

Webinar

ULI Toronto: Affordable Housing in the GTA ??? Day 4: Hits And Misses Of Government-Supported Affordable Rental Housing

Date: November 24, 2022

00:00:11 --> 00:00:16: Good afternoon, everyone. As people are loading in, we're going

00:00:16 --> 00:00:20: to start with the UI's upcoming spring meeting, video advertising

00:00:20 --> 00:00:22: and upcoming conference in Toronto.

00:02:45 --> 00:02:50: Thank you uli. Toronto prepares to welcome 4000 international experts

00:02:50 --> 00:02:53: from across the real estate and land use industries in

00:02:53 --> 00:02:56: Toronto to Toronto next May the 16th to the 18th

00:02:56 --> 00:03:00: to learn more about the 2023 UI Spring meeting, the

00:03:00 --> 00:03:03: first time it's ever been in our city. The links

00:03:03 --> 00:03:04: are in the chat.

00:03:05 --> 00:03:08: We'd also like to just commend you to become a

00:03:08 --> 00:03:12: UI member. We have now more Members than ever before

00:03:12 --> 00:03:16: and people are really discovering just how much value there

00:03:16 --> 00:03:19: is in a while I membership. Not only are you

00:03:19 --> 00:03:23: getting discounts on our events, but you're getting access to

00:03:23 --> 00:03:27: a lot of information and resources behind our UI paywall,

00:03:27 --> 00:03:31: so we encourage you to consider a membership.

00:03:32 --> 00:03:32: Umm.

00:03:34 --> 00:03:37: Once again, good afternoon everyone. My name is Richard Joy,

00:03:37 --> 00:03:40: executive director of Yuli Toronto and welcome to Day four

00:03:40 --> 00:03:44: of the National Housing Week five part lunchtime series, Reality

00:03:44 --> 00:03:48: check hits and misses of government supported affordable rental housing.

00:03:48 --> 00:03:50: Before we get into this, as always we'll begin with

00:03:51 --> 00:03:54: a land acknowledgement. As a Toronto region based organization, we

00:03:54 --> 00:03:57: acknowledge the land we are meeting on virtually is the
00:03:57 --> 00:04:01: traditional territory of many nations including the
Mississaugas of the
00:04:01 --> 00:04:04: credit, the Anishinabek, the Chippewa, the hood Nasoni.
00:04:04 --> 00:04:07: You win that people, and is now home to many
00:04:07 --> 00:04:10: diverse First Nations, Inuit and native peoples.
00:04:10 --> 00:04:13: We also acknowledge that Toronto is covered by Treaty 13
00:04:13 --> 00:04:16: with the Mississaugas of the credit we are all treated.
00:04:16 --> 00:04:19: Many of us have come here as settlers, immigrants, and
00:04:19 --> 00:04:22: newcomers in this generation or generations past. UI stands
in
00:04:22 --> 00:04:27: solidarity with indigenous communities, demanding action
and accountability for the
00:04:27 --> 00:04:30: ongoing legacy of the residential school system. We also
acknowledge
00:04:30 --> 00:04:34: that honor those who've come here involuntarily, particularly
descendants from
00:04:34 --> 00:04:38: those brought here through enslavement. To better
understand the meaning
00:04:38 --> 00:04:41: behind this land acknowledgement, we recommend four
programs that we've
00:04:41 --> 00:04:44: uploaded to YouTube. These links are available in the chat.
00:04:46 --> 00:04:49: Today's event in all of the UI program would just
00:04:49 --> 00:04:53: not be possible without utilizing annual sponsors and we'd
like
00:04:53 --> 00:04:56: to thank all of them for that support. Now more
00:04:56 --> 00:04:58: than ever, you Ali relies on the support of our
00:04:58 --> 00:05:02: sponsors to put on high quality programming to drive our
00:05:02 --> 00:05:05: mission to shape the future of the built environment for
00:05:05 --> 00:05:09: transformative impact in communities worldwide. To all of our
sponsors,
00:05:10 --> 00:05:11: we say thank you.
00:05:12 --> 00:05:17: Is now I pleasure to introduce today's moderator, well known
00:05:17 --> 00:05:22: to many people in this particular space, Mark Richardson,
CTO,
00:05:22 --> 00:05:27: he's with rich analytics, technical lead of housing now to.com.
00:05:27 --> 00:05:30: Before I head over to Mark, I just wanted to
00:05:30 --> 00:05:32: make one important note to our audience that you and
00:05:33 --> 00:05:35: I is a nonpartisan organization. We do not advocate on
00:05:35 --> 00:05:38: public policy, pro or con, but we do take frequently
00:05:38 --> 00:05:41: take a critical look at the public policy landscape.
00:05:42 --> 00:05:45: In the context of advancing our global mission. And that's
00:05:45 --> 00:05:47: what this week's all about. And so with that, mark
00:05:47 --> 00:05:50: again, my pleasure to turn it over to you.

00:05:50 --> 00:05:53: Thank you, Richard and thank you to ULI for giving
00:05:54 --> 00:05:57: me the opportunity to host this panel about a very
00:05:57 --> 00:06:01: important topic here in the City of Toronto. We're going
00:06:01 --> 00:06:06: to be talking today about government supported affordable
housing and
00:06:06 --> 00:06:09: before we start the panel I want to make sure
00:06:09 --> 00:06:11: next slide please that we really.
00:06:12 --> 00:06:15: All have a common understanding of exactly what part of
00:06:15 --> 00:06:19: the housing continuum, or the housing spectrum in the City
00:06:19 --> 00:06:22: of Toronto we are talking about when we use the
00:06:22 --> 00:06:26: phrase government supported affordable rental housing. This
is a chart
00:06:26 --> 00:06:30: that we modified slightly from the City of Vancouver or
00:06:30 --> 00:06:33: Victoria who created this in BC. We've adjusted it for
00:06:33 --> 00:06:37: some city of Toronto numbers, but it's the full spectrum
00:06:37 --> 00:06:41: of housing all the way from emergency shelters and
transitional
00:06:41 --> 00:06:41: housing.
00:06:42 --> 00:06:46: Through social housing, co-ops, purpose built, rental,
affordable and below
00:06:46 --> 00:06:49: market ownership, all the way up to privately owned single
00:06:49 --> 00:06:53: family homes and the kind of incomes that correspond with
00:06:53 --> 00:06:56: them. But also the really important part of this slide
00:06:56 --> 00:07:00: is the Gray triangle, the level of government assistance that
00:07:00 --> 00:07:03: is required for each part of the housing continuum.
00:07:04 --> 00:07:07: You know, we are now in a situation where through
00:07:07 --> 00:07:11: first time home buyers and things, we are actually giving
00:07:11 --> 00:07:15: government assistance much farther into the market and of
the
00:07:15 --> 00:07:19: housing spectrum than we were in the past. Next please?
00:07:20 --> 00:07:24: But for the purposes of today's conversation, we're not going
00:07:24 --> 00:07:28: to talk about affordable ownership like Habitat for Humanity
or
00:07:28 --> 00:07:32: options for Homes or Trillium. We're really going to talk
00:07:32 --> 00:07:35: about this, this chunk in the middle here from social
00:07:35 --> 00:07:39: housing through the purpose built market rental. And with the
00:07:39 --> 00:07:42: context that in the City of Toronto right now based
00:07:42 --> 00:07:46: on the last census, our median total household income within
00:07:46 --> 00:07:49: the border of the City of Toronto is 84,000 in
00:07:49 --> 00:07:50: annual income.
00:07:51 --> 00:07:53: However we have, we know that we're having to do
00:07:53 --> 00:07:55: housing for people from.
00:07:56 --> 00:07:59: You know ten \$15,000 a year in annual income and

00:07:59 --> 00:08:03: some of our programs now are topping \$100,000 almost in
 00:08:03 --> 00:08:07: order for you to qualify for a unit in some
 00:08:07 --> 00:08:10: of the workforce housing spectrum. Next slide please.
 00:08:12 --> 00:08:15: So there's some examples in these slides. I'm sure you
 00:08:15 --> 00:08:18: and I will circulate them. These all come from City
 00:08:18 --> 00:08:21: of Toronto materials. So we just want to make sure
 00:08:21 --> 00:08:25: that we're all talking the same terminology, rent geared to
 00:08:25 --> 00:08:28: income. The rent is calculated based on 30% of your
 00:08:28 --> 00:08:31: household income, could be sparked by TCHC, could be
 provided
 00:08:31 --> 00:08:35: by a Co-op, could be provided by other, not-for-profit housing
 00:08:35 --> 00:08:38: partners. But you could see rents there as low as
 00:08:38 --> 00:08:40: a few \$100 a month, you know, well under 6
 00:08:40 --> 00:08:42: or \$700.00 a month.
 00:08:42 --> 00:08:45: In in a in RGGI unit. But in order to
 00:08:45 --> 00:08:48: get those you're going to be on the wait list
 00:08:48 --> 00:08:51: and potentially you could be on that wait list for
 00:08:51 --> 00:08:54: many, many years based on the kinds of unit you
 00:08:54 --> 00:08:57: want, the size of units you want in the location
 00:08:57 --> 00:09:00: you want to obtain it in. Whereas how the City
 00:09:00 --> 00:09:05: of Toronto currently defines affordable rental housing is really
 targeted
 00:09:05 --> 00:09:08: at a a more middle income or workforce. Housing is
 00:09:08 --> 00:09:12: sometimes the tool that's used and it's aiming it for
 00:09:12 --> 00:09:12: people.
 00:09:12 --> 00:09:16: Between 35,000 and when the city had this plan, up
 00:09:16 --> 00:09:19: to about 50 or 60,000 in reality. Now because rents,
 00:09:19 --> 00:09:23: average market rents are increasing, we're now seeing that
 people
 00:09:23 --> 00:09:27: are qualifying well into the 90 thousands. But to obtain
 00:09:27 --> 00:09:30: those units when they become available, you're entered into
 a
 00:09:30 --> 00:09:34: random draw. That draw is not really managed by the
 00:09:34 --> 00:09:37: city, it's being managed by the landlord or the operator
 00:09:37 --> 00:09:41: of that building. So it's kind of a disjointed system.
 00:09:41 --> 00:09:42: Next slide please.
 00:09:44 --> 00:09:47: And we're just an example of that. So the early
 00:09:47 --> 00:09:52: childhood educator, the construction laborer, retired
 pensioner in the Toronto
 00:09:52 --> 00:09:56: Housing Implementation plan from 2020 to 2030. That was
 the
 00:09:56 --> 00:10:00: goal about who this affordable rental or workforce housing
 was
 00:10:00 --> 00:10:04: for. However, because average rents are increasing across

