



ADDRESSING THE HOUSING AFFORDABILITY CRISIS IN ONTARIO

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THE CHALLENGE:

DESIGNING A FEDERAL MIDDLE-CLASS STRATEGY ON AFFORDABLE HOUSING

Target Young Families in
Large Urban Centers



1) Does Ottawa have the right strategy and programs in place to address affordability?

2) What are provincial/territorial preferences on how to leverage federal funding?

3) What can the federal government accomplish over the next 12-15 months?

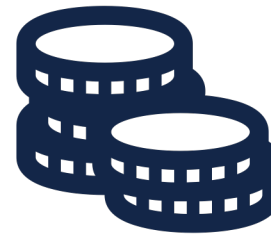
VISION: A MODERN STRATEGY FOR MODERN FAMILIES



Support the
development
of affordable
housing



Strengthen
community-based
partnerships



Infuse capital
through portfolio-
based applications



Align with transit
and climate goals

1) BACKGROUND

2) ONTARIO

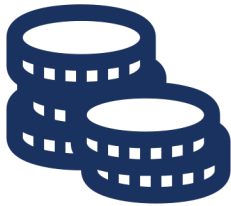
3) OPTIONS

4) IMPLEMENTATION

5) CONCLUSION

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AFFORDABLE HOUSING IS A SHARED JURISDICTION



Federal Government of Canada:

Demand-side levers (ex. homeownership)

Taxation and Transfer Payments

Delivery of the National Housing Strategy



Shared Government: Responsibilities:

Canada-Ontario Bilateral Agreement

Transit Funding

Climate Change and Infrastructure



Provincial and Municipal Governments:

Land Planning and Approvals

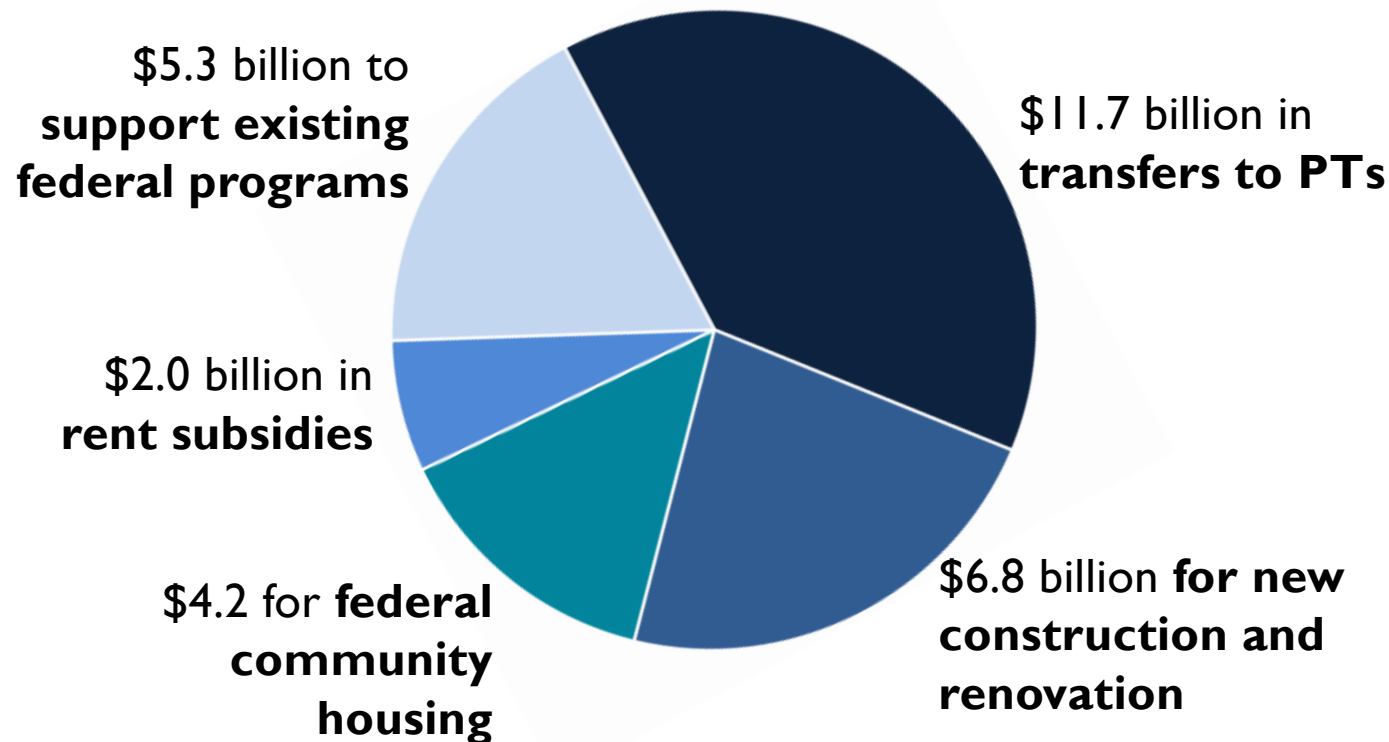
Social Housing and Delivery of Subsidies

Landlord and Tenant Relations

IS THE FEDERAL STRATEGY ON AFFORDABLE HOUSING APPROPRIATE IN ONTARIO?

The National Housing Strategy:

a \$40-billion plan to help ensure that Canadians have access to housing that meets their needs



Implementing the National Housing Strategy



Success:

Flexible governance models via bilateral agreements



Challenge:

Getting money out the door

FAMILIES ACCOUNT FOR A LARGE PORTION OF THOSE IN CORE HOUSING NEED IN ONTARIO

There are 1.66 million people in core housing need in Ontario

This represents 45% of all households in core need across Canada



Living Arrangement	Population in core housing need (#)	% living in core housing need
Spouses or common-law partners	477,500	8%
Living alone	322,565	**26%
Children in two-parent families	302,355	10%
Children in single-parent families	281,350	***30%
Lone parents	167,885	**28%
Non-family persons	39,810	12%
Total living in households in core housing need	1,659,785	13%

THE COST OF RENTING HAS BECOME A SERIOUS PROBLEM



Over 50% of people in core housing need are renters

Rental Affordability

Less than 2% vacancy

Driving up monthly costs to record levels

~30% of renters in core housing need

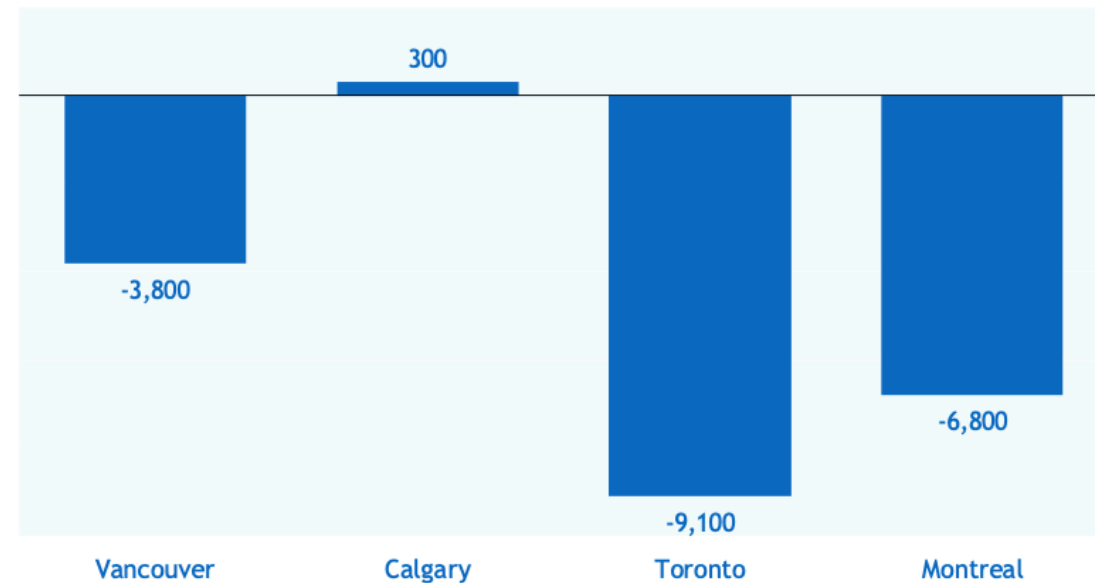
Double the amount of those who own homes

Rising rents in cities province-wide

London, Toronto, Ottawa, and KW

Rental housing deficit

Actual rental stock minus rental units required to achieve a vacancy rate of 3%, Q4 2018



