, 1970-2005*. P. 1. Retrieved from Centre for Urban and Community Studies: <http://www.urbancentre.utoronto.ca/pdfs/curp/tnrn/Three-Cities-Within-Toronto-2010-Final.pdf>

4. Affordability Periods

All IN submits that units provided through inclusionary zoning remain affordable in perpetuity, or for 99 years.

This step is necessary to ensure there is always sufficient integrated, suitable, affordable housing available. A long term commitment will provide some protection to residents in case new developments stagnate, or in case of market fluctuations that impact the availability of affordable housing. **Measures should be put into place to assist with the maintenance and upkeep of these homes.**

Since integration is a key principle in inclusive communities, we propose that affordability be maintained by restricting price increases on the resale of unit and land registered on title.¹⁹

5. Threshold size

Should there be a provincial minimum and/or maximum threshold size that triggers inclusionary zoning requirements? Should the numbers be left to each municipality? Given the dire need for affordable housing, the principles of integration, inclusion, and suitability of housing, and the risk that city councillors will sometimes face conflicting interests (resident opposition to affordable housing, developer resistance and lobbying), it is incumbent on the province to take the lead and establish minimum threshold requirements.

Threshold requirements should be established so that developers and others cannot avoid their responsibility of building affordable housing by slight variations in the numbers of units they build.

It is our position that in larger municipalities, affordable housing should be required for all high-rise and mid-rise developments, regardless of size. Where single-family homes are built, a percentage of each developer's projects should include affordable home ownership (or rental units.) Thus, all new rezoning applications for infill and brownfield development and all new applications for subdivision for greenfield development should be subject to an inclusionary zoning requirement.²⁰ This percentage should be determined in part, by need and in part by the financial viability of the project. Best practices in Canada

¹⁹ Gladki, J., & Pomeroy, S. (2007, October). *Implementing Inclusionary Policy to Facilitate Affordable Housing and Development in Ontario*. P. 13. Retrieved from Ontario Non-Profit Housing Association: https://www.onpha.on.ca/onpha/Content/PolicyAndResearch/Other_Research/Implementing_Inclusionary_Zonin_g_Policy_to_Facilitate_Affordable_Housing_Development_in_Ontario.aspx

²⁰ Gladki, J., & Pomeroy, S. (2007, October). *Implementing Inclusionary Policy to Facilitate Affordable Housing and Development in Ontario*. P. 39. Retrieved from Ontario Non-Profit Housing Association: https://www.onpha.on.ca/onpha/Content/PolicyAndResearch/Other_Research/Implementing_Inclusionary_Zonin_g_Policy_to_Facilitate_Affordable_Housing_Development_in_Ontario.aspx

and the United States show a modest affordability requirement of 10-15% of units set aside have a negligible impact on the developer's bottom line if offset by incentives like increased density and deferred property taxes.²¹

In order to ensure that affordable housing is built at least at the same rate as other housing, we must implement rules that require developers to build and finish the affordable units concurrently with their market-price units.

As always, these units should be integrated into each project, including infill, brownfield, and greenfield sites, and not concentrated in one area or neighbourhood.

6. Measures and Incentives

Measures and incentives are valuable means of sharing the responsibility of building affordable housing. However, some precautions must be taken when designing and implementing measures and incentives:

Measures and incentives will not be effective unless developers are also taking on part of the cost of building affordable housing. In other words, profits may not always be maintained at the same level; developers should expect a slightly lowered financial profit for the benefit of the community and the returns that come with building inclusive communities.

Measures and incentives that result in less money for schools, roads, parks, community centres, and other infrastructure necessary for healthy communities will be counterproductive. They will also likely be harmful. With increased density, we must be ready to build more schools (that are not overcrowded and are properly funded), more public spaces, more community centres, more public transit, and more green spaces. If a municipality loses revenue when it grants a developer greater density or height allowances in exchange for more affordable housing, the loss and harm to the community will be significant. This dilemma highlights the importance of the need for cooperation between the different levels of government, as well as businesses and residents. We simply cannot get something for nothing. Application fee waivers and tax deferrals will mean less money in the municipal budget to build those very public services and infrastructures necessary to serve the needs of those residents moving into the new units. If that revenue is lost, something will need to take its place. It is our submission that, so far as the province permits those incentives:

²¹*Ibid.* P. 6.

- The province must mandate that municipalities add revenue sources (such as vehicle registration tax, property taxes) that will make up for those losses;
- The province should provide a range of options for measures and incentives to municipalities; and finally,
- The province should provide municipalities with meaningful financial support to enable the building of affordable housing and to compensate for any losses that result from the measures and incentives.

7. Requirements and Standards

In order to advance the key objectives and goals of affordable housing and inclusive communities, certain minimal requirements and standards should be established by the province. Under item 3 of Part II of this submission, we have already outlined most of these requirements and standards, and will revisit some of them here.