the city
00:10:04 --> 00:10:08: of Toronto right now and those housing lottery units are
00:10:08 --> 00:10:11: based on average market rent as 80% of average market
00:10:11 --> 00:10:14: rent, we're now finding that in current lotteries.
00:10:15 --> 00:10:19: The licensed practical nurse at 5152 thousand a year doesn't
00:10:19 --> 00:10:24: meet the income crash threshold to qualify for that unit
00:10:24 --> 00:10:28: and we now have units like a 3 bedroom where
00:10:28 --> 00:10:31: the the rent is is up. You can qualify up
00:10:31 --> 00:10:35: to an income maximum of 94 ninety \$5000. That's only
00:10:35 --> 00:10:40: going to increase those bans as the market rates increase
00:10:40 --> 00:10:44: and the market rents increase across the city. So next
00:10:44 --> 00:10:45: slide.
00:10:49 --> 00:10:52: It's a great pleasure to be able to introduce the
00:10:52 --> 00:10:55: panelists who are going to be joining us today. All
00:10:55 --> 00:10:58: of their BIOS are going to be put into the
00:10:58 --> 00:11:02: chat. Andrew Joyner is the managing director of Tricon
Residential.
00:11:02 --> 00:11:05: She Tam is the executive director of the Kensington Market
00:11:05 --> 00:11:08: Land Trust. The job spec is the vice president of
00:11:08 --> 00:11:12: development and planning for Choice properties. Ray
Sullivan is the
00:11:12 --> 00:11:16: interim executive director of the Canadian Housing and
Renewal Association.
00:11:16 --> 00:11:19: I think we have everybody, so I'm going to start
00:11:19 --> 00:11:20: this.
00:11:20 --> 00:11:22: With Andrew. And I'm going to ask each of you
00:11:22 --> 00:11:25: to briefly tell us a little bit about your organization,
00:11:25 --> 00:11:28: one or two minutes, your work with creating or maintaining
00:11:28 --> 00:11:32: government supported affordable rental housing and some
recent examples of
00:11:32 --> 00:11:35: success and the kinds of renters that your organization
serves.
00:11:35 --> 00:11:37: So Andrew, I'll start with you.
00:11:38 --> 00:11:41: Great. Thank you, mark. Good afternoon everyone. My name
is
00:11:41 --> 00:11:46: Andrew Joyner, I oversee Tricon Reddit residentials,
Canadian purpose built
00:11:46 --> 00:11:50: rental apartment platform here in Toronto. We're focused on
the
00:11:50 --> 00:11:53: GTA. We're developed a core operator, so we build units
00:11:54 --> 00:11:57: that we own and operate long term. We started this
00:11:57 --> 00:12:00: business in in 2016 and we're one of the first
00:12:00 --> 00:12:03: groups to enter the purpose built rental market with scale
00:12:03 --> 00:12:07: back then. And today we have 6000 units under construction

00:12:07 --> 00:12:09: and operations in the city.

00:12:09 --> 00:12:13: We have partnered with the province, we have partnered with

00:12:13 --> 00:12:16: the city to build large scale mixed income rental communities.

00:12:16 --> 00:12:19: Very proud of those and and being part of the

00:12:19 --> 00:12:23: solution and and can share some anecdotes from those today

00:12:23 --> 00:12:26: in terms of what's working well and what some of

00:12:26 --> 00:12:29: the headwinds are and you know the majority of of

00:12:29 --> 00:12:32: what we build is market rate rental housing. But of

00:12:32 --> 00:12:35: that 6000 units in our pipeline 1000 of those units

00:12:35 --> 00:12:38: are indeed affordable at a sliding scale on the AMR

00:12:38 --> 00:12:39: you know spectrum.

00:12:39 --> 00:12:41: From 40 to 100% AMR.

00:12:42 --> 00:12:45: OK. Thank you. And next we're going to ask Chi

00:12:45 --> 00:12:48: from the Kensington Market Land Trust to tell us a

00:12:48 --> 00:12:52: little bit about your organization and the kinds of units

00:12:52 --> 00:12:55: you manage and the kinds of rents that you service.

00:12:56 --> 00:12:59: Happy too. So yeah, I'm the executive director of the

00:12:59 --> 00:13:03: Kensington Market Community Land Trust, which is a neighborhood based,

00:13:03 --> 00:13:07: democratically owned and operated organization. So my boss is the

00:13:07 --> 00:13:11: neighborhood and we operate with the explicit purpose of acquiring

00:13:11 --> 00:13:14: but also developing properties with the goal of permanently removing

00:13:14 --> 00:13:18: them from the speculative market and thereby dedicating that land

00:13:18 --> 00:13:22: in trust. Thus the terminology community Land Trust for whatever

00:13:22 --> 00:13:25: the community benefit and need is and so because the

00:13:25 --> 00:13:26: nature of our housing.

00:13:26 --> 00:13:29: Isis is. So our focus now is largely on rental

00:13:29 --> 00:13:32: stock, both acquiring, preserving it, renewing it and then also

00:13:32 --> 00:13:35: developing more of it. But the permanence there is is

00:13:35 --> 00:13:38: kind of a distinguishing factor to our approach. And so

00:13:38 --> 00:13:42: depending on the identify need, the Land Trust model actually

00:13:42 --> 00:13:44: does have a mandate to lease for the wide range

00:13:44 --> 00:13:48: of that entire scale that mark just demonstrated. But again,

00:13:48 --> 00:13:51: because of the nature of our services, we aren't able

00:13:51 --> 00:13:54: to focus on affordable home ownership, which is a very

00:13:54 --> 00:13:56: typical way that Community land trusts would.

00:13:56 --> 00:14:00: Operate um so in in some recent successes the Kensington

00:14:00 --> 00:14:04: Market Community Land Trust particularly has very rapidly got themselves

00:14:04 --> 00:14:07: together and quickly after incorporating being able to acquire their

00:14:07 --> 00:14:12: first property. Our sister organizations through Parkdale, through Circle and

00:14:12 --> 00:14:15: the Toronto Group of Community Land Trusts now have hundreds

00:14:15 --> 00:14:19: and hundreds of properties scattered throughout the city of Toronto.

00:14:19 --> 00:14:22: And I'll say more later about the government support that

00:14:22 --> 00:14:26: are the type of government support our affordable rental housing

00:14:26 --> 00:14:26: actually.

00:14:26 --> 00:14:29: Is in nature. But yeah, we I think we're growing

00:14:29 --> 00:14:33: incredibly rapidly and excited to see where it goes next.

00:14:33 --> 00:14:36: Thank you. And I'm gonna move next to Joe from

00:14:36 --> 00:14:38: Choice properties. Joe.

00:14:39 --> 00:14:42: Thanks, mark. Hey, I'm Joe from choice properties. A little

00:14:42 --> 00:14:45: bit on choice. Choice has a portfolio of about 750

00:14:45 --> 00:14:49: properties across Canada. We're a diversified reach between commercial, office,

00:14:49 --> 00:14:52: industrial and res. In terms of our res portfolio, mainly

00:14:52 --> 00:14:55: focused on rental housing in the GTA, we have about

00:14:55 --> 00:14:57: 1.3 million square feet of rest.

00:14:57 --> 00:15:01: FDA about 1600 units currently under construction and eight active

00:15:01 --> 00:15:05: mixed-use applications. What just wanted to touch on really quickly,

00:15:05 --> 00:15:08: we have affordable housing projects which touch on all three

00:15:08 --> 00:15:12: levels of government. One specifically in the City of Toronto

00:15:12 --> 00:15:16: with open door funding, Infrastructure Ontario support, CMHC, RCI funding

00:15:16 --> 00:15:19: and very similar to Andrew it's actually the same program.

00:15:19 --> 00:15:22: All of our rentals in that category have AMR from

00:15:22 --> 00:15:25: 40% Mr. 200% AMR. So I just wanted to touch

00:15:25 --> 00:15:27: on what what Mark said in a couple.

00:15:27 --> 00:15:31: Things that we're seeing in the market, no news to

00:15:31 --> 00:15:35: anyone. Hopefully we are in a housing crisis from USLI

00:15:35 --> 00:15:39: on the Q3 report 2022. There's a 1.2% vacancy rate

00:15:39 --> 00:15:43: in GTA and this is crazy, 72% decline in rental

00:15:43 --> 00:15:47: housing starts from this time last year. That's thanks to

00:15:47 --> 00:15:49: Urban nation for the stats.

00:15:51 --> 00:15:54: So throughout the the panel here, I just want to

00:15:54 --> 00:15:57: talk about the disconnect here between what's going on in
00:15:57 --> 00:16:01: terms of supply and actual immigration. So on the left
00:16:01 --> 00:16:05: we have, you know what I just said, uneconomical rental
00:16:05 --> 00:16:09: projects being scrapped generally the state of rental right
now
00:16:09 --> 00:16:09: is.
00:16:10 --> 00:16:12: The opposite of thriving. But in the same week an
00:16:13 --> 00:16:16: article got released were, you know what Canada to welcome
00:16:16 --> 00:16:19: 500,000 immigrants per year, which is fantastic and
something we
00:16:19 --> 00:16:21: should be doing and I feel strongly about.
00:16:23 --> 00:16:27: As a nation, but there's a complete disconnect between
inviting
00:16:27 --> 00:16:30: people and making sure that they have homes to live
00:16:30 --> 00:16:33: in. So my parents came in the 70s when vacancy
00:16:33 --> 00:16:36: was about 8.6%. That was a great landing for them
00:16:36 --> 00:16:40: from a different country. And now we're welcoming people
into
00:16:40 --> 00:16:43: the GTA with the vacancy, rent of vacancy rate of
00:16:43 --> 00:16:46: less than 2%, which is just very disingenuous to to
00:16:46 --> 00:16:49: welcome people into the country that way. There's just no
00:16:49 --> 00:16:53: disconnect. So imagine having a party and having one
person.
00:16:53 --> 00:16:55: With the invite list and one person in the venue
00:16:55 --> 00:16:57: and they don't talk to each other. So somebody invites
00:16:58 --> 00:17:00: 700 people and the other person decides to have this
00:17:00 --> 00:17:02: party in their one bedroom apartment. People are going to
00:17:02 --> 00:17:04: have to wait outside and that is what's happening now.
00:17:04 --> 00:17:07: People are waiting outside for for housing because there is
00:17:07 --> 00:17:09: no flow through between setting a target.
00:17:09 --> 00:17:13: And making sure the at the feds, the municipal and
00:17:13 --> 00:17:17: the provincial level that target immigration population have
homes next.
00:17:19 --> 00:17:22: Just to give a quick overview on the problem here,
00:17:22 --> 00:17:25: it takes about six years to develop an asset from
00:17:25 --> 00:17:29: putting in an application to handing the keys over that.
00:17:29 --> 00:17:32: That's on really a a good day or a good
00:17:32 --> 00:17:35: half decade, let's say. So what I did here is,
00:17:35 --> 00:17:38: you know, started a chart at 2016, I zeroed everything
00:17:38 --> 00:17:41: out and then we figured out how do things grow
00:17:41 --> 00:17:44: in A6 year cycle. So on red, you'll see the
00:17:44 --> 00:17:48: condo appreciation has grown about 86% since 2016. So
they've
00:17:48 --> 00:17:49: been able to absorb.