Source: CMHC, RBC Economics

SUPPLY IS NOT MEETING THE NEEDS OF YOUNG FAMILIES

Condo Apartments



44%

Ontario 10-year starts

72%

2018/19 Toronto starts

Not secure for families

Long-term Rental



9%

of all Ontario builds

80%

for 1- and 2-bedrooms

80%

of units built before 1980

Social Housing



20,000

units built since 1996

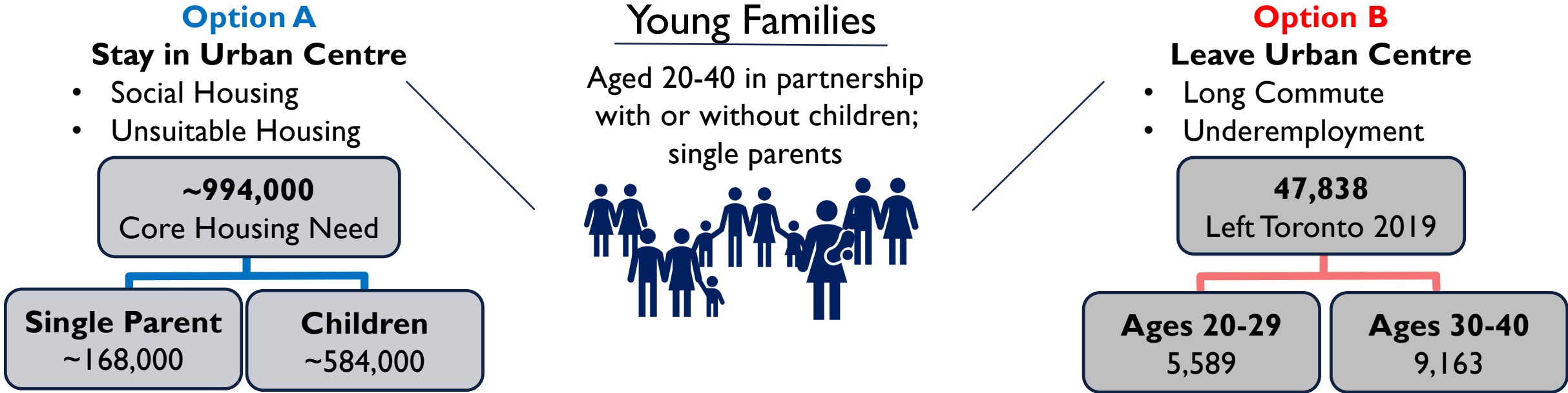
~185,000

people on waitlist

5 – 7 years

wait for multi-bedroom

DIFFICULT LIVING CHOICES FOR YOUNG FAMILIES ARE RESULTING IN NEGATIVE IMPACTS TO SOCIETY



Impact



Increase in emissions



Lower quality of life for some



Disillusioned young Canadians



Unprepared Regions



Economy losing valuable talent

OPPORTUNITY TO SUPPORT ONTARIO TO BUILD MODERN COMMUNITIES THAT MEET THE NEEDS OF YOUNG FAMILIES

Appropriate Spaces



Condos are not secure and lack suitable space

Purpose-built rental units

Diverse housing options: mid-rise, duplexes, fourplexes, etc.

Modern Preferences



Mobile, walkable lifestyles

Shorter commutes

Community interaction

Aligned with transit and climate goals



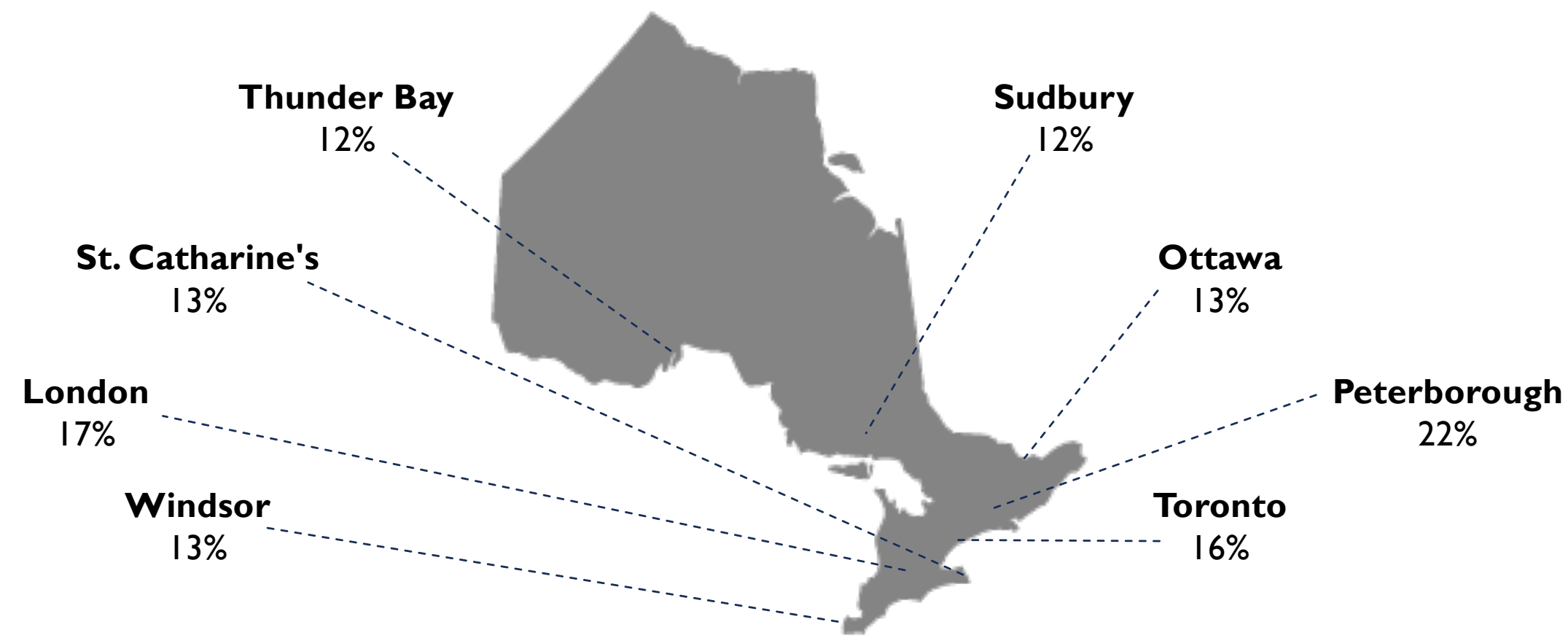
**\$31.5B
Provincial Spending
over next decade**



**Achieve net zero
emissions by 2050**

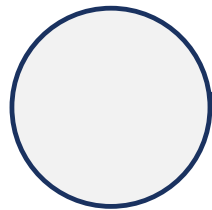
FEDERAL HELP IS CRITICAL FOR AFFORDABLE HOUSING PROJECTS TO OBTAIN NECESSARY FUNDING

% of Core Housing Need for Households Across Ontario Municipalities



RESPONSES TO INCREASING THE SUPPLY OF AFFORDABLE UNITS IN ONTARIO

REDUCE
APPLICATION
REQUIREMENTS



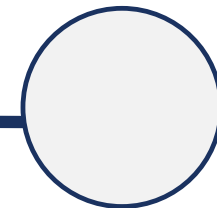
Small Structural Changes
Reduce the stringency of the NHS eligibility requirements for both the minimum and maximum criteria.

**PROACTIVE
COMMUNITY
PARTNERSHIP**



Moderate Structural Changes
Pursue portfolio-based NHS agreements through proactive provincial-municipal collaboration.

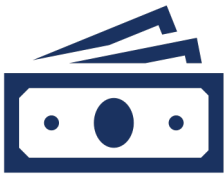
LANDLORD &
DEVELOPER
SUBSIDIZATION



High Structural Changes
Reform Capital Cost Allowance and GST/HST to reduce the operating/development costs of purpose-built rental properties.

RECOMMENDED OPTION: PROACTIVE COMMUNITY PARTNERSHIP

A STRATEGY FOCUSING ON



Increasing available capital to high priority projects



Selecting projects jointly to develop affordable purpose-built rental housing



Aligning housing development with provincial and municipal transit planning

BENEFITS



Accelerates flow of federal capital



Enhances availability of the most secure form of rental housing



Most suitable for young families



Improves access to transit and major employment centers

HOW DO WE GET THERE?



Create a joint partnership framework with the Government of Ontario to facilitate federal-municipal engagement for supporting housing and transit goals



Shift towards portfolio-based applications, targeting already planned, high-priority rental projects along major transit lines



Increase minimum affordability requirements under the Co-Investment Fund and Rental Construction Financing Initiative



Use deficit in program spending to increase federal loans/contributions for municipalities and provinces

Provide federal surplus lands to densify and develop mixed-use communities

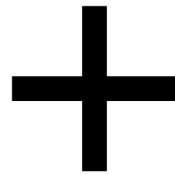
TANGIBLE OUTCOMES



Creation and repair/renewal of 5040 suitable rental housing units



Reduction of 6,624 metric tonnes of CO2 through increased public transit ridership



Better housing quality reduces incidences of illnesses



Investments in higher quality homes produces better energy efficiency



Reduction in time spent commuting increases time spent with family



Better matching of skills with jobs by capitalizing on major employment centers



Boosts economic activity in neighborhoods, attracting future private capital investments

OTHER CONSIDERED OPTIONS

Reduce Application Requirements

Remove barriers in the NHS that are reducing incentives to apply for funding:

- Reduce the stringency of the eligibility requirements.
- Increase the proportion of projects that would meet CMHC's minimal requirements.
- Increase the proportion of projects that qualify for the highest grant allocation.

Drawbacks

- Could compromise on federal policy priorities.
- Increases risks of supporting financially unviable projects.
- Disincentivizes innovation in development.

Landlord & Developer Subsidization













Reform tax treatment of purpose-built rental properties, creating new incentives:

- Increase the federal Capital Cost Allowance (CCA).
- Defer Capital Gains Tax and CCA on the sale of rental properties to non-profits.
- Remove or rebate GST/HST collected on the development cost of purpose-built rental housing.

Drawbacks

- Extremely costly for the federal government.
- Minimal impact on affordable rental housing supply and long-term affordability.