Affordable housing should be integrated:

Municipalities where affordable housing is concentrated in one or more neighbourhoods must avoid building more affordable housing in those same neighbourhoods. Continued segregation is harmful and should be avoided.

Neighbourhoods that have little affordable housing should be targeted for increased affordable housing, dispersed throughout the neighbourhood. Municipalities should set aside money to obtain land for housing, where feasible.

Where affordable housing is built in mid-rises and high-rises, these units should be integrated into the existing structure. Affordable units should be available on every floor. They should not be identifiable through a separate entrance, different and lower scale services or amenities, or marked in any way.

(However, affordable units may be constructed with less costly materials and appliances.) Where affordable housing can be distinguished because of its separate entrance, other design factors, or its amenities, there is no real inclusivity or integration. There is only segregation.

Suitability:

Minimum requirements should be established for 2-4 bedroom units, reflecting the need, based on data and evidence, of families that require affordable homes and affordable housing.

The building of such units should not be deferred. They should be built at the same or higher rate than 1-bedroom homes.

A proportion of new developments should be set aside for seniors and those with physical, developmental, and psychological disabilities, who require supportive housing.

These units should be integrated throughout neighbourhoods as well, so that those residents can have a home close to their families and extended support system.

Data from Development Services Toronto shows that as of December 31, 2015, over 4,500 people were waiting for some form of assisted living (group homes, supported independent living, etc.) However, for every position filled, there are nearly 8 new people added to the wait list. Most of these persons live with a developmental disability, but many also deal with autism spectrum disorders, Downs syndrome, and cerebral palsy. Many others live with dual diagnoses. They are some of our most vulnerable people. The waiting periods for group homes, and independent supportive housing are simply not feasible—many of those on the waiting list will never obtain the living arrangements that they need.²² The inclusionary zoning bill is the right place to expand our blue print to fulfill the vision of housing for all.

8. Agreements

We submit that the agreements should ensure the long-term affordability of the units and buildings.

9. Administration, Monitoring, and Reporting

We submit that there should be uniform and unifying procedures for maintaining and ensuring affordability over time, and for putting into place a monitoring system to fulfill these objectives.

We are not making any submissions on the specific direction or requirements for monitoring. However, we must emphasize that the ability to provide suitable affordable housing for the foreseeable future is closely tied to administration and regulation. Regardless of the level of provincial direction provided, an effective administration and regulation system can only be set up with significant, sufficient provincial

²² “Data Analysis of People Waiting for Services As of December 31, 2015” Developmental Services Ontario

financial contribution. We submit that the province has a duty to provide municipalities with the financial and other resources to make affordable housing, its maintenance, regulations, and monitoring possible. Without significant monetary contribution from the province, the law will be ineffective and will fail to deliver on its potential for building inclusive communities.

10. Use with Section 37

As discussed in Part II, above, Section 37 of the *Planning Act* should be separated from the inclusionary zoning scheme. In fact, with the appropriate inclusionary zoning laws and policies, and with the required funding, there will not be a need to rely on Section 37 for building affordable housing.

As indicated, Section 37 is an unreliable, inconsistent, unpredictable, and ineffective tool for building affordable housing. Affordable housing should be part of every community and in every municipality's blueprint. Section 37, with its reliance on the negotiation skills and the vision of individual ward councillors, is more appropriate for those projects that are unique to each neighbourhood and ward.

As soon as effective, comprehensive inclusionary zoning law and policies are in place, we submit that Section 37 of the *Planning Act* be amended so that money obtained through that section is available to other projects, but not for affordable housing.



All IN
submissions on Bill 204:
Inclusionary Zoning, Inclusive Communities

PART IV: CONCLUSION

In summary, safe, integrated, affordable housing is necessary for building diverse, healthy, and vibrant communities. The provincial government must be at the forefront of ensuring that all of its residents have access to homes. Bill 204 and the introduction of inclusionary zoning is an important tool that is currently needed to increase the province's affordable housing stock. Provincial support and funding for building affordable housing, and for oversight, regulation, and rent-geared to income programs will be crucial for the success of using inclusionary zoning to create housing that is affordable for everyone.

All IN recommends that affordability should not be based on market value, rather it should be based on the income levels of the population. Furthermore, affordable units should be integrated in each new development including high-rise, mid-rise, brownfield, greenfield and infill development projects so that every neighbourhood has a share of affordable units. These units should vary in size to accommodate larger and multigenerational families. They should also vary in type so that a portion of units are dedicated for supportive and assisted living arrangements to accommodate people with disabilities, the elderly, and people experiencing homelessness. As a way to ensure units are kept affordable in the future, All IN submits that newly created affordable housing units should be maintained as affordable for the lifespan of the unit, or 99 years. Finally, the province should engage in an educational campaign to raise public awareness of the benefits of inclusionary zoning to dispel any misconceptions that it will hurt the development industry and housing market. Creating affordable housing is key for battling the growing disparity between the province's haves and have nots.