00:17:49 --> 00:17:52: A lot of the increases you see in blue, so
00:17:52 --> 00:17:55: blue is construction and you see construction costs simply up
00:17:55 --> 00:17:59: 64% since 2016. Now rental is super interesting within this
00:17:59 --> 00:18:02: graph. So you see that it's it's starting to grow
00:18:02 --> 00:18:04: from 2016 a little bit in 17 and then a
00:18:04 --> 00:18:06: big jump in 18. So there's a couple I'd say
00:18:06 --> 00:18:10: handful of rental projects that have been delivered into
Toronto
00:18:10 --> 00:18:13: around this bubble time when things were good just as
00:18:13 --> 00:18:17: things were starting to peak above construction you had
viable
00:18:17 --> 00:18:20: economic rental projects but then it kind of.
00:18:20 --> 00:18:23: Outlined during COVID and then went down and this is
00:18:23 --> 00:18:25: one of the things I just want to address really
00:18:25 --> 00:18:29: quickly. When you seen the papers that like rental rates
00:18:29 --> 00:18:32: are rising, what I hear from government and others are
00:18:32 --> 00:18:35: that well the rental rates that they're rising. So we're
00:18:35 --> 00:18:38: going to grow our way out of this problem. Well
00:18:38 --> 00:18:41: first they're not rising they're they they took a bit
00:18:41 --> 00:18:43: of a more than a bit of a dip in
00:18:43 --> 00:18:45: 2021 and now we're on our way back which is
00:18:45 --> 00:18:47: not a net new rising and then if you go
00:18:47 --> 00:18:48: to the next slide.
00:18:50 --> 00:18:53: The other compounding factor, interest rates are up 600% to
00:18:53 --> 00:18:56: nobody's surprise. I actually had to map the yellow on
00:18:56 --> 00:18:59: the access to the right because it clearly didn't fit
00:18:59 --> 00:19:02: with the chart. So it's a double access chart. Take
00:19:03 --> 00:19:06: home message, yellow is wild 600% increase and how to
00:19:06 --> 00:19:07: cope with that next?
00:19:10 --> 00:19:13: So one thing real quick, here's what happens when people
00:19:13 --> 00:19:16: say, OK, we can just grow our way, the rents
00:19:16 --> 00:19:19: can grow our way out of this problem. So let's
00:19:19 --> 00:19:23: look at where we are today. Average square foot, two-
bedroom,
00:19:23 --> 00:19:26: 700 square foot, city of Toronto, \$2700, I'm just under
00:19:26 --> 00:19:29: 4 bucks a foot. So what we would need to
00:19:29 --> 00:19:32: do to make this economical, to grow the rents to
00:19:32 --> 00:19:36: a point where you've reached the absolute minimum of
project
00:19:36 --> 00:19:39: viability, that same unit would need to go for over
00:19:39 --> 00:19:40: \$4000.
00:19:40 --> 00:19:42: At that point, you kind of have a project that
00:19:42 --> 00:19:45: is starting to work so that that's just under \$6

00:19:45 --> 00:19:47: a fund and when you go to the next slide.

00:19:50 --> 00:19:53: You just see how insane that idea is. So we're

00:19:53 --> 00:19:56: starting off with something that today is taking just under

00:19:57 --> 00:19:58: 40% of median income.

00:19:59 --> 00:20:01: To grow our way out of the problem that that

00:20:01 --> 00:20:04: would take 60% of someone's income. So. So it's just

00:20:04 --> 00:20:07: not an option when we hear yeah you'll just grow

00:20:07 --> 00:20:10: your way to the problem we're not. So that's that's

00:20:10 --> 00:20:13: how I'm going to set up my questions. Thank you

00:20:13 --> 00:20:14: Mark for the the indulgence.

00:20:15 --> 00:20:18: No problem. Thank you for those slides. I think it

00:20:18 --> 00:20:22: clearly shows where government supported affordable

00:20:22 --> 00:20:25: housing is needed and

00:20:25 --> 00:20:28: how far up the income spec from now some degree

00:20:28 --> 00:20:31: of government supports are going to be required.

00:20:29 --> 00:20:31: Joining us from Ottawa today with sort of a more

00:20:31 --> 00:20:35: national perspective or an Ontario wide perspective on

00:20:35 --> 00:20:38: government supported

00:20:38 --> 00:20:42: affordable rental housing is Ray Sullivan. Ray is the interim

00:20:42 --> 00:20:44: executive director of the Canadian Housing and Renewal

00:20:44 --> 00:20:48: Association. Ray,

00:20:48 --> 00:20:50: can you tell us a little bit about your organization,

00:20:50 --> 00:20:53: the kinds of government supported affordable rental housing

00:20:53 --> 00:20:56: you work

00:20:56 --> 00:20:58: with and maybe some examples in the GTA?

00:20:58 --> 00:21:01: Yeah happy happy to and thank you very much Mark

00:21:01 --> 00:21:04: and thank you Joe for painting that that that picture

00:21:04 --> 00:21:06: that disconnect and this is a lot of what we

00:21:06 --> 00:21:08: do at the Canadian housing and renewal associations try to

00:21:08 --> 00:21:12: work with the federal government to connect those those

00:21:12 --> 00:21:14: dots

00:21:14 --> 00:21:18: and CHA and I should say I'm, I am in

00:21:18 --> 00:21:20: in Ottawa as Mark said on the on the unseated

00:21:20 --> 00:21:23: territory the Gunkan initiative people and we are the national

00:21:23 --> 00:21:26: voice of affordable housing in Chr. We're a we're a

00:21:26 --> 00:21:28: membership based association. We represent nonprofits and

00:21:28 --> 00:21:32: others who are

00:21:32 --> 00:21:35: working to make sure that everyone has.

00:21:35 --> 00:21:38: A decent home that they can afford very much that

00:21:38 --> 00:21:41: that pink and orange side of the spectrum from from

00:21:41 --> 00:21:44: Mark's chart earlier in our.

00:21:44 --> 00:21:47: Our Member success is our success and they are literally

00:21:47 --> 00:21:50: saving people's lives every day. So I went, I went

00:21:35 --> 00:21:37: into our database for folks who might not be familiar
00:21:37 --> 00:21:40: with CHA to look up some of our Toronto based
00:21:40 --> 00:21:43: members that you might be familiar with. It includes a
00:21:43 --> 00:21:46: whole lot of folks, but folks like like Covenant House
00:21:46 --> 00:21:49: Habitat, GTA House, Lincoln mainstay, the city of Toronto
itself
00:21:49 --> 00:21:53: of course Toronto Community Housing and this one
surprised me.
00:21:53 --> 00:21:56: A pleasant surprise. The the Entertainment District BIA is a
00:21:56 --> 00:21:58: is a member of CHRA as well and after for
00:21:58 --> 00:21:59: myself, you know.
00:21:59 --> 00:22:01: More than more than 20 years in developing and managing
00:22:02 --> 00:22:05: nonprofit housing, I've always enjoyed the opportunity to
learn, especially
00:22:05 --> 00:22:07: from folks who are very active in the private sector,
00:22:07 --> 00:22:09: so looking forward to being part of this panel.
00:22:11 --> 00:22:15: Digress too much. But there was recently an article in
00:22:15 --> 00:22:19: the Toronto Star on it's hard for the entertainment district
00:22:19 --> 00:22:23: to attract like actors and musicians to come and be
00:22:23 --> 00:22:27: in shows in Toronto, because the gap between equity union
00:22:27 --> 00:22:30: rates for being on stage and cost of housing is
00:22:30 --> 00:22:34: just so disconnected now in the in the entertainment district.
00:22:35 --> 00:22:37: And every business needs to think about where their
workforce
00:22:37 --> 00:22:38: is going to live.
00:22:38 --> 00:22:41: And that's, that's sort of where the workforce housing
phrasing.
00:22:41 --> 00:22:44: Same problem. Uh and Toronto Board of Trade has been
00:22:44 --> 00:22:47: doing a lot of work around that workforce housing definition
00:22:47 --> 00:22:49: and advocacy. So I'm going to go on to our
00:22:49 --> 00:22:53: next question and starting with with she. Which specific
government
00:22:53 --> 00:22:57: support programs have you access to create or maintain
affordable
00:22:57 --> 00:23:00: rental housing and how well have they worked for you?
00:23:00 --> 00:23:03: And what's the value of those being to your Kensington
00:23:03 --> 00:23:04: market community Land Trust?
00:23:05 --> 00:23:09: I suspect my answer is the greatest outlier. So I'll
00:23:09 --> 00:23:12: start by saying that we receive a transformative amount of
00:23:12 --> 00:23:16: operational funding from a group most known to the nonprofit
00:23:16 --> 00:23:19: and non market housing sector. Same HC has an arm
00:23:19 --> 00:23:23: called Community Housing transformation sector and this
has been a
00:23:23 --> 00:23:26: critical and deeply needed funder for our work in the

00:23:26 --> 00:23:29: sense that they seem to be one of the funding
00:23:29 --> 00:23:33: arms that is the most focused on permanently affordable approaches.

00:23:33 --> 00:23:35: And then in 2021 to say, say specifically.
00:23:36 --> 00:23:38: In relation to a specific site and project as an
00:23:38 --> 00:23:42: example, we acquired that first property with 50% of the
00:23:42 --> 00:23:45: equity coming straight from the City of Toronto and that
00:23:45 --> 00:23:48: money the city of Toronto was able to attain through
00:23:48 --> 00:23:51: community benefits charges to that is dedicated ward by ward.