OPTIONS SUMMARY AND RATIONALE

OPTIONS	DESIRED OUTCOMES			
	Accelerates Flow of Federal Capital	Achieves Affordability	Suitable for Young Families	Supports Government Priorities
REDUCE APPLICATION REQUIREMENTS				
PROACTIVE COMMUNITY PARTNERSHIP				
DEVELOPER & LANDLORD SUBSIDIZATION				

RISKS AND MITIGATION STRATEGY

<u>RISKS</u>		<u>MITIGATION</u>
	Governmental Relations - Requires Provincial Partnership	Communicating our policy alignment to increase the supply of homes while, investing further in supplementary projects such as transit.
	Time Meeting 15-Month Goal	Recommencing the Housing Innovation Fund and launching the Canada Housing Benefit while, working to expedite the application process for portfolio-based developments.
	Expectations - Canadian Preferences for Single Family Homes	Emphasizing our strategy to develop affordable, transit orientated homes with secured long-term tenure

TIMING AND SEQUENCING

Short-term
(0-6 months)

Medium-term
(7-12 months)

Long-term
(12-15+ months)

Recommence the Housing Innovation Fund

Launch the Canada Housing Benefit

Build on Partnership with the Ontario Government

Coordinate Portfolio-Based Developments with Province and Municipalities

Reform and Streamline the NHS Funding Flows and Application Processes

COMMUNICATION



Investing \$3.75B into the NHS to build, repair and renew 5,040 affordable homes for young Canadian families



Better

Community
Orientated



Faster

Expedited
Process



Smarter

Purpose Built

ADDRESSING THE HOUSING AFFORDABILITY CRISIS IN ONTARIO



INCREASES THE
SUPPLY OF RENTALS

TARGETS FAMILIES IN
CORE NEED OF
HOUSING



ALIGNS WITH TRANSIT
AND CLIMATE GOALS

OPTIMIZES
EXISTING FUNDS





APPENDIX

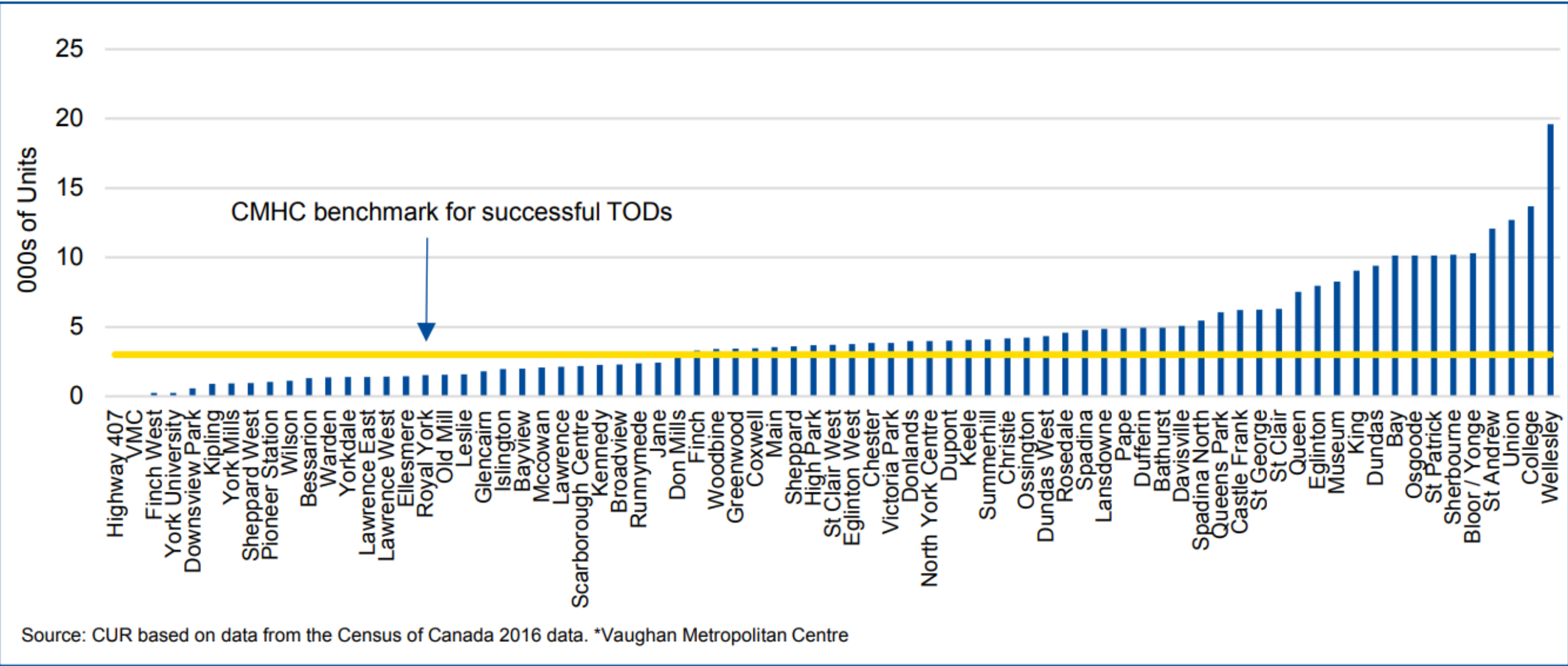
DENSIFICATION OF STRATEGIC AREAS

Appendix B: Figure 1: Calculation on Number of Units that Can be Built Around Transit Nodes in Ontario

	A	B	C=(B-A)	D	E=D*C
	Actual Dwellings/Square Kilometer	CMHC Benchmark	Room to Grow (per square kilometer)	Square Kilometers	Room for Additional Dwellings
Subway Lines/Stations	2339	3000	661	201	133014
GO Train Stations*	417			863	
GO Train Stations	391	3000	2609	842	2197915
BRT/LRT*	677	3750		787	
Vaughan BRT	798	3750	2952	141	416737
Ottawa Trillium LRT	1214	2250	1036	26	26896
Ottawa BRT	149	3750	3601	170	611044
GO Train Stations not yet Built	1499	3000	1501	21	30984
Hamilton LRT	1688	2250	562	21	11538
Eglinton LRT	1977	2250	273	32	8805
Finch West LRT	1196	2250	1054	34	36325
Hurontario LRT	1502	2250	748	33	24668
Kitchener-Cambridge-Waterloo LRT	499	2250	1751	133	232401
Ottawa LRT Extensions	471	2250	1779	137	244156
Ottawa Confederation LRT	722	2250	1528	60	92084

Source: CUR based on Census of Canada 2016 data. *An 800 radius is estimated by the surrounding census tracts. Large census tracts were removed from analysis.

Figure 3: Density within 800 Meters of Subway Stations, Measured by Number of Dwellings per Square Kilometer, the City of Toronto and the City of Vaughan, 2016



- A** Yonge North subway extension to Richmond Hill
- B** Three-stop Scarborough subway extension
- C** Ontario Line
- D** Eglinton West extension to Pearson Airport
- E** Sheppard East extension
- F** Hurontario LRT
- G** Finch West LRT