Building inclusive communities is everyone's responsibility. And we're All IN.

References

- Acevedo-Garcia, D., Lochner, K., Osypuk, T., Subramanian, S. (2003). "Future directions in residential segregation and health research: A multilevel approach." *American Journal of Public Health*, 93(2), 215-221.
- Battams, N. (2016, July 19). *Sharing a Roof: Multi-generational Homes in Canada*. Retrieved from The Vanier Institute of the Family: <http://vanierinstitute.ca/multigenerational-homes-canada/>
- Burleton, D., & Petramala, D. (2015, January 19). *GTA Housing Boom Masks Growing Structural Challenges*. Retrieved from TD Economics: http://www.td.com/document/PDF/economics/special/GTA_Housing.pdf
- Canadian Mortgage and Housing Corporation. (n.d.). "About Affordable Housing in Canada." Retrieved July 10, 2016, from Canadian Mortgage and Housing Corporation: https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce_021.cfm
- Carrick, R. (2015, November 5). "A house for three times your income? Think again." Retrieved from *The Globe and Mail*: <http://www.theglobeandmail.com/real-estate/mortgages-and-rates/canadas-old-standards-of-housing-affordability-need-an-update/article27126408/>
- City of Toronto. (2009). *Housing Opportunities Toronto: An Affordable Housing Action Plan 2010-2020*. Toronto: City of Toronto.
- Freiler, C. (2004, November 4). *Why Strong Neighbourhoods Matter: Implications for Policy and Practice*. Retrieved July 10, 2016, from Strong Neighbourhoods Taskforce, Toronto: <http://3cities.neighbourhoodchange.ca/files/2011/05/2004-Toronto-Strong-Nhoods-TF-Why-strong-neighbourhoods-matter.pdf>
- Gladki, J., & Pomeroy, S. (2007, October). *Implementing Inclusionary Policy to Facilitate Affordable Housing and Development in Ontario*. Retrieved from Ontario Non-Profit Housing Association: https://www.onpha.on.ca/onpha/Content/PolicyAndResearch/Other_Research/Implementing_Inclusionary_Zoning_Policy_to_Facilitate_Affordable_Housing_Development_in_Ontario.aspx
- Hulchanski, D. (2007, December). *The Three Cities Within Toronto: Income Polarization Among Toronto's Neighbourhoods, 1970-2005*. Retrieved from Centre for Urban and Community Studies: <http://www.urbancentre.utoronto.ca/pdfs/curp/tnrn/Three-Cities-Within-Toronto-2010-Final.pdf>
- La Rose, L. (2013, November 4). "Our house, it's a demographic feat: How multigenerational family living is changing the face of Canadian households." Retrieved from *National Post*: <http://news.nationalpost.com/life/our-house-its-a-demographic-feat-how-multigenerational-family-living-is-changing-the-face-of-canadian-households>



All IN
submissions on Bill 204:
Inclusionary Zoning, Inclusive Communities

Ministry of Municipal Affairs and Housing. *2014 Provincial Policy Statement Under the Planning Act*.

Retrieved from <http://www.mah.gov.on.ca/AssetFactory.aspx?did=10463>

Moore, A. A. (2013, February). *Trading Density for Benefits: Section 37 Agreements in Toronto*. Retrieved from Munk School of Global Affairs:

[http://munkschool.utoronto.ca/imfg/uploads/221/imfg_perspectives___moore_\(feb_2013\).pdf](http://munkschool.utoronto.ca/imfg/uploads/221/imfg_perspectives___moore_(feb_2013).pdf)

Statistics Canada. (2013). "Individuals by total income level, by province and territory." Retrieved from Government of Canada: <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/famil105g-eng.htm>

Toronto Real Estate Board. (2016, June). "Toronto Real Estate Board MLS Home Price Index." Retrieved from Toronto Real Estate Board:

http://www.trebhome.com/MARKET_NEWS/home_price_index/pdf/TREB_MLS_HPI_Public_Tables_0616.pdf

Toronto Social Development, Finance & Administration. (2010). *Profile of Low Income in the City of Toronto*. Retrieved from Toronto.ca:

http://www1.toronto.ca/city_of_toronto/social_development_finance__administration/files/pdf/poverty_profile_2010.pdf

Wellesley Institute. (2015, November). *Coming Together on Supported Housing for Mental Health and Addictions in Ontario*. Retrieved from Wellesley Institute:

<http://www.wellesleyinstitute.com/wp-content/uploads/2015/11/Coming-Together-on-Supported-Housing-in-ON.pdf>

Wellesley Institute. (2015, July 3). *Submission to the Province of Ontario: Long-term Affordable Housing Strategy Update*. Retrieved from Wellesley Institute: <http://www.wellesleyinstitute.com/wp-content/uploads/2015/07/Long-Term-Affordable-Housing-Strategy.pdf>