00:23:51 --> 00:23:55: And so Kensington market happens to share award with University
00:23:55 --> 00:23:58: Rosedale and that is how disparate you know the the
00:23:58 --> 00:24:01: ward system has landed us. So this allowed us to
00:24:01 --> 00:24:05: preserve 12 deeply affordable residential units that were explicitly slated
00:24:05 --> 00:24:06: by the seller.
00:24:06 --> 00:24:10: For run evictions and conversions into over 250 percent, 300%
00:24:10 --> 00:24:13: AMR rental rates when the existing tenants were paying
00:24:13 --> 00:24:16: a month in rent in the downtown core in Kensington
00:24:16 --> 00:24:20: Market. So based on this acquisition partnership and a previous
00:24:20 --> 00:24:24: acquisition with our sister organization that they piloted to acquire
00:24:24 --> 00:24:27: rooming house in Parkdale, the City of Toronto then formalized
00:24:27 --> 00:24:30: this type of partnership and now the program is called
00:24:31 --> 00:24:35: the Multi Unit Residential acquisition program. So it's combination, it's
00:24:35 --> 00:24:36: a combination of the mural.
00:24:36 --> 00:24:39: Program as we would shorten it and open door funding
00:24:39 --> 00:24:42: and some of the mechanisms through open door that give
00:24:42 --> 00:24:45: US property tax relief etcetera in order to operate the
00:24:45 --> 00:24:48: building long-term that make this project viable. And that program
00:24:48 --> 00:24:51: sort of has a broader, has a broader advocacy intention
00:24:51 --> 00:24:54: to it. It is also the city of Toronto's housing
00:24:54 --> 00:24:58: secretary at trying to demonstrate to other Ontario municipalities and
00:24:58 --> 00:25:01: other levels of government of how they can simultaneously address
00:25:01 --> 00:25:04: both the loss and hemorrhage of existing affordable units while

00:25:04 --> 00:25:07: advocating for the creation of new housing.

00:25:07 --> 00:25:10: Talk as well, which is an interest that Ray and

00:25:10 --> 00:25:12: I both share, yeah.

00:25:12 --> 00:25:15: Excellent. I Andrew, I'm going to go to you next

00:25:15 --> 00:25:19: with the same question. Which government programs have you accessed

00:25:19 --> 00:25:23: recently to create affordable rental? What which levels of government

00:25:23 --> 00:25:26: provided those support? Should I think there are some different

00:25:26 --> 00:25:29: levels you were talking about and what's the value of

00:25:29 --> 00:25:33: those supports been to your project, be they financial, logistical?

00:25:34 --> 00:25:38: You know, in many ways I think the most relevant

00:25:38 --> 00:25:41: word in your question is, is recent. You know, in

00:25:41 --> 00:25:45: 2018 Tricon along with Kilmer and Andrea were selected by

00:25:45 --> 00:25:48: the province to build over 2500 units in the West

00:25:48 --> 00:25:53: on lands immediately beside the Distillery district. And we're very

00:25:53 --> 00:25:57: proud that all of those projects are all under construction

00:25:57 --> 00:26:01: right now. You know, 2018 important year construction costs are

00:26:01 --> 00:26:05: at a certain level interest rate sort of certain.

00:26:05 --> 00:26:08: Level rents are at a certain level sort of the

00:26:08 --> 00:26:11: stars all aligned. And so that project, you know the

00:26:12 --> 00:26:16: the province contributed the land, the city of Toronto through

00:26:16 --> 00:26:20: its open door program help provide financial support to the

00:26:20 --> 00:26:24: affordable units and then CMHC RCI program played a significant

00:26:24 --> 00:26:28: role. And so you know we're very excited to be

00:26:28 --> 00:26:31: welcoming our first residents to Block 8, which is 660

00:26:31 --> 00:26:35: units that will be coming online in Q1 of next

00:26:35 --> 00:26:35: year.

00:26:35 --> 00:26:38: Of which 30% of the units are affordable and you

00:26:38 --> 00:26:42: know subsequent additional blocks are in advanced stages of construction.

00:26:42 --> 00:26:45: We'll, you know, deliver in subsequent years. So this is

00:26:46 --> 00:26:48: a really good news story and I think it it,

00:26:48 --> 00:26:51: it shows the power of all three levels of government

00:26:51 --> 00:26:54: working with the private sector. But you know, there is

00:26:54 --> 00:26:58: a specific set of facts and economic outcomes that need

00:26:58 --> 00:26:59: to align to make that happen.

00:27:01 --> 00:27:04: You know, our sites as well in some instances benefited

00:27:04 --> 00:27:07: from existing zoning and and you know Joe was part

00:27:07 --> 00:27:10: of the similar program and I'll let him tell the
00:27:10 --> 00:27:12: story, but he didn't benefit from a zone site that
00:27:13 --> 00:27:15: allowed him to go so quickly and so he was
00:27:15 --> 00:27:17: not able to get in started in 2018 and I'm
00:27:17 --> 00:27:20: sure he'll talk about the implication of that.
00:27:21 --> 00:27:25: They're Tricon and and Kilmer were selected last year by
00:27:25 --> 00:27:28: the city to be a partner in another large scale
00:27:28 --> 00:27:32: mixed income market and affordable project and you know I
00:27:32 --> 00:27:36: I would say the set of government sort of preconditions
00:27:36 --> 00:27:39: were similar to the the 2018 ones and I think
00:27:39 --> 00:27:44: unfortunately with the confluence of costs rates you know
rents
00:27:44 --> 00:27:47: taking a huge dip during COVID and and really only
00:27:47 --> 00:27:50: starting to see you know response now you know.
00:27:51 --> 00:27:54: I think there's a lot of projects facing you know
00:27:54 --> 00:27:57: pretty severe headwinds and so there is a significant number
00:27:57 --> 00:28:00: of conversations going on with each one of those you
00:28:00 --> 00:28:04: know, government constituencies to do their part. And you
know
00:28:04 --> 00:28:07: I think one thing that's important to note is not
00:28:07 --> 00:28:10: one level of government can solve this. The, the, the,
00:28:10 --> 00:28:13: the, the budget gap on these projects are big. Even
00:28:13 --> 00:28:16: if one government said you know we'll reduce all our
00:28:16 --> 00:28:19: levies that that probably would make the budget the project
00:28:19 --> 00:28:22: viable. So it it, it tends to need to be.
00:28:22 --> 00:28:25: You know, municipality does X, province does Y, feds do
00:28:25 --> 00:28:27: you know Z and if if you don't get those
00:28:27 --> 00:28:30: three it's not going to work. And so at this
00:28:30 --> 00:28:33: time what's important is all three levels of government talk,
00:28:33 --> 00:28:36: communicate and are willing to lead from the front instead
00:28:36 --> 00:28:39: of saying, you know, what are you doing, what are
00:28:39 --> 00:28:42: you doing, what are you doing because you know one,
00:28:42 --> 00:28:44: one group won't be able to solve this.
00:28:44 --> 00:28:47: I'm going to pass this one over to the ray
00:28:47 --> 00:28:50: as well. Some examples of government support programs
that have
00:28:50 --> 00:28:52: access you've accessed.
00:28:52 --> 00:28:56: What are the value of supports and how how is
00:28:56 --> 00:28:59: it in Ontario or Toronto context?
00:29:00 --> 00:29:02: Yeah and you know when our our our Members are
00:29:02 --> 00:29:06: are definitely accessing a lot of the programs specifically
designed
00:29:06 --> 00:29:09: for for non market housing rapid Housing initiative Co

Investment

00:29:09 --> 00:29:11: Fund II. Myself in a pastoral I think I was
00:29:11 --> 00:29:15: the first nonprofit to access the rental Construction Financing initiative
00:29:15 --> 00:29:17: and and and what these do is these these programs
00:29:17 --> 00:29:20: feel like after we have the problem we have in
00:29:20 --> 00:29:22: nonprofit sectors we don't have very much equity at all
00:29:22 --> 00:29:25: right. So you can either replace that equity with with
00:29:25 --> 00:29:28: government grants or some of these programs you can reduce
00:29:28 --> 00:29:30: the need for equity with ultra low borrowing rates.
00:29:31 --> 00:29:34: That alone doesn't deliver particularly deep levels of, of of
00:29:34 --> 00:29:37: affordability. So our Members are also going after, you know
00:29:37 --> 00:29:42: as cheese talked about, programs from municipal governments, programs from.
00:29:42 --> 00:29:45: Provincial governments not a lot on the table in Ontario
00:29:45 --> 00:29:47: right now for us in in that respect. But but
00:29:48 --> 00:29:50: the really big challenge with this is is not only
00:29:50 --> 00:29:53: as you know as Andrew outlined the way that things
00:29:53 --> 00:29:56: have shifted radically in the past three years in terms
00:29:56 --> 00:29:59: of the economic landscape. You're absolutely right that not only
00:29:59 --> 00:30:02: can not it's not one level of government alone that's
00:30:02 --> 00:30:04: going to be able to solve this but but the
00:30:04 --> 00:30:07: private and nonprofit sector are both going to be needed
00:30:07 --> 00:30:09: to to seriously address this.
00:30:10 --> 00:30:12: And part of that involves the the difficult risk position
00:30:12 --> 00:30:15: that nonprofit operators are in, especially not having very, very
00:30:15 --> 00:30:18: deep pockets. And I remember, you know, years ago when
00:30:18 --> 00:30:21: CMHC was launching some of these programs, they would proudly
00:30:21 --> 00:30:23: pro, they said we'll underwrite your project to a debt
00:30:23 --> 00:30:24: coverage ratio of 1.0.
00:30:25 --> 00:30:28: At like historical low interest rates were like well that's
00:30:28 --> 00:30:31: not a good thing. That's actually transferring risk to a
00:30:31 --> 00:30:34: nonprofit operator and that's a bad thing. You know and
00:30:34 --> 00:30:36: and six or seven years now there's going to be
00:30:36 --> 00:30:38: a whole lot of projects that are going to be
00:30:38 --> 00:30:41: that are going to be noticing that. What I would
00:30:41 --> 00:30:43: what I would love to see is for CMHC and
00:30:43 --> 00:30:46: other governments to sit down with both private and nonprofit
00:30:46 --> 00:30:49: expertise. The folks who have the boots on the ground

00:30:49 --> 00:30:51: to Co design and and even Co deliver some of

00:30:51 --> 00:30:53: these programs so they can adapt to what it is

00:30:53 --> 00:30:55: we need rather than having government.

00:30:55 --> 00:30:57: Yes, what it is, that's going to make the difference.

00:30:57 --> 00:30:59: Sit down with us and we'll tell you what will

00:30:59 --> 00:31:00: make the difference.

00:31:01 --> 00:31:04: Thanks, ray. So John, I'm going to come to you,

00:31:04 --> 00:31:06: but I'm actually going to kind of combine the this

00:31:06 --> 00:31:09: question and the next one. So what are the supports

00:31:09 --> 00:31:12: you've received, what are your successes? But also to to

00:31:12 --> 00:31:15: raise point what are the the challenges you have in

00:31:15 --> 00:31:18: dealing with the different levels of government. You know do

00:31:18 --> 00:31:23: you have challenges with program restrictions, program

00:31:23 --> 00:31:26: access, application processes,

00:31:26 --> 00:31:29: the speed of government processes versus the speed you

00:31:29 --> 00:31:32: guys

00:31:32 --> 00:31:35: would like to be moving at anything within that spectrum?