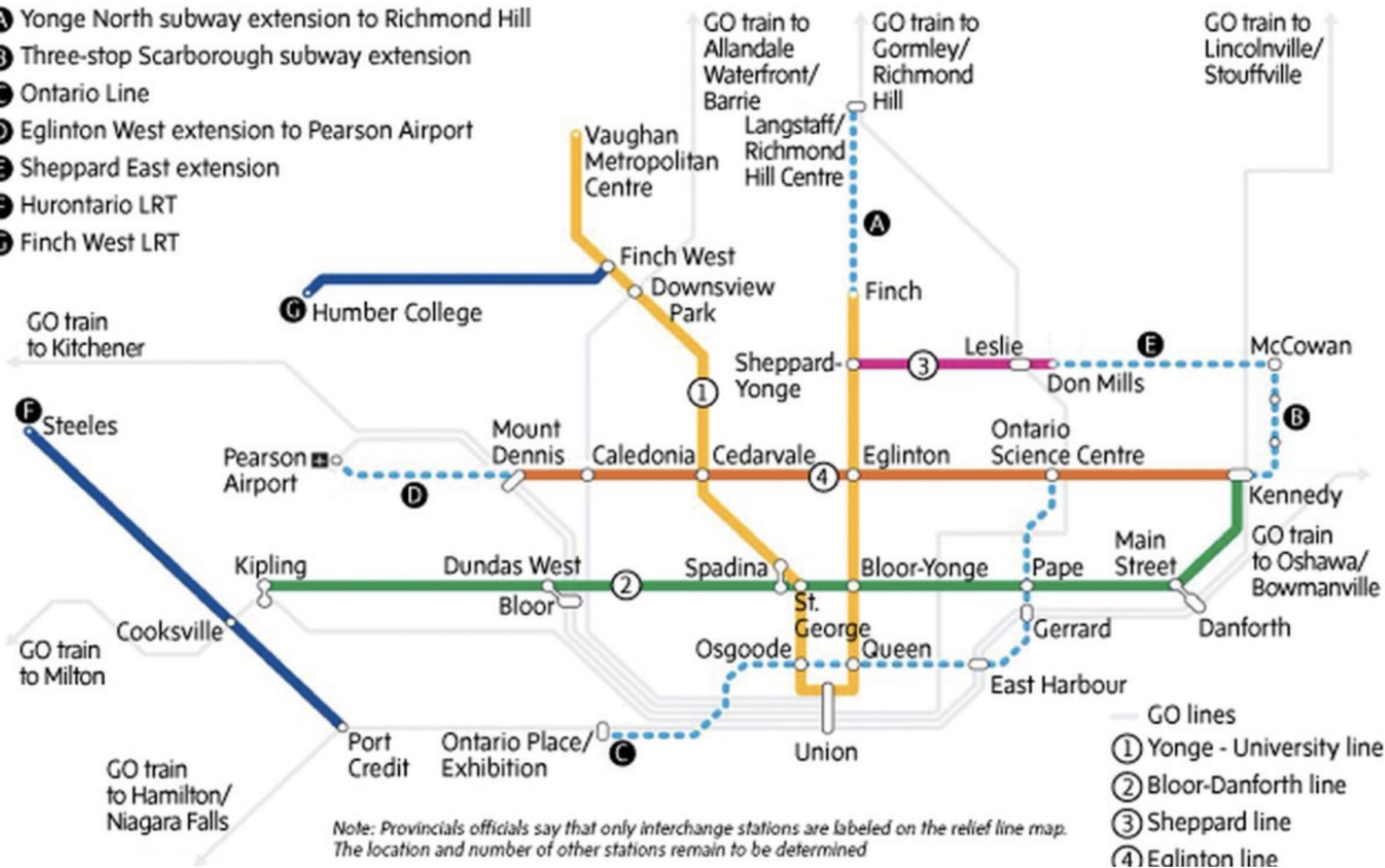
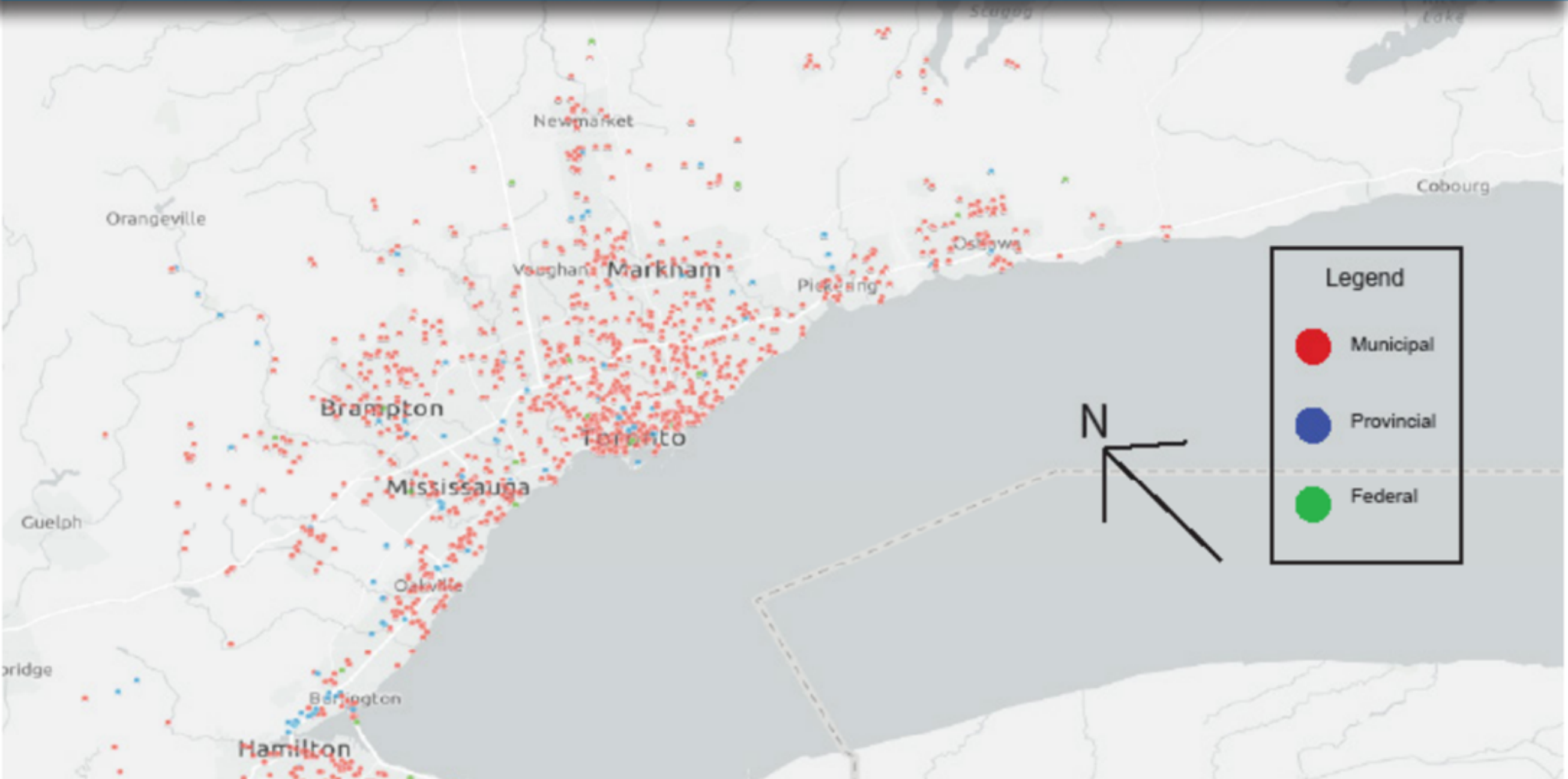


Figure 2: CUR Map of Government-Owned Lands in the GTHA, Federal, Provincial and Municipal, 2016



PORTFOLIO BASED INVESTMENTS

HMP Development Opportunities by Municipality

Mississauga	Brampton	Caledon
Riley Court (PHC) Mason's Landing (PHC) Sydenham Place (PHC) Queen Frederica (PHC) Forster Terrace (PHC) Glenway Court (PHC) The Meadows (PHC) Twin Pines (PHC) Peel Family Shelter (Twin Pines – PHC) 114 Falconer CC (ROP) 1320 Williamsport CC (ROP) Port Credit West Village Lands (To be ROP)	Knightsbridge and Knightsbridge CC (PHC + ROP) 175 Central Park (PHC) McHardy + Fair Oak (PHC) Newhaven Manor (PHC) Chelsea Gardens (PHC) Chamney Court (PHC) Parkholme Place and 9996 Kennedy CC (PHC + ROP) Peel Manor A (ROP) Peel Manor B (ROP) 1358 Queen St (ROP) Proposed Brampton Family Shelter	Mayfield West Phase 1 (Family Site) (ROP) Emil Kolb Pkwy + Chickadee Ln (ROP) Emil Kolb Pkwy + King West (ROP) Mayfield + Oreilleys Ln (ROP) <div>Environmental Remediation Required / Very Long-term projects</div> <div>Shelter / Supportive / Transitional</div> <div>Residential Rental</div>

Housing Master Plan Development Opportunities - Project Sequencing and Phases

		Term of Council				Term of Council				Term of Council				Term of Council				Net New Rental Units by Project	Net New Shelter Beds by Project	Net New Transitional / Supportive Units by Project
REGION OF PEEL																				
Phase	Site	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034			
1	Mayfield West Seniors (Affordable) [ROP]	60																60		
	360 City Centre Drive (Daniels) (Affordable) [ROP]		174															174		
	Brampton Youth Shelter Replacement (Emergency) [ROP]				40														0	
	East Avenue Redevelopment (Affordable) [PHC]					156												156		
2	Replacement Peel Family Shelter (Emergency) [ROP]					60													0	
	Port Credit West Village (Affordable) [ROP]					150												150		
	Chelsea Gardens (Affordable) [PHC]					200												200		
3	Peel Manor A (Supportive) [ROP]							93												93
	Peel Manor B (Supportive) [ROP]							104												104
	Twin Pines (Affordable) [PHC]								450									450		
	Brampton Family Shelter (Emergency) [ROP]					60													60	
	Mayfield West Phase 1 (Affordable, Family Site) [ROP]					50												50		
4	Riley Court (Affordable) [PHC]					138												138		
	Chamney Court (Affordable) [PHC]					-64				347								283		
5	Emil Kolb Pkwy + King West (Affordable) [ROP]							62										62		
	1320 Williamsport CC (Affordable) [ROP]								72									72		
	114 Falconer CC (Affordable) [ROP]								81									81		
	9996 Kennedy Rd CC, Parkholme Place (Affordable) [ROP, PHC]					-31				395								364		
6	Sydenham (Affordable) [PHC]					-77			180									103		
	Glenway Court (Affordable) [PHC]							-110				785						675		
	McHardy + Fair Oak (Affordable) [PHC]									-294					738			444		
7	Emil Kolb Pkwy + Chickadee Ln (Affordable) [ROP]									62								62		
	Mayfield + O'reilly's Lane (Transitional/Supportive) [ROP]									29										29
	Mason's Landing (Affordable) [PHC]							-150				305						155		
	Forster Terrace (Affordable) [PHC]							-152				453						301		
	The Meadows (Affordable) [PHC]									-125				323				198		
	New Haven Manors (Affordable) [PHC]									-143					454			311		
8	175 Central Park (Affordable) [PHC]											-45			220			175		
	Knightsbridge, Knightsbridge CC (Affordable) [PHC, ROP]											-90				392		302		
	Queen Frederica (Affordable) [PHC]											-74				472		398		
TOTAL UNITS BY YEAR		60	174	0	40	566	76	259	191	55	396	0	1,334	323	1,192	220	864	5,364	60	226

