

To: Ministry of Municipal Affairs and Housing

Legislative Assembly of Ontario
Queen's Park
111 Wellesley Street West, Toronto ON M7A 1A2

December 09, 2022

RE: Seeking Feedback on Proposed Planning Act and City of Toronto Act Changes - Regulation 232/18

I am writing on behalf of the Right to Housing Peel (R2HPeel), a coalition of service providers and housing advocates working together to advance the right to housing in the Region of Peel. The coalition emerged in response to the worsening housing affordability crisis, with low- to moderate-income renters facing significant economic pressure from rising rents and an inflated cost of living. Across our work, we support renters living on lower incomes to access housing that is affordable and adequate and prevent the displacement of renters from their communities in the region.

We would like to take this opportunity to comment on the proposed amendments to Regulation 232/18, changes that would curtail the ways in which municipalities can implement inclusionary zoning in its jurisdictions. We strongly urge the Province to reconsider the amendments.

Over the last year, we have been involved in several consultations and one on one engagements with the Region of Peel as well as the Cities of Mississauga and Brampton to help these governments develop robust inclusionary zoning policies that hold the potential of creating much needed affordable housing over the coming years.

While we called for more stringent requirements that we felt could be more effective in serving those who need housing the most in our communities, we appreciated the consultative approach taken by each jurisdiction to formulate their policies. They also complied with provincial regulations to conduct thorough analysis to gauge the impact of a potential inclusionary zoning policy; this evidence base contributed to productive discussions about what an optimal policy outcome would look like.

To put it simply, the process was working. The studies and engagements set clear, predictable expectations of what was to come – a policy that would be phased in over time so that the development industry could adjust. In addition, the studies ensured that where the policies would apply, the development industry would remain viable and thriving. As such, the rationale behind the province's proposed amendments, to make processes more predictable to reduce the financial burden of the development industry is without merit.

In fact, none of the proposed amendments actually bring about enhancements to processes. Instead, proposed limitations on set aside rates, periods of affordability, and new affordability thresholds only weaken a tool that is already fairly limited in its capacity to generate affordable housing options at scale especially for lower income households. By extension, the province's claim that these changes would "provide housing that is affordable and within reach of more Ontarians" is false.

Already, limitations have been set such that municipalities can only apply inclusionary zoning within the boundaries of PMTSAs and CPPSs. The proposed additional restrictions may very well offer more relief for the development sector but will achieve nothing more. Instead, what the changes do is add more

uncertainty for municipalities who will now have to rethink how to tap into their dwindling resources to effectively respond to the housing crisis.

The proposed changes are arbitrary and disruptive. Many municipalities have drawn on solid evidence and robust consultations to formulate eminently feasible policies that have set aside rates and periods of affordability that far exceed the limit placed by the province. The limitations will not only mean fewer affordable housing units being created through the policy but after the period of affordability ends, land values will spike and contribute to market volatility. This, in turn, will reduce the stock of affordable housing options and potentially contribute to displacement. The threshold for the definition of affordability is also developed without any clear rationale. In areas such as Peel where housing prices are sky rocketing, this cut off would likely exclude a large portion of lower income households who would benefit from an otherwise more expansive definition of affordability.

In sum, the conclusion the province draws that the impact of the changes would either be a net positive or neutral is misguided. While developers may benefit, municipalities and our residents will lose out significantly. For these reasons, we strongly recommend the province not proceed with any of the proposed changes.

Sincerely,

A handwritten signature in cursive script that reads "Sean Keddy". The signature is written in black ink and is positioned above a thin, horizontal line that serves as a separator.

Sean Keddy, Manager of Stakeholder Relations
Canadian Centre for Housing Rights (CCHR)
On behalf of the Right to Housing Peel Coalition