00:31:35 --> 00:31:38: Yeah, Andrew has me very nostalgic for 2018. There's a

00:31:38 --> 00:31:41: there's an office quote that I quote often. It's I

00:31:41 --> 00:31:44: wish there was a way to know you're in the

00:31:44 --> 00:31:47: good old days before you've actually left them. 2018 was

00:31:47 --> 00:31:50: great, but we are not in 2018 anymore. So a

00:31:50 --> 00:31:53: little bit of a different different story started in the

00:31:53 --> 00:31:56: same place in Andrew. But our our application for our

00:31:56 --> 00:32:01: project that has three levels of government cooperation, 30%

00:32:01 --> 00:32:04: affordable

00:32:04 --> 00:32:07: housing, we needed a rezoning so instead of being a

00:32:07 --> 00:32:10: shovel ready in 2018.

00:32:10 --> 00:32:13: When the economics lined up and we would have been

00:32:13 --> 00:32:16: in the same position as Andrew and delivering these units,

00:32:16 --> 00:32:19: we had to go through rezoning.

00:32:19 --> 00:32:22: Bit of a challenge in in rezoning as we know

00:32:22 --> 00:32:25: it took a little bit of time and unfortunately in

00:32:25 --> 00:32:28: the middle of zoning and toward the end we ended

00:32:28 --> 00:32:31: up in an economic cycle that this project just doesn't

00:32:31 --> 00:32:34: make sense. And so that's kind of our process of

00:32:34 --> 00:32:37: the city's open door was great. I think the the

00:32:37 --> 00:32:40: future of these is there's there's a bit of a

00:32:40 --> 00:32:43: disconnect between counting affordable housing and actually

00:32:43 --> 00:32:46: counting affordable housing

00:32:46 --> 00:32:49: that's been delivered. So like when you look at CMHC

00:32:49 --> 00:32:52: checklist.

00:32:52 --> 00:32:55: Like RFI grade, our project is in RCI. Our project

00:32:44 --> 00:32:48: is in open doors. Our project is in the provincial

00:32:48 --> 00:32:50: palp, which is provincial.

00:32:50 --> 00:32:51: Affordable housing.

00:32:51 --> 00:32:54: Housing land, thank you. Thank you. OK. Thank you.

00:32:54 --> 00:32:55: OK.

00:32:56 --> 00:32:59: Thank you. So, so like we're in all of those

00:32:59 --> 00:33:02: programs and when you look at the reports there, you

00:33:02 --> 00:33:05: see a lot of houses on paper you know supposed

00:33:05 --> 00:33:08: to be coming online. But what what the challenge is

00:33:08 --> 00:33:10: now in 2022 where we are with the economy is

00:33:10 --> 00:33:14: how do you actually recalibrate those programs to make sense

00:33:14 --> 00:33:17: in 2022. And to me that's the entire thing is

00:33:17 --> 00:33:19: we had success in 2018, those of us that were

00:33:19 --> 00:33:22: able to build were able to build and now now

00:33:22 --> 00:33:25: those units are being handed over. How do we make

00:33:25 --> 00:33:27: that same successful outcome in 2022?

00:33:27 --> 00:33:30: You have to recalibrate the programs. So to go on

00:33:30 --> 00:33:33: my experience a little bit, the city has been great

00:33:33 --> 00:33:36: in sitting down saying I know things have changed. So

00:33:36 --> 00:33:40: that's that's the first recognition. The province has been really

00:33:40 --> 00:33:44: good saying I know things has changed, things have changed.

00:33:45 --> 00:33:48: Out of the three, those are really the only two

00:33:48 --> 00:33:51: that that have an honest recognition of I know things

00:33:51 --> 00:33:55: have changed and I can help. So the challenge with

00:33:55 --> 00:33:57: us and I think the industry is CMHC has not

00:33:58 --> 00:34:01: kept up their underwriting standards. So what made sense in

00:34:01 --> 00:34:05: 2018-2019, the program has simply not been updated to include

00:34:05 --> 00:34:07: today's interest rate.

00:34:08 --> 00:34:10: It, it is administered as if you were in 2019

00:34:10 --> 00:34:13: and and when you take the result of that administration,

00:34:14 --> 00:34:17: it doesn't work. So until that there's a recognition that

00:34:17 --> 00:34:20: we're not in 2018 anymore at the federal level.

00:34:21 --> 00:34:23: It's not going to work. So my whole thing is

00:34:23 --> 00:34:27: recalibration of existing programs. We don't need new ideas, we

00:34:27 --> 00:34:30: don't need existing. We don't need new programs. We just

00:34:30 --> 00:34:33: need to input today's economics into the programs that already

00:34:33 --> 00:34:36: exist. And again, City, Province have been great at that.

00:34:38 --> 00:34:40: It's been nimble, Joe. Is that what you're asking?

00:34:40 --> 00:34:42: For perhaps not nimble, but like between 2019 and 2020,

00:34:42 --> 00:34:45: you have three years to, you know, keep up with

00:34:45 --> 00:34:45: the change.

00:34:45 --> 00:34:48: So OK. So, so I wanted to come back to

00:34:48 --> 00:34:53: Chi on this one particularly my understanding is that

00:34:53 --> 00:34:56: Kensington

00:34:53 --> 00:34:56: Market Community Land Trust is is so new.

00:34:57 --> 00:35:01: What have been your challenges with engaging with the

00:35:01 --> 00:35:06: different

00:35:01 --> 00:35:06: levels of government and government programs as a new

00:35:06 --> 00:35:11: grassroots

00:35:06 --> 00:35:11: ground up organization entering into the Affordable housing

00:35:14 --> 00:35:17: rental space?

00:35:14 --> 00:35:17: Yeah, I'm. I'm struggling with that and also juggling like

00:35:18 --> 00:35:20: really wanting to respond to Joe directly.

00:35:20 --> 00:35:23: Go ahead, go ahead. Respond to Joe directly. That's what

00:35:23 --> 00:35:23: we're here for.

00:35:24 --> 00:35:26: I mean, like, OK, so this, like this nostalgia for

00:35:26 --> 00:35:29: 2018 would be deeply insulting to my community members,

00:35:29 --> 00:35:32: right?

00:35:29 --> 00:35:32: Because like, to them, it's like we're operating in this,

00:35:32 --> 00:35:34: in this entirely alternate world, where why would there be

00:35:34 --> 00:35:37: a baseline profit assumption in the numbers to make a

00:35:37 --> 00:35:39: project work in the 1st place? I understand that we're

00:35:39 --> 00:35:42: like operating entirely different sectors and of course that's

00:35:42 --> 00:35:44: not

00:35:42 --> 00:35:44: a fair. Like, totally fair.

00:35:44 --> 00:35:46: That that is the nature of your job but like

00:35:46 --> 00:35:48: it just feels like if we are going to be

00:35:48 --> 00:35:51: advocating towards government in general then we have to

00:35:51 --> 00:35:55: like

00:35:51 --> 00:35:55: not narrow this conversation to the base assumption that only

00:35:55 --> 00:35:58: the private sector develops develops and constructs housing.

00:35:59 --> 00:36:02: Right. Like

00:36:02 --> 00:36:05: they're like the the private sector should not be standing

00:36:05 --> 00:36:07: on its own. There should be a significant and interesting

00:36:07 --> 00:36:10: like interesting for like all of us in our careers

00:36:10 --> 00:36:13: diverse market that is non market to to not just

00:36:13 --> 00:36:14: nonprofits but also like co-ops and unions and like women's

00:36:14 --> 00:36:18: associations.

00:36:18 --> 00:36:21: Historically have housed people broadly that are like federally

00:36:18 --> 00:36:21: funded

00:36:18 --> 00:36:21: and provincially funded to like a interesting and significant

00:36:18 --> 00:36:21: degree.

00:36:22 --> 00:36:24: And and if like if it was true that
00:36:24 --> 00:36:27: demand and supply in the market actually were the things
00:36:27 --> 00:36:30: that dictated whether or not projects were going ahead then
00:36:30 --> 00:36:33: then things would still be built. But the truth is
00:36:33 --> 00:36:36: is that interest rates are what like is what actually
00:36:36 --> 00:36:39: dictates it. And like a basic policy analysis would make
00:36:39 --> 00:36:42: it really clear that like it's this false assumption that
00:36:42 --> 00:36:44: if we were to focus on just how to.
00:36:44 --> 00:36:48: Actually deliver this amount of units without questioning
where those
00:36:48 --> 00:36:51: units come from, who is operating them and are they
00:36:51 --> 00:36:54: permanently affordable units? Then like we would in other
like
00:36:54 --> 00:36:57: I feel like Joel Roberts would say, like if prices
00:36:57 --> 00:36:59: were being driven by truly a lack of supply and
00:36:59 --> 00:37:02: nothing else and not the capacity to take on debt
00:37:02 --> 00:37:05: and speculation, then interest rates wouldn't be having this
effect
00:37:06 --> 00:37:08: at all on the level of construction, right, if we
00:37:08 --> 00:37:12: were honest with ourselves anyway to actually answer the
question
00:37:12 --> 00:37:14: though from from the grassroots perspective.
00:37:15 --> 00:37:18: I think this will be interesting for some people. So
00:37:18 --> 00:37:20: like the scale of like of of rents rising that
00:37:20 --> 00:37:22: Joel also showed, like that's a graph that only shows
00:37:22 --> 00:37:25: the last five years, right. If you look at the
00:37:25 --> 00:37:27: scale of it in the broad sense, like Torontonians have
00:37:27 --> 00:37:30: been evicted, like 2018 was one of the highest years
00:37:30 --> 00:37:32: for just like evictions and people dying on the street.
00:37:32 --> 00:37:34: So due to the nature of our very unique solution,
00:37:35 --> 00:37:37: actually surprisingly I feel like the funding we have accessed
00:37:37 --> 00:37:40: has been incredibly nimble, really fast and easy, like flexible
00:37:40 --> 00:37:42: to access, which I think is surprising.
00:37:43 --> 00:37:44: But in a good word for us.
00:37:44 --> 00:37:47: Yeah, like it's it's been really surprising but I think
00:37:47 --> 00:37:50: it's because it's the nature of my project you know
00:37:50 --> 00:37:52: as opposed to as opposed to the numbers that you
00:37:52 --> 00:37:55: guys are bringing forward and was that anything I would
00:37:55 --> 00:37:58: I would like step back and say that the main
00:37:58 --> 00:38:01: limitation in accessing government support is that we just like
00:38:01 --> 00:38:04: aren't thinking on the level of transformative investments that
were
00:38:05 --> 00:38:08: present decades ago like before my lifetime, right like the

00:38:08 --> 00:38:11: kinds of the the sheer amount of investments and cooperative

00:38:11 --> 00:38:14: units and nonprofit units and non market sector that we

00:38:14 --> 00:38:14: were building.