LEGEND

Project Planning, Design, and Resident Relocation

Construction

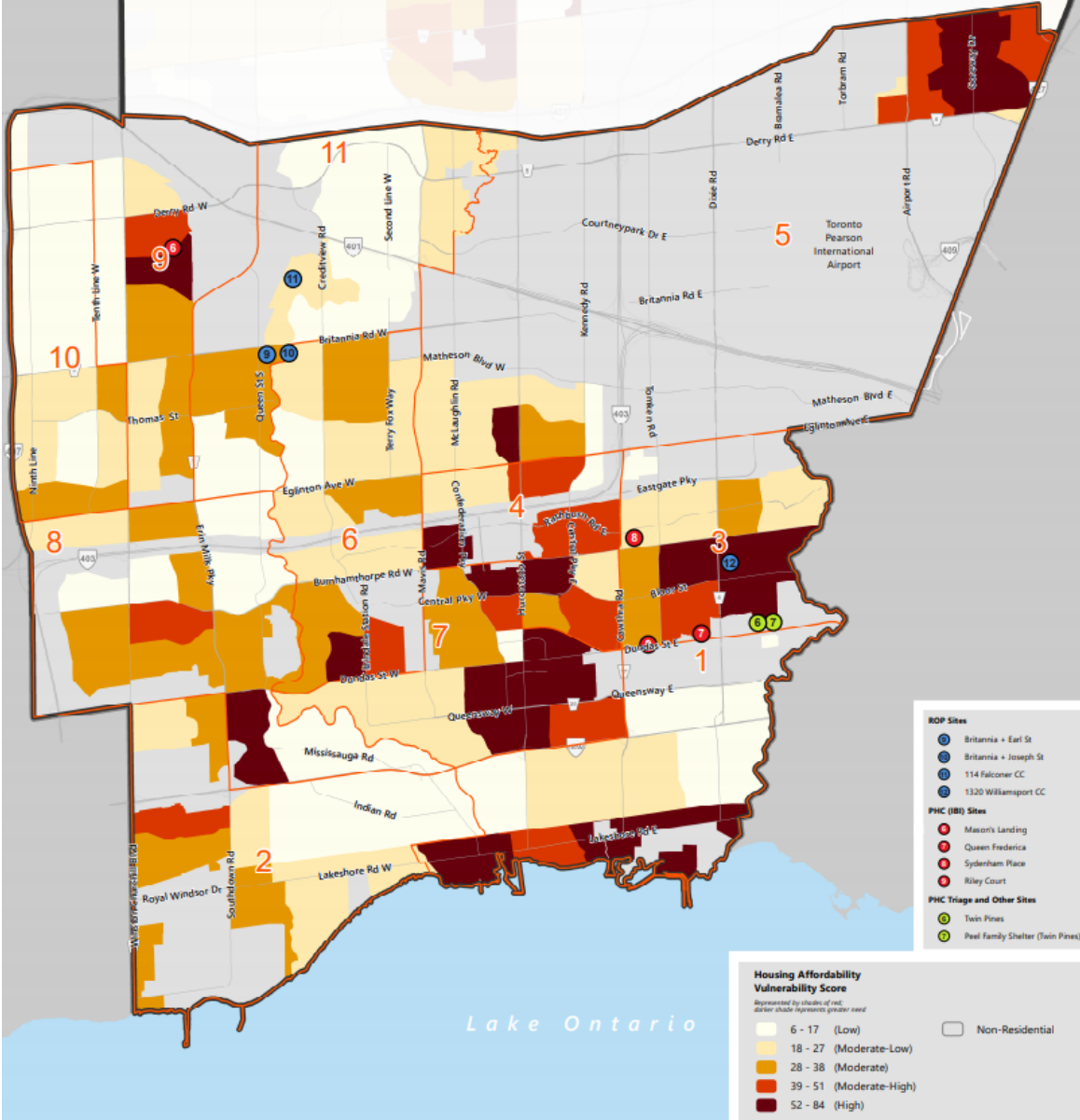
Occupancy

No Activity

Funded, Ongoing Projects

[]

Indicates Site Owner





What will the HousingTO 2020–2030 Action Plan Achieve?

341,000+ households
(818,000+ individuals) assisted

40,000 households assisted through Canada Housing Benefit and Housing Allowances

- \$407 M* (+\$50M) in Housing Allowances
- \$1.5 B Canada Housing Benefit*

58,500 TCHC units repaired

- \$4.1 B in City capital and operating funding
- \$1.3 in capital from feds through National Housing Strategy*

10,000 evictions prevented

- \$33 M in City funding for Eviction Prevention in the Community (EPIC) program

Affordability maintained for 2,300 non-profit homes after expiry of operating agreements

- \$28.4 M in property tax exemption for non-profit and co-op organizations

Support services for 10,000 families and individuals in supportive housing

- \$233.3 M in operating funding for support services*

2,300 private rental homes brought to state-of-good repair

- \$36.3 M through Tower Renewal loan program

4,000 new affordable ownership homes supported

- \$18.4 M in development charge deferral for non-profit affordable ownership opportunities

10,010 seniors households assisted to remain in their homes or move to long-term care facilities

- \$527 M* (+\$264M) to redevelop five City-owned long-term care homes and add new long-term care beds
- \$25 M Property tax relief for low-income senior homeowners
- \$30 M home repairs and accessibility modifications*
- \$300 M development charge deferrals to new non-profit long-term care facilities

14,000 new market and affordable homes added to 5,000 replacement homes through TCHC revitalizations

- \$530M in capital funding to support revitalization efforts*

40,000 new affordable rental including 18,000 supportive homes approved

- \$2.9 B in City incentives (for 20,000 units) and land value and capital funding for 10,000 new units
- \$10.4 B in funding and financing, land value and operating funding for 20,000 new units*

150,000 first time home buyers assisted through Land Transfer Tax Rebate

- \$650 M in land transfer tax rebate

Other initiatives

- \$5.9 M pilot project to convert a long-term care facility to supportive housing
- \$250 K to hire a consultant to explore third-party fund
- \$4 M in renewed long term lease extensions for co-op organizations

Total cost of the Plan at \$23.4 B over 10 years:

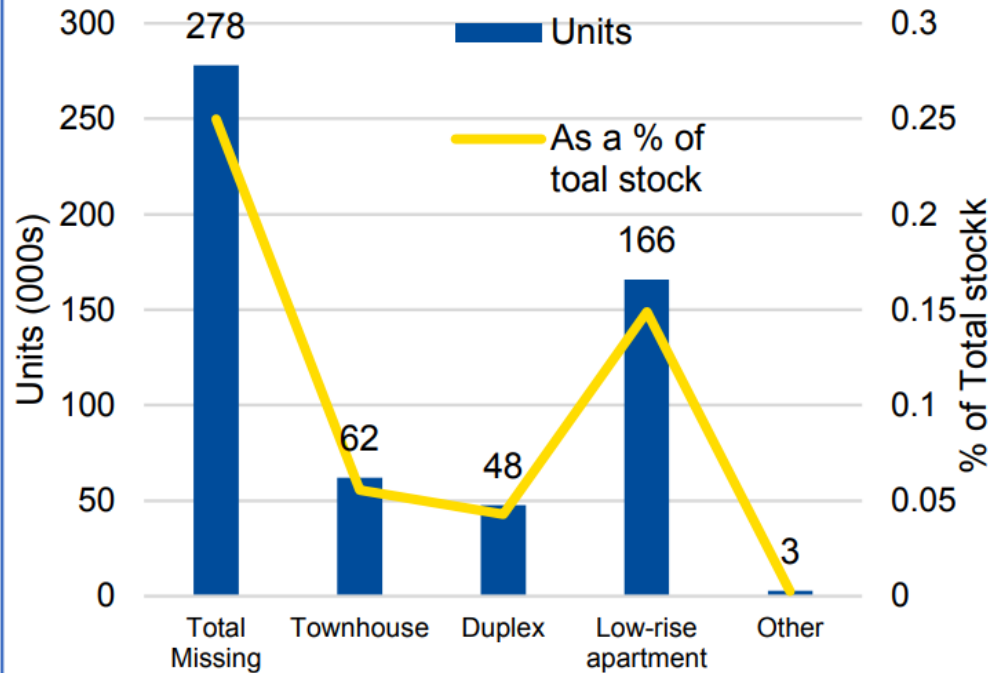
- City investment of \$8.5 B (\$5.5 already committed)

- Federal request of \$7.9B (\$1.5B already committed)

- Provincial request of \$7.0 B (\$73M already committed)

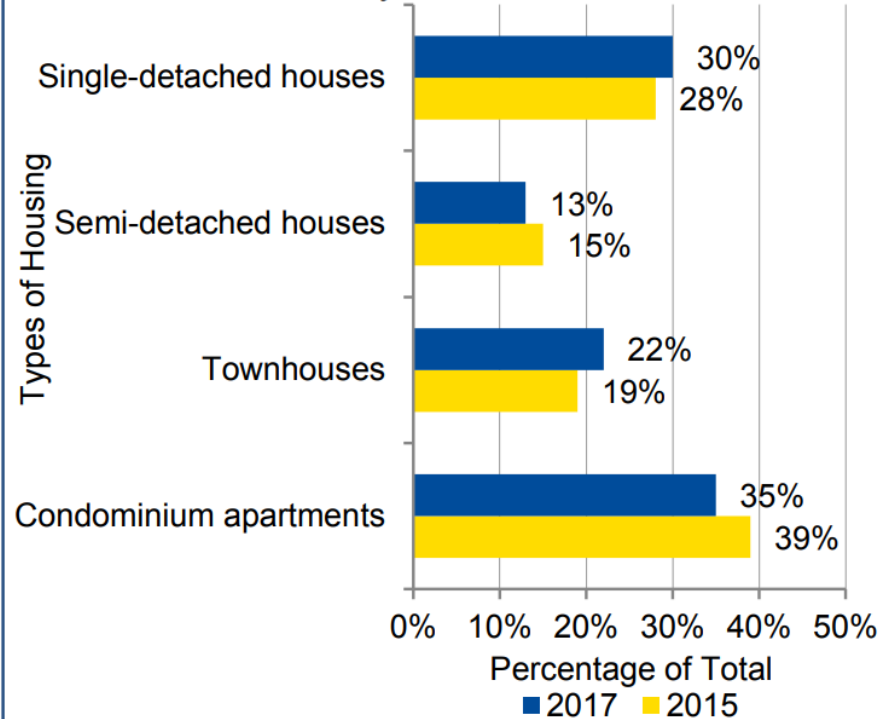
“MISSING MIDDLE”