00:38:14 --> 00:38:18: Like public housing I'm talking about structural care there's never

00:38:18 --> 00:38:20: been such a dry spell and there's like this generational

00:38:20 --> 00:38:23: amnesia that I want to describe also because I've like

00:38:23 --> 00:38:26: been able to operate not just in the Canadian sector

00:38:26 --> 00:38:28: that's incredibly narrow and limited. Like you could look to

00:38:29 --> 00:38:31: any other country and realize that there has never like

00:38:31 --> 00:38:34: I've never seen a housing market that has such has

00:38:34 --> 00:38:37: such a disproportionate reliance on just the for profit private

00:38:37 --> 00:38:39: sector to develop these units. It's like this is deeply

00:38:39 --> 00:38:42: abnormal less than 5% of Canada's like housing units I've

00:38:42 --> 00:38:44: heard are are are not non market are sorry.

00:38:44 --> 00:38:47: Are non market units in Austria, it's like 60% and

00:38:47 --> 00:38:50: my rents would be \$500.00 a month, right EUR and

00:38:50 --> 00:38:53: that's a, that's a proportion that truly finally has like

00:38:53 --> 00:38:56: a substantive effect on the overall housing sub market in

00:38:56 --> 00:38:59: Canada. But I just I feel like the conversations get

00:38:59 --> 00:39:02: really into the weeds and we never actually step back

00:39:02 --> 00:39:05: and like look at like Joel, like people like Joe

00:39:05 --> 00:39:08: and Andrew which should not be like operating in this

00:39:08 --> 00:39:11: like weird silo where the entire burden of delivering all

00:39:11 --> 00:39:13: of this is just on their one sector like at

00:39:13 --> 00:39:15: that, that would be so narrow.

00:39:15 --> 00:39:16: For us to to frame it like that.

00:39:17 --> 00:39:19: OK, I'm, I'm getting some nods out of Ray. So

00:39:19 --> 00:39:22: Ray, I'm gonna give you like 30 seconds to jump

00:39:22 --> 00:39:24: in on on team, not-for-profit housing here.

00:39:25 --> 00:39:28: Yeah, thank. Thank you so much G for bringing that

00:39:28 --> 00:39:30: up. This is exactly you know what I've what I've

00:39:30 --> 00:39:34: been thinking Joe it goes beyond recalibrating these kinds of

00:39:34 --> 00:39:37: programs. I mean the ground has shifted enough and and

00:39:37 --> 00:39:40: she you're absolutely right if we look back 2530 years

00:39:40 --> 00:39:43: the the the level of investments that the kind of

00:39:43 --> 00:39:47: restraints that are artificially put on what, what what what

00:39:47 --> 00:39:50: government and non market players can do now didn't seem

00:39:50 --> 00:39:52: to be an obstacle back then and and I think

00:39:52 --> 00:39:55: we need to draw on the expertise and the capacity

00:39:55 --> 00:39:56: of the private sector.

00:39:57 --> 00:39:59: We need to reimagine what housing can look like.

00:40:00 --> 00:40:03: OK. I'm going to go to Andrew to speak to

00:40:03 --> 00:40:06: you can. You can either choose to speak to the

00:40:06 --> 00:40:10: topics that have just been raised or you can speak

00:40:10 --> 00:40:13: to the the challenges that you have had in interacting

00:40:13 --> 00:40:17: with some of these programs similar to Joe's, different from

00:40:18 --> 00:40:18: Joe's.

00:40:20 --> 00:40:22: Yeah, I mean, again, I want to make the point,

00:40:22 --> 00:40:22: you know?

00:40:23 --> 00:40:26: One of these can't fix it alone so even if

00:40:26 --> 00:40:30: you know we went with Joe's you know perspective on

00:40:30 --> 00:40:32: on some of the CMHC challenges in in in my

00:40:33 --> 00:40:36: personal opinion all they can do is change the capital

00:40:36 --> 00:40:40: stack it doesn't in the amount of debt and equity

00:40:40 --> 00:40:43: it doesn't change that the yield on cost from a

00:40:43 --> 00:40:47: you know operating income divided by cost perspective is is

00:40:47 --> 00:40:51: under pressure in these. So I in many ways actually

00:40:51 --> 00:40:53: I've had a maybe more of a in between.

00:40:53 --> 00:40:58: Experience between G and and and Joe I found CMHC

00:40:58 --> 00:40:58: to be.

00:40:59 --> 00:41:04: Responsive and proactive, where I have personally found

00:41:04 --> 00:41:07: challenges and

00:41:08 --> 00:41:12: I I share this often, is when I make presentations

00:41:12 --> 00:41:15: to government, I'm typically and sorachi to keep going back

00:41:15 --> 00:41:18: to periods of time. But I often give the same

00:41:19 --> 00:41:22: presentation today that I gave in 2016 and 17 about,

00:41:22 --> 00:41:26: you know, if we are truly trying to catalyze more

00:41:26 --> 00:41:29: rental housing, which is a stated goal of all three

00:41:29 --> 00:41:34: levels of government for the City of Toronto's housing.

00:41:34 --> 00:41:38: Plan. The province is more homes, more choice. Plan the

00:41:38 --> 00:41:42: National Housing strategy. Why are we taxing this at about

00:41:42 --> 00:41:46: 25% of project budgets, that is a huge needle mover

00:41:46 --> 00:41:50: on project viability. And the folks who can solve that

00:41:50 --> 00:41:54: are more at the municipal and provincial level. And they

00:41:54 --> 00:41:58: know this. They've heard this for 7-8 years now. Where

00:41:58 --> 00:42:00: I I find the challenge arises is there's no shortage

00:42:00 --> 00:42:03: of enthusiasm by the executives.

00:42:03 --> 00:42:06: That in City Hall and the Premier's office and the

00:42:06 --> 00:42:10: like, but in terms of actually taking ideas and and

00:42:10 --> 00:42:13: shifting those to action that moves the needle on project

00:42:13 --> 00:42:16: viability, it's it's been elusive and so I think it's

00:42:16 --> 00:42:19: followed through. They know that people know what the

00:42:19 --> 00:42:22: needles

00:42:17 --> 00:42:20: are, it's development charges, it's HST at the municipal and
00:42:20 --> 00:42:24: provincial level and I think seeing change there will unlock
00:42:24 --> 00:42:26: a significant amount of new supply.
00:42:26 --> 00:42:29: So and then the both of the projects that Andrew
00:42:29 --> 00:42:31: and and Joe that you spoke about.
00:42:31 --> 00:42:36: You did say there were some 40% AMR units in
00:42:36 --> 00:42:40: these, but my assumption is that that is.
00:42:41 --> 00:42:44: 3% of the overall units in the building, maybe even
00:42:44 --> 00:42:47: less like what? What sort of a if I'm building
00:42:47 --> 00:42:48: 1000 units in one of?
00:42:48 --> 00:42:50: These big and also for how many years?
00:42:52 --> 00:42:53: 20 years how like what sort of range are?
00:42:53 --> 00:42:57: You creating our projects. It's 100 years of affordability.
00:42:58 --> 00:43:02: And with respect to your question, I think what's unique
00:43:02 --> 00:43:05: about the projects that Joe and I are involved in
00:43:05 --> 00:43:09: is the model is creating a thriving complete community where
00:43:09 --> 00:43:12: all units are finished to the same standard, units are
00:43:12 --> 00:43:17: randomly distributed throughout the communities. Everyone
00:43:17 --> 00:43:21: gets access to the
00:43:21 --> 00:43:25: same amenities service, whether it's, you know, mobile apps
00:43:25 --> 00:43:28: or
00:43:28 --> 00:43:28: resident programming, community events and the like, you
00:43:28 --> 00:43:28: don't know
00:43:28 --> 00:43:28: who lives behind the door and that's by design and
00:43:28 --> 00:43:28: so.
00:43:29 --> 00:43:33: Four of these communities and and candidly like this is
00:43:33 --> 00:43:36: a model that was borrowed from the US it was
00:43:36 --> 00:43:40: set by our our governments. They dictate the AMR levels.
00:43:40 --> 00:43:44: And again in the spirit of creating a thriving complete
00:43:44 --> 00:43:49: community, it's not about people, it's not by design about
00:43:49 --> 00:43:52: people on spectrums and so you know by and large
00:43:52 --> 00:43:56: mark you're right it's, it's has a higher AMR focus
00:43:56 --> 00:43:59: but again the spirit of it is providing.
00:43:59 --> 00:44:04: Workforce housing for you know, hospitality workers, first
00:44:04 --> 00:44:08: responders, nurses,
00:44:08 --> 00:44:11: teachers, the the backbone of our city and and to
00:44:11 --> 00:44:15: you know to to borrow what she said earlier, this
00:44:15 --> 00:44:20: is not an ore concept. It's an Ann concept and
00:44:20 --> 00:44:24: there's absolutely a need for more affordable housing that's
00:44:24 --> 00:44:29: focused
00:44:29 --> 00:44:29: on the lower end of the spectrum. Many constituents and
00:44:29 --> 00:44:29: those, those cohorts are looking for more supportive
00:44:29 --> 00:44:29: environments. They

00:44:29 --> 00:44:29: don't.

00:44:29 --> 00:44:32: Wanna live in, in the buildings that I was articulating,

00:44:32 --> 00:44:35: they want more that you know, people tend to be

00:44:35 --> 00:44:37: want to be clustered in one space. They want more

00:44:37 --> 00:44:41: supportive resources in that building. We have lots of

00:44:41 --> 00:44:44: conversations

00:44:41 --> 00:44:44: with the not for profits in our integrated communities and

00:44:44 --> 00:44:47: that's their expressed view. So it's it's absolutely an and

00:44:47 --> 00:44:50: concept. I think what you know, she is referencing is

00:44:50 --> 00:44:53: critically important and I think for what Joe and I

00:44:53 --> 00:44:57: are doing creating these thriving complete communities,

00:44:57 --> 00:44:59: there's also a

00:44:57 --> 00:44:59: need there and the AMR levels are different.

00:45:00 --> 00:45:04: Excellent. Alright, we're down to the last 15 minutes here

00:45:04 --> 00:45:07: and I want to get through all these questions. So

00:45:07 --> 00:45:10: I'm going to ask all of you in these next

00:45:10 --> 00:45:13: sort of rounds of questions to try and keep it

00:45:13 --> 00:45:16: to a minute or so in your responses so we

00:45:16 --> 00:45:19: can try and get through all the content and we

00:45:20 --> 00:45:23: can get here everybody's voice again. So I want to

00:45:23 --> 00:45:25: go to Ray and and Ray.

00:45:26 --> 00:45:29: Your overall impression of the the rapid housing strategy and

00:45:29 --> 00:45:33: the sort of the National Housing strategy, the federal National

00:45:33 --> 00:45:38: Housing strategy, the rapid housing portion of it, rental,

00:45:38 --> 00:45:41: construction,

00:45:38 --> 00:45:41: finance, other components of it. If you can give us

00:45:41 --> 00:45:41: 90 seconds.

00:45:43 --> 00:45:44: In 90 seconds.

00:45:44 --> 00:45:46: So, so look I don't want to understate the the

00:45:47 --> 00:45:50: National Housing strategy was a big deal and seeing the

00:45:50 --> 00:45:53: federal government come into it's particularly non market

00:45:53 --> 00:45:55: housing was

00:45:53 --> 00:45:55: a huge a huge step and it's a pretty big

00:45:56 --> 00:45:59: price tag attached to it. Not that everything was perfect

00:45:59 --> 00:46:01: and and the CMHC staff that I've worked have always

00:46:01 --> 00:46:04: been open to trying to get things right and trying

00:46:04 --> 00:46:07: to trying to improve them. But we've had a sea

00:46:07 --> 00:46:09: change in the past three years and it's not a

00:46:09 --> 00:46:13: question of tinkering with those programs anymore. There

00:46:13 --> 00:46:13: needs to

00:46:13 --> 00:46:13: be a.

00:46:13 --> 00:46:16: A reset on the National Housing strategy. You know in

00:46:16 --> 00:46:19: 2017 the National Housing strategy focused very much on

the

00:46:19 --> 00:46:22: non market Community Housing side of things and then 2021

00:46:22 --> 00:46:26: government is scrambling to come up with measures and regulations

00:46:26 --> 00:46:29: that will also address the housing crisis as it inches

00:46:29 --> 00:46:32: up the income spectrum toward toward market based housing as

00:46:32 --> 00:46:35: well. Those those things should all have been to the

00:46:35 --> 00:46:38: same well thought out. It's part of an economic strategy

00:46:38 --> 00:46:41: isn't just a social service strategy, this is an economic

00:46:41 --> 00:46:43: strategy, it is a fundamental driver.

00:46:43 --> 00:46:47: As as as Joe mentioned really eloquently at the opening,

00:46:47 --> 00:46:50: this is part of our immigration and population growth strategy,

00:46:50 --> 00:46:53: this is part of how cities grow, this is part

00:46:53 --> 00:46:56: of who we are as Canadians and it needs to

00:46:56 --> 00:46:59: be revisited now because yesterday it's too late.

00:46:59 --> 00:47:02: OK. Joe to you another quick response on rapid on

00:47:02 --> 00:47:06: the National Housing strategy and what you what you like,

00:47:06 --> 00:47:08: what your challenges are?

00:47:09 --> 00:47:10: Same thing is right was it was a big deal

00:47:10 --> 00:47:12: and I just want to make the point that it

00:47:12 --> 00:47:13: did work like there was a time where it was.

00:47:14 --> 00:47:16: Very helpful tool to deliver. You could set your sites

00:47:17 --> 00:47:19: and use it to deliver housing. I use the word

00:47:19 --> 00:47:22: recalibrate. I thought I was being polite. I've heard much

00:47:22 --> 00:47:25: much worse things here, but I'll go back to my

00:47:25 --> 00:47:28: recalibrate. It could be an effective tool if it was

00:47:28 --> 00:47:28: updated.

00:47:29 --> 00:47:30: To be put politely, thank you, Ray.

00:47:31 --> 00:47:34: OK. She do you want to speak briefly to National

00:47:34 --> 00:47:38: Housing strategy, the rapid housing, which I think funded

00:47:38 --> 00:47:39: some

00:47:38 --> 00:47:39: of yours?

00:47:40 --> 00:47:42: And and what your your current take on it? Are

00:47:43 --> 00:47:45: we on the right track or the wrong track? I

00:47:45 --> 00:47:45: think wrong.

00:47:45 --> 00:47:48: Track I think we're entirely on the wrong track. And

00:47:48 --> 00:47:50: I will say that the the simple succinct way of

00:47:50 --> 00:47:53: saying why is that yes, the National Housing strategy was

00:47:53 --> 00:47:56: an active strategy, but there was, there was a there

00:47:56 --> 00:47:58: was this conflation of all ex strategies being the same.

00:47:58 --> 00:48:01: And it is entirely different for an active strategy to

00:48:01 --> 00:48:03: be housing as a human right. And so it meets

00:48:03 --> 00:48:06: like a basic human need and people have shelter and
00:48:06 --> 00:48:09: can focus their attention and economic activity towards doing
00:48:09 --> 00:48:10: things, getting jobs.
00:48:10 --> 00:48:14: Versus an active strategy as homeownership and housing as
00:48:14 --> 00:48:17: a
00:48:17 --> 00:48:21: financial asset that people are investing in as their retirement
00:48:21 --> 00:48:24: funds as an over relied on investment vehicle. Housing is
00:48:24 --> 00:48:27: fundamentally an investment in Canada which is not going to
00:48:27 --> 00:48:30: create a functional society. This is like a deep deep
00:48:30 --> 00:48:33: ill that no one in this particular room could look
00:48:33 --> 00:48:35: like is is kind of like contributing to our solving
00:48:35 --> 00:48:38: on their own. So from that view I would say
00:48:38 --> 00:48:41: no it was it's like an incredibly flawed and we
00:48:41 --> 00:48:44: really need to hard rethink how we think about housing.
00:48:42 --> 00:48:46: OK. Uh Andrews, talk to us very briefly about housing
00:48:46 --> 00:48:49: now land. I heard you mentioned that some housing now
00:48:49 --> 00:48:54: land, the provincial affordable housing land program. If
00:48:54 --> 00:48:58: there's a
00:48:58 --> 00:49:03: federal equivalent to the Federal Lands program, how much
00:49:03 --> 00:49:05: does
00:49:05 --> 00:49:09: that land provision from government assist the kinds of
00:49:09 --> 00:49:13: projects
00:49:13 --> 00:49:16: that you're trying to build?
00:49:16 --> 00:49:20: It, it's a, it's a it's a part of the
00:49:20 --> 00:49:24: equation. You know, that's one element of a contribution. The
00:49:24 --> 00:49:28: other is the open door relief, the other is CMHC.
00:49:28 --> 00:49:32: So again it's, it's it's all important, it's not it.
00:49:32 --> 00:49:35: And ultimately like we're all solving for the totality of
00:49:35 --> 00:49:39: outcome and and all of those inputs matter. You know,
00:49:39 --> 00:49:43: you asked this question earlier like how's it going? What's
00:49:43 --> 00:49:47: what's the outcome here. I mean I think you know,
00:49:47 --> 00:49:51: Mayor Torian 2020.
00:49:51 --> 00:49:54: Is part of the City of Toronto's like housing TO
00:49:54 --> 00:49:58: program said 40,000 units by 2030 affordable units and it's
00:49:58 --> 00:50:01: really actually 44,000 because 4000 incremental are
00:50:01 --> 00:50:05: supposed to be
00:50:05 --> 00:50:08: ownership. If we are not starting and starting means shovels
in the ground. I don't know what this word approval
means. They talk about 40,000 approved units. That's this
much
of a development process. Still got to build it and
operate it and lease it. Who cares about approvals. That's
this much of the equation we need to be starting.

00:50:08 --> 00:50:11: You know, 4400 units per year to deliver on that
 00:50:11 --> 00:50:15: promise and we are a fraction of that like we
 00:50:15 --> 00:50:18: might be 3 to 4000 units in total over the
 00:50:18 --> 00:50:21: last, you know, three years where it should be 12
 00:50:21 --> 00:50:25: plus and you know nothing's happening right now. So no,
 00:50:26 --> 00:50:29: we are way off track. So I I think recalibrating
 00:50:29 --> 00:50:31: is a nice word we need.
 00:50:31 --> 00:50:34: Restart on a lot of these program designs.
 00:50:34 --> 00:50:36: And not to talk to the city in particular, but
 00:50:36 --> 00:50:39: all levels of government, often those targets that are set
 00:50:39 --> 00:50:42: are set far in the future. They're kind of New
 00:50:42 --> 00:50:45: Year's resolutions. I'm I'm going to lose weight and I'm
 00:50:45 --> 00:50:47: going to go to the gym more. But do you
 00:50:47 --> 00:50:50: actually lose weight and go to the gym more? Do
 00:50:50 --> 00:50:52: you put the effort in and put your steps in
 00:50:52 --> 00:50:54: every day to get to that target that you set
 00:50:54 --> 00:50:57: for yourself? So we're down to the last 10 minutes
 00:50:57 --> 00:51:00: here, and I wanted to jump into our speed round
 00:51:00 --> 00:51:02: and then head it back over to Richard.
 00:51:02 --> 00:51:05: See if there's any questions in the Q&A. So we
 00:51:05 --> 00:51:08: are one month from Christmas Eve today each of you
 00:51:08 --> 00:51:12: get to ask Mayor Tory, Premier Ford and Prime Minister
 00:51:12 --> 00:51:16: Trudeau for one change or improvement to a government
 00:51:16 --> 00:51:20: supported
 00:51:20 --> 00:51:23: rental housing program at their level of government. What is
 00:51:23 --> 00:51:26: your dear Santa? Ask for each of them. So I'm
 00:51:26 --> 00:51:29: going to start with Ray on this, ray for a
 00:51:29 --> 00:51:30: mayor. What is your dear Santa? Ask for a mayor
 00:51:30 --> 00:51:32: briefly.
 00:51:30 --> 00:51:32: I love this because just this week I've gone on
 00:51:32 --> 00:51:32: the record.
 00:51:33 --> 00:51:35: As accusing Bill 23 at the provincial level of of
 00:51:35 --> 00:51:39: being a private developers Christmas wish list for for Mayor
 00:51:39 --> 00:51:41: Tory my ask if I get to sit on his
 00:51:41 --> 00:51:44: knee would be figure out a way how to maintain
 00:51:44 --> 00:51:47: that acquisition program Mira that that that she I mentioned
 00:51:47 --> 00:51:50: even though Bill 23 has gutted a lot of the
 00:51:50 --> 00:51:53: funding that that actually finances it for Premier Ford. Yes
 00:51:53 --> 00:51:57: there needs to be more housing supply when we're setting
 00:51:57 --> 00:52:00: targets. Think about also targets for Community Housing
 00:52:01 --> 00:52:03: supply as
 as as as she mentioned no less than 5%.