Figure 2: Missing Middle Housing in Units and as % of Total Housing Stock, City of Toronto, Mid-2016



*Housing stock approximated by number of occupied private dwelling units
Source: CUR based on 2016 Census of Canada data (Appendix Figure A-3)

Figure 7: Type of Home Bought by First Time Buyers, City of Toronto, 2015 and 2017 Genworth Survey



Source: Environics Research Group on behalf of Genworth Canada, 2015 and 2017 Genworth Financial – First-Time Homeownership

Figure 15: Characteristics of Missing Middle Neighbourhoods, City of Toronto, 2016

Neighbourhood Name	Average value of owner occupied housing	% of housing stock that is missing middle	Persons per square kilometre
Top 10 Missing-Middle Neighbourhoods			
Palmerston-Little Italy/Trinity			
Bellwoods	\$ 982,855	77	9,584
Little Portugal/Dufferin Grove	\$ 751,346	55	10,558
Roncesvalles	\$ 836,003	51	9,851
The Beaches	\$ 1,095,980	50	6,058
Riverdale	\$ 800,331	50	4,096
Wychwood	\$ 906,523	48	8,541
Greenwood-Coxwell/Woodbine Corridor	\$ 695,163	47	8,219
Corso Italia-Davenport/Dovercourt-Wallace Emerson-Junction/Junction Area/High Park North/Runnymede-Bloor West Village/Weston-Pelham Park	\$ 727,749	47	8,216
Beechborough-Greenbrook	\$ 629,103	47	3,614
City of Toronto Average	\$ 734,924	25	4,334

Source: CUR based on City of Toronto and 2016 Census of Canada data

THE NATIONAL HOUSING STRATEGY

Figure 2-4 Breakdown of figures added by CMHC to produce headline commitment under the National Housing Strategy

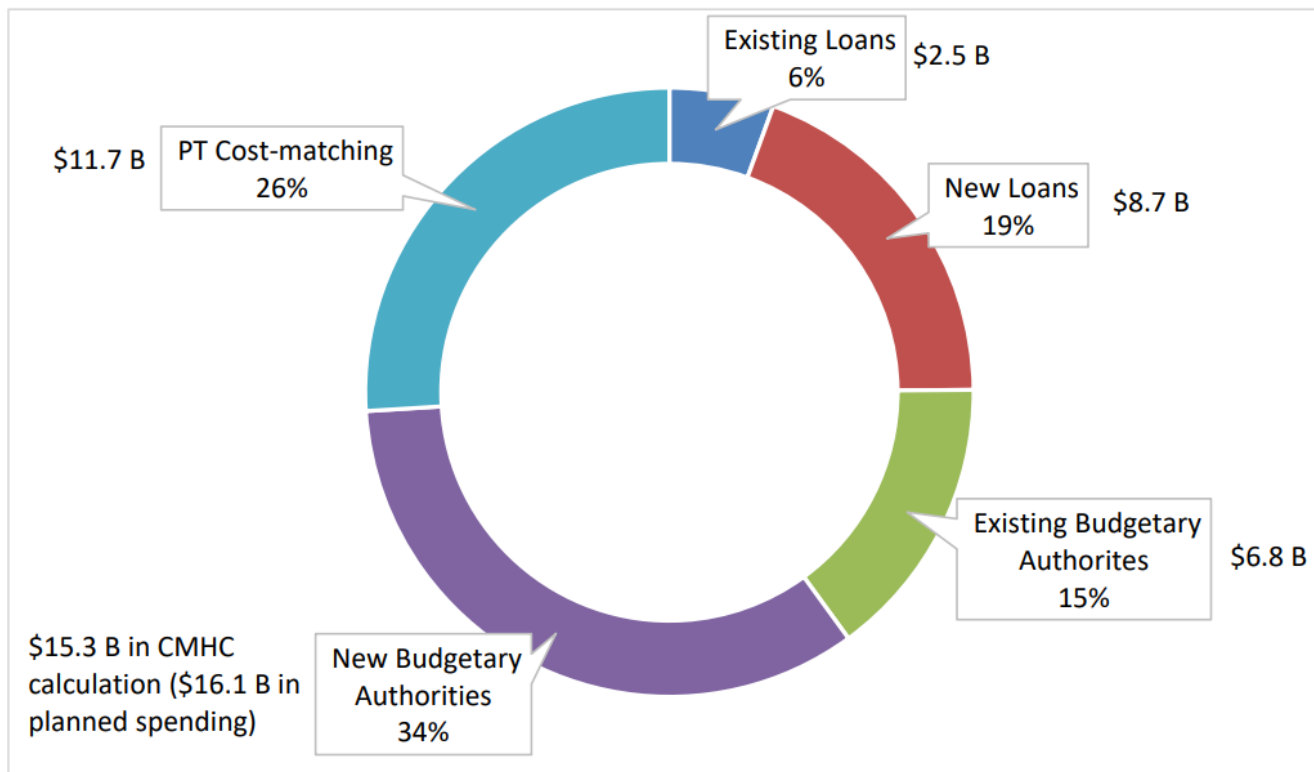


Figure 2-5 Allocation of new spending under the National Housing Strategy over time (\$B)