00:52:03 --> 00:52:06: Of the housing stock across the country is is Community
00:52:06 --> 00:52:08: Housing. I think we all agree that there needs to
00:52:09 --> 00:52:12: be more of that kind of supportive, nonprofit, mixed income
00:52:12 --> 00:52:12: housing.
00:52:14 --> 00:52:16: If we're setting a target of 1.5 million new homes
00:52:16 --> 00:52:19: in the province, just to maintain the status quo, 75,000
00:52:20 --> 00:52:22: of those have to be Community Housing, and I think
00:52:22 --> 00:52:25: we all agree there needs to be even more than
00:52:25 --> 00:52:25: that.
00:52:26 --> 00:52:30: A request from from Santa Elf, Justin Trudeau.
00:52:30 --> 00:52:34: Uh, yes. Indigenous urban housing strategy. And there needs
to
00:52:34 --> 00:52:37: be a dollar figure attached to that in 2023 budget.
00:52:37 --> 00:52:39: And it needs to have 10 digits.
00:52:39 --> 00:52:42: OK Andrew, I'm going to you with your dear Santa
00:52:42 --> 00:52:44: asks for the Mayor of Toronto.
00:52:45 --> 00:52:48: Very good one so far. One for Tori eliminates development
00:52:48 --> 00:52:52: charges for market rate units. It makes no sense that
00:52:52 --> 00:52:56: we're taxing condo and rental the same when there's a
00:52:56 --> 00:52:59: clear goal of more rental. Two, HST that's paid to
00:52:59 --> 00:53:03: the province and the city is the biggest government levy.
00:53:03 --> 00:53:07: Again, if we're trying to incent more rental, either index
00:53:07 --> 00:53:11: the the rebate payment from 1991, eliminate it, push it
00:53:11 --> 00:53:14: back to the point that the projects are sold but
00:53:14 --> 00:53:15: having to pay.
00:53:15 --> 00:53:19: You know roughly 13% of assessed value at stabilization is
00:53:19 --> 00:53:22: a massive drag on these projects and tips viability. And
00:53:22 --> 00:53:26: then finally longer term CMHC financing, I think these
projects
00:53:26 --> 00:53:29: are incredibly tight out of the gates. And so longer
00:53:29 --> 00:53:33: term financing that gives you certainty for a longer period
00:53:33 --> 00:53:36: of time to amortize your debt and you know grow
00:53:36 --> 00:53:40: into your debt service would give you know people more
00:53:40 --> 00:53:43: more confidence. So no DC for market units push HST
00:53:43 --> 00:53:46: out until projects are sold and longer term.
00:53:46 --> 00:53:47: CMHC financing.
00:53:47 --> 00:53:50: OK, she, she, she.
00:53:50 --> 00:53:53: OK, I'm going to jump in with the opposite for
00:53:53 --> 00:53:56: Tory. I want him to stop giving away all tax
00:53:56 --> 00:54:00: concessions for non permanent agreements. I want Ford at
the
00:54:00 --> 00:54:03: provincial level first of all to get out of office,
00:54:03 --> 00:54:07: but then to distribute massive investments in new affordable

housing.

00:54:07 --> 00:54:10: Build an actual housing program bigger, better than an arm
00:54:11 --> 00:54:14: like BC housing. For Trudeau I would want a massive
00:54:14 --> 00:54:17: investment, a massive investment to the degree that we saw
00:54:17 --> 00:54:20: in the Sixties, 70s and 80s in public housing that.
00:54:20 --> 00:54:24: Well, includes beyond an indigenous housing strategy that
has real
00:54:24 --> 00:54:27: dollar amounts to it. I gotta echo Ray there until
00:54:27 --> 00:54:31: it constitutes over 50% of the Canadian housing stock to
00:54:31 --> 00:54:33: actually stabilize this crisis.
00:54:33 --> 00:54:36: OK. I'm gonna add to you just a stat that
00:54:36 --> 00:54:39: in the city of Toronto a billion federal dollars gets
00:54:39 --> 00:54:43: about 2100 housing units. So when you say a massive
00:54:43 --> 00:54:47: investment, it's really massive. Like we're talking 10s of
billions
00:54:47 --> 00:54:51: of dollars to create the kinds of units you're talking
00:54:51 --> 00:54:55: about. And I think politicians are not comfortable talking with
00:54:55 --> 00:54:59: that scale of number being dedicated to housing. Joe, you're.
00:54:59 --> 00:55:00: This was a Christmas wish.
00:55:02 --> 00:55:05: We're also giving away that many trillions of dollars in
00:55:05 --> 00:55:06: taxes lost, so.
00:55:06 --> 00:55:09: I your your your Christmas wish list. It's great. I
00:55:09 --> 00:55:12: totally agree with you. I just I think we wanted
00:55:12 --> 00:55:15: to quantify the number on it because that is a
00:55:15 --> 00:55:18: number that when we're all of those are talking to
00:55:18 --> 00:55:21: politicians we need to be talking about the billions of
00:55:21 --> 00:55:24: dollars of investment. Joe you want your Christmas wish list
00:55:24 --> 00:55:27: for Mayor, Tory, Premier, Ford and Prime Minister.
00:55:27 --> 00:55:30: Trudeau, you know what? I'll have the same interest of
00:55:30 --> 00:55:32: time. It's the same wish. Let's get together.
00:55:33 --> 00:55:37: Talk about and ensure that the amount of immigration that
00:55:37 --> 00:55:41: we're bringing in matches a very defined business plan to
00:55:41 --> 00:55:45: deliver that many units within that. You'll see that that
00:55:45 --> 00:55:49: that spectrum should include Ray Shiji, Andrew, myself. Like
within
00:55:49 --> 00:55:53: that 500,000 there's a bunch of different strategies. Do not
00:55:53 --> 00:55:57: disagree, but to completely you know, allow people in and
00:55:57 --> 00:56:01: not have houses for them is just a complete atrocity
00:56:01 --> 00:56:03: for our country and then like.
00:56:03 --> 00:56:06: My parents are immigrants. This is not the country they
00:56:06 --> 00:56:08: came to. So I'd hate for my children and the
00:56:08 --> 00:56:11: next generation of immigrants to have a much different
Canadian

00:56:12 --> 00:56:14: lifestyle that I've enjoyed. So housing has to be up
00:56:14 --> 00:56:18: front. You cannot announce 500,000 people without having
500,000 homes.

00:56:18 --> 00:56:21: So that's it for me. Match the immigration to the
00:56:21 --> 00:56:24: supply and using all of us. There's many different ways
00:56:24 --> 00:56:27: to get affordable housing and different levels, and we're all
00:56:27 --> 00:56:27: here.

00:56:28 --> 00:56:31: So we or match the supply to the immigration and
00:56:31 --> 00:56:32: have high targets for both.

00:56:32 --> 00:56:34: Absolutely, 100%.

00:56:35 --> 00:56:37: I got one question from the audience and I just
00:56:37 --> 00:56:40: want to point out that somebody said this is not
00:56:40 --> 00:56:42: a question, but they'd like to say how much they
00:56:43 --> 00:56:45: enjoyed cheese being on the panel, chi and raping. A
00:56:45 --> 00:56:49: very refreshing discourse for the conversation. We should do
this

00:56:49 --> 00:56:51: in person at the spring meeting next year. If we
00:56:51 --> 00:56:53: don't do it in a panel, we should do it
00:56:53 --> 00:56:56: in the bar at the hotel, if nothing else. All
00:56:56 --> 00:56:58: right, so one question here for Joe and Andrew. Have
00:56:58 --> 00:57:02: you explored partnerships with nonprofit operators to deliver
affordable units

00:57:02 --> 00:57:05: in the past? Would that would be operated managed by
00:57:05 --> 00:57:06: nonprofits?

00:57:06 --> 00:57:09: Example heila from Daniel spoke to projects with wood,
green,

00:57:09 --> 00:57:12: large and other nonprofits. You've got each got one minute.
00:57:14 --> 00:57:17: You know, for the projects we do, as I said
00:57:17 --> 00:57:21: earlier, it's an integrated housing model where everyone is
treated

00:57:21 --> 00:57:25: equally. And so it's one management model for the entire
00:57:25 --> 00:57:26: community.

00:57:27 --> 00:57:30: You know we we work with many not for profits
00:57:30 --> 00:57:34: from, you know, single mothers, wood, green, interval house,
you

00:57:34 --> 00:57:38: know all arts and culture, Artscape, performing Arts, Lodge,
Costy

00:57:38 --> 00:57:41: with newcomers to Canada, a long list. We take a
00:57:41 --> 00:57:45: single operate single operational approach so all units are
managed,

00:57:45 --> 00:57:49: you know, by Tricon as the single operator. Again for
00:57:49 --> 00:57:52: Daniels who tends to build more segmented housing where
it's

00:57:52 --> 00:57:56: a single block allocated to a single, not-for-profit. I think

00:57:56 --> 00:57:57: that model.
00:57:57 --> 00:58:00: Can work, but we're doing something.
00:58:00 --> 00:58:03: Different. OK. Let me flip that question really quickly. We're
00:58:03 --> 00:58:07: down to the last two minutes. Yeah. Ray Antichi, would
00:58:07 --> 00:58:10: you be interested in partnering with people like choice and
00:58:10 --> 00:58:12: Tricon on some of their opportunities?
00:58:13 --> 00:58:14: Yes.
00:58:15 --> 00:58:19: Unfortunately, I'm beholden to a democratic ownership
model, so there's
00:58:19 --> 00:58:20: no room for it.
00:58:20 --> 00:58:22: I don't need to apologize for that. It's all part
00:58:22 --> 00:58:24: of the spectrum. And now I'm going to turn it
00:58:24 --> 00:58:26: back over to Richard and really thank this panel. It's
00:58:26 --> 00:58:28: been a great hour. We could have done another hour
00:58:28 --> 00:58:29: I think.
00:58:30 --> 00:58:33: Indeed we could and I also want to thank the
00:58:33 --> 00:58:38: the panel mark, starting with you for wrangling a lot
00:58:38 --> 00:58:43: of conversation and a lot of disparate perspectives. Up until
00:58:43 --> 00:58:47: today and including today, I I I agree with the
00:58:47 --> 00:58:50: comment about G and ray being on our panel and
00:58:50 --> 00:58:54: frankly I'd like to say it publicly right now. I
00:58:54 --> 00:58:58: hope that you will both allow us to do a
00:58:58 --> 00:58:59: deeper dive in your.
00:59:00 --> 00:59:03: A part of the equation because I think we need
00:59:03 --> 00:59:06: to do much more discussion in that in that space
00:59:06 --> 00:59:09: than we've allowed for today. Andrew and Joe have been
00:59:09 --> 00:59:13: fantastic contributors both on this panel and in broader work
00:59:13 --> 00:59:16: that we do around affordability with UTI. I I can't
00:59:17 --> 00:59:20: thank them enough. So so thank you and it's it's
00:59:20 --> 00:59:23: it's 1:00 o'clock. We always end on time. You probably
00:59:23 --> 00:59:27: hopefully see some of the upcoming events that we have
00:59:27 --> 00:59:30: on the screen. We'll look forward to seeing you.
00:59:30 --> 00:59:33: If not tomorrow, very, very soon. All the best. Bye
00:59:33 --> 00:59:33: bye.

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