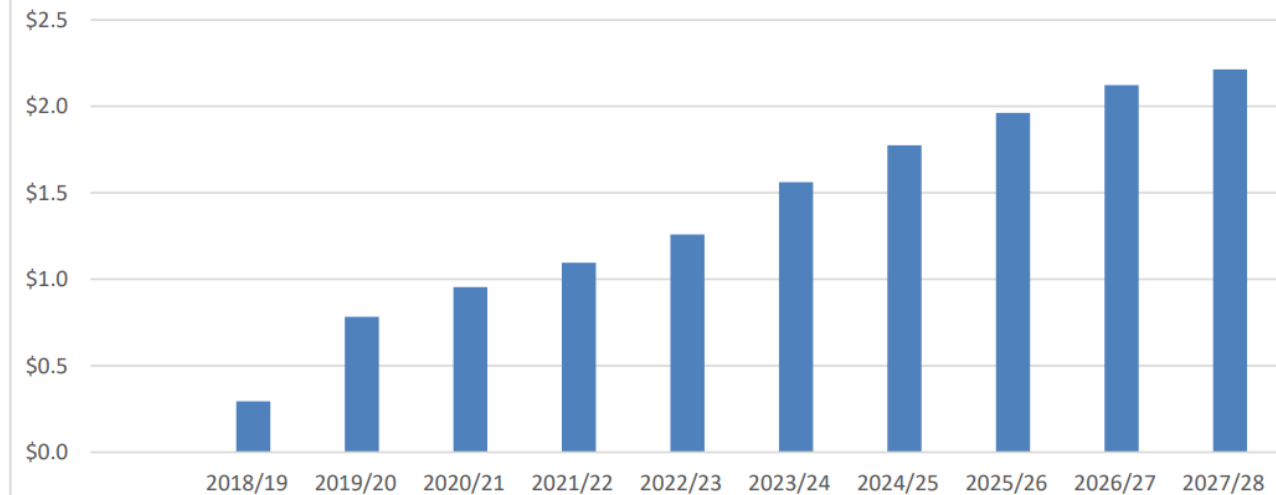
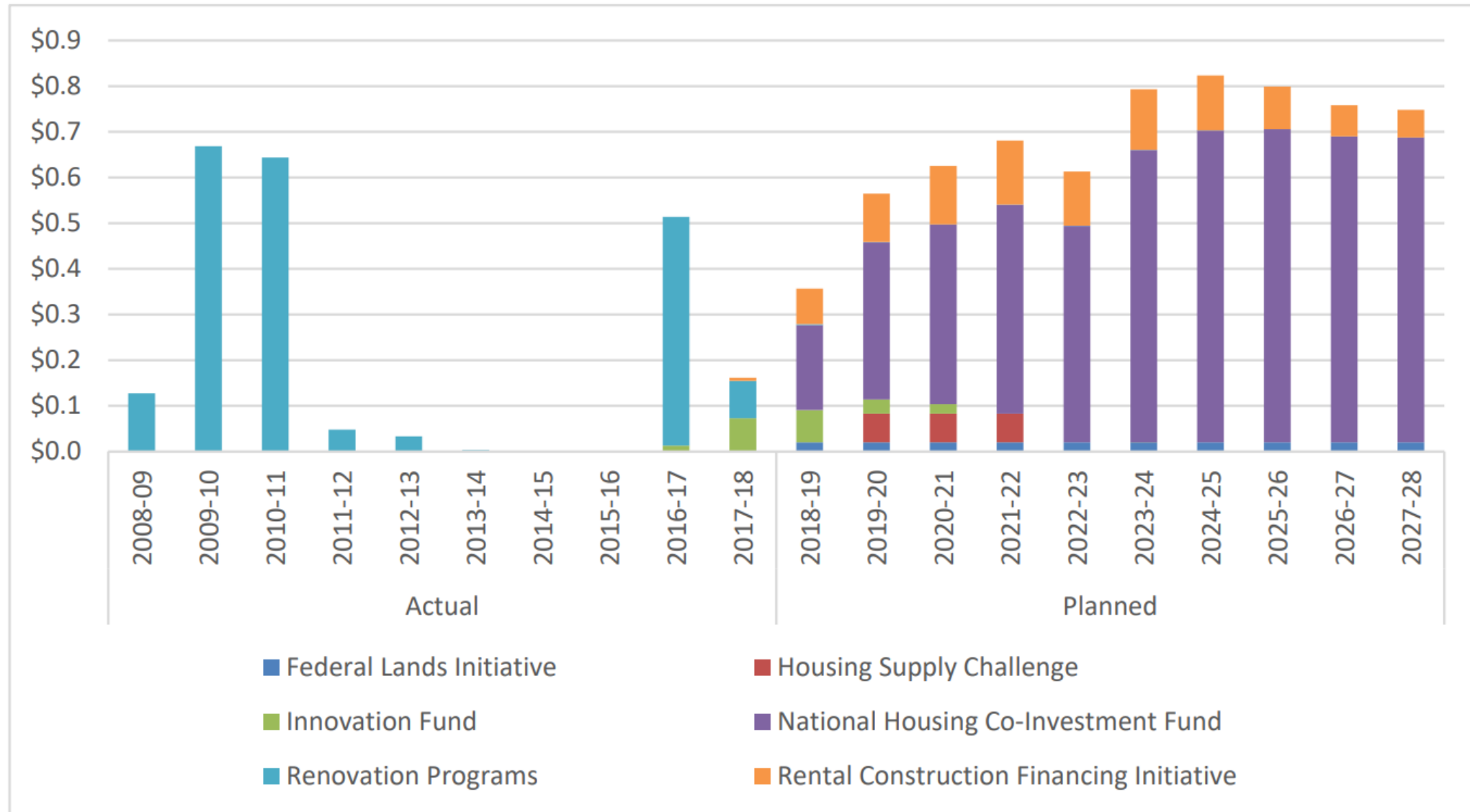
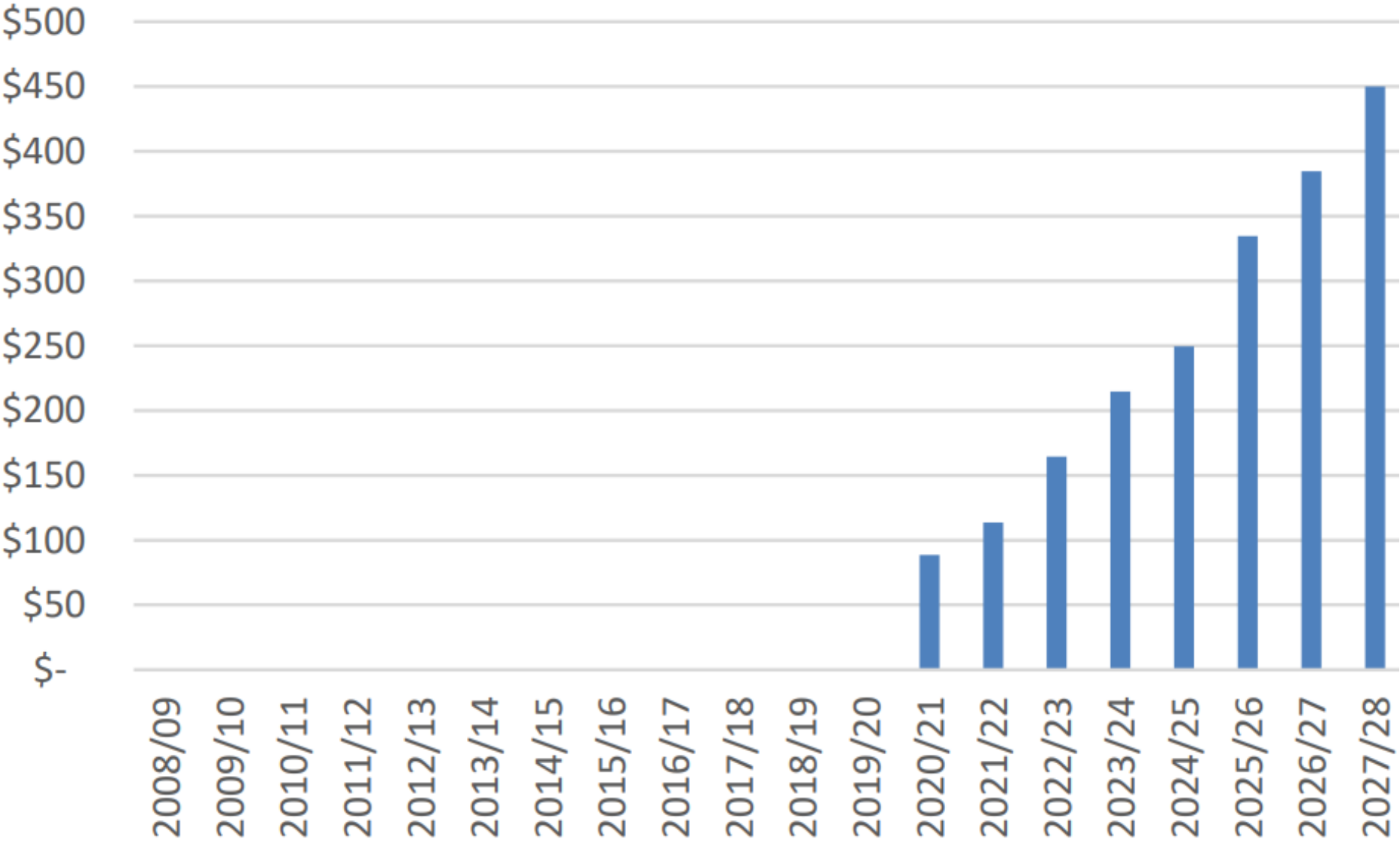


Figure 3-4 CMHC Actual and Planned Spending on direct support for new construction and renovations (\$ B)



CMHC Actual and Planned Spending on Canada Housing Benefit (\$M)



INCIDENCE OF URBAN HOUSEHOLDS IN CORE HOUSING NEED (%), 2012-2017

	2012	2013	2014	2015	2016	2017
Ottawa-Gatineau	13.9	15	10.3	11.7	9.8	12.8
Kingston	13.4	17.5	18.7	11.9	17.2	11.6
Peterborough	26.5	20.1	21.8	16.6	F	21.9
Oshawa	10.6	13	15.4	11.2	13.6	11.2
Toronto	19.9	19.7	19.9	19.6	20.7	16.4
Hamilton	13.3	14.3	10.2	10.1	13.7	14.7
St. Catharine's-Niagara	9.5	15.5	17.9	10.6	17.9	13.4
Kitchener-Cambridge-Waterloo	15.2	9.4	14.8	10.0	12.7	9.0
Brantford	15.9	19.2	11.7	10.7	8.9	11.5
Guelph	12.9	F	8.8	10.3	12.9	10.7
London	19.2	14.3	11.8	13.6	16.1	17.1
Windsor	12.0	14.8	13.1	12.8	10.2	13.0
Barrie	11.7	F	13.1	F	8.9	10.5
Greater Sudbury	12.4	11.8	8.1	14.9	15.4	11.5
Thunder Bay	9.9	F	10.0	9.2	10.3	11.6

FEDERAL PROGRAM SPENDING ON HOUSING AFFORDABILITY

EOA = End of Operating Agreement

Program All figures in Billions	Existing loans	New loans	Existing Spending	Existing Spending (repurposed)	Existing Spending (Other)	New Spending	New Spending (EOA)	Existing in-kind contributions	PT cost matching	Total
National Housing Co-Investment Fund	2.5	8.7	0.2	0.1	0.0	4.5	0.5			16.6
Federal Lands (CMHC)						0.2				0.2
Federal Lands (PSPC)								0.0		0.0
FPT Flexible funding						1.1			1.1	2.3
Canada Housing Benefit						2.0			2.0	4.0
Canada Community Housing Initiative				0.6		0.2	3.5		4.3	8.6
Northern Funding						0.3				0.3
FPT framework - CMHC admin						0.0				0.0
IAH baseline 2018-19			0.2						0.2	0.5
Federal Community Housing Initiative				0.1		0.5	(0.0)			0.5
Technical Resource Centre						0.1				0.1
Social Housing Baseline for PTs			4.1						4.1	8.2
Social Housing Baseline for CMHC			1.4							1.4
Data, Research and Demonstrations						0.2				0.2
Human Rights-based Approach				0.0			0.0			0.0
Reaching Home						2.1				2.1
HPS baseline 2018-19			0.1							0.1
Total	2.5	8.7	6.0	0.8	0.0	11.3	4.0	0.0	11.7	45.1

The National Housing Strategy is a \$40-billion plan announced in 2017.

In reality, the Strategy committed to \$16.1 billion in new federal planned spending and depends on \$11.7 billion in Provincial-Territorial cost matching.

THE RATIO OF HOME PRICES TO INCOME FOR YOUNG CANADIANS

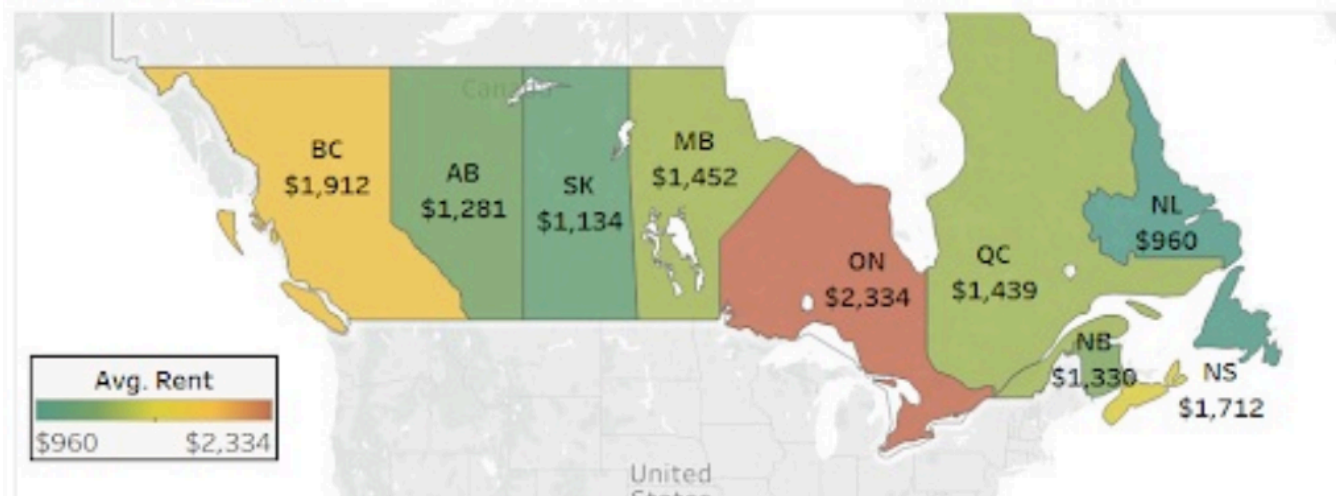
AVERAGE HOME PRICES AND MEDIAN INCOME FOR AGES 25 TO 34

	1976		2017	
	PRICE	INCOME	HOME PRICE	INCOME*
CANADA	<i>\$213,030</i>	<i>\$54,700</i>	<i>\$510,179</i>	<i>\$49,800</i>
ONTARIO	<i>\$227,483</i>	<i>\$58,100</i>	<i>\$586,208</i>	<i>\$48,800</i>
BRITISH COLUMBIA	<i>\$226,812</i>	<i>\$56,500</i>	<i>\$709,599</i>	<i>\$50,300</i>

All prices adjusted for inflation; * Income is as of 2016, the most recent available data

RENTAL PRICES ACROSS CANADA

Average Monthly Asking Rents for All Property Types by Province, Canada, September 2019

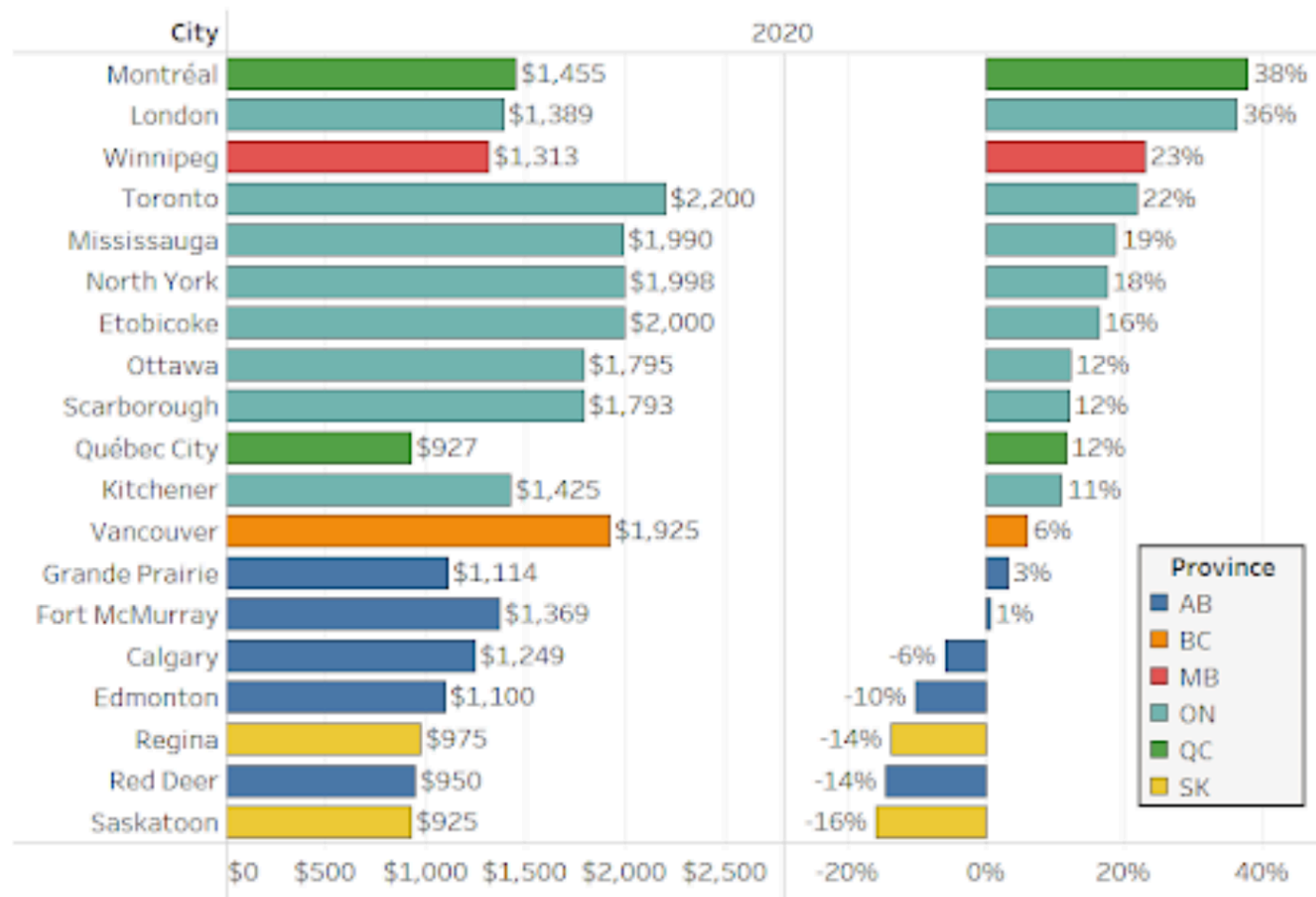


Avg Rents by Bedroom Type, September 2019

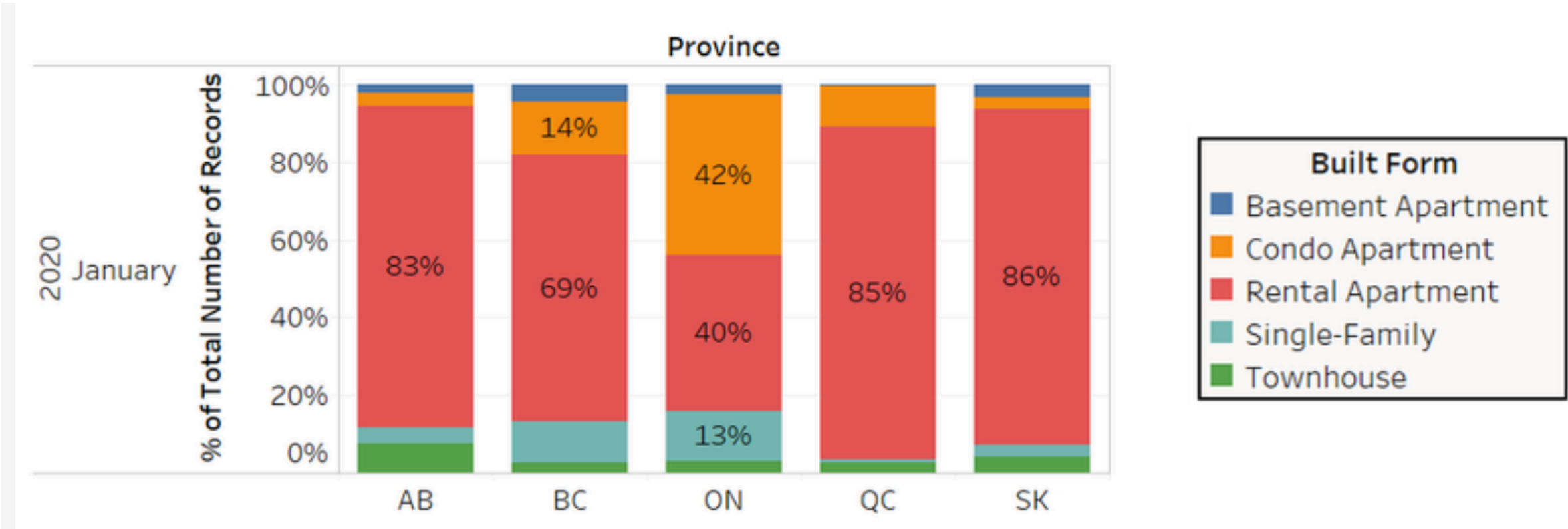
Bedroom Type	AB	BC	MB	NB	NL	NS	ON	QC	SK	Avg
0 Bedroom	\$931	\$1,433	\$873		\$787		\$1,632	\$924	\$845	\$1,269
1 Bedroom	\$1,103	\$1,620	\$1,171	\$715	\$872	\$1,224	\$2,050	\$1,135	\$994	\$1,732
2 Bedroom	\$1,312	\$2,015	\$1,789	\$913	\$1,033	\$1,690	\$2,476	\$1,488	\$1,204	\$2,032
3 Bedroom	\$1,586	\$2,415	\$1,541	\$2,318	\$971	\$1,889	\$2,681	\$1,780	\$1,472	\$2,283
4 Bedroom	\$2,149	\$3,143	\$1,875			\$2,700	\$2,935	\$2,556	\$1,892	\$2,819
6 Bedroom	\$2,483						\$3,633	\$1,950	\$2,200	\$2,812
Avg	\$1,281	\$1,912	\$1,452	\$1,330	\$960	\$1,712	\$2,334	\$1,439	\$1,134	\$1,954

ONTARIO CITIES ACCOUNT FOR HALF OF FASTEST GROWING RENTAL MARKETS IN CANADA

Annual Change in Median Rent for Rental Apartments, Select Municipalities in Canada, January 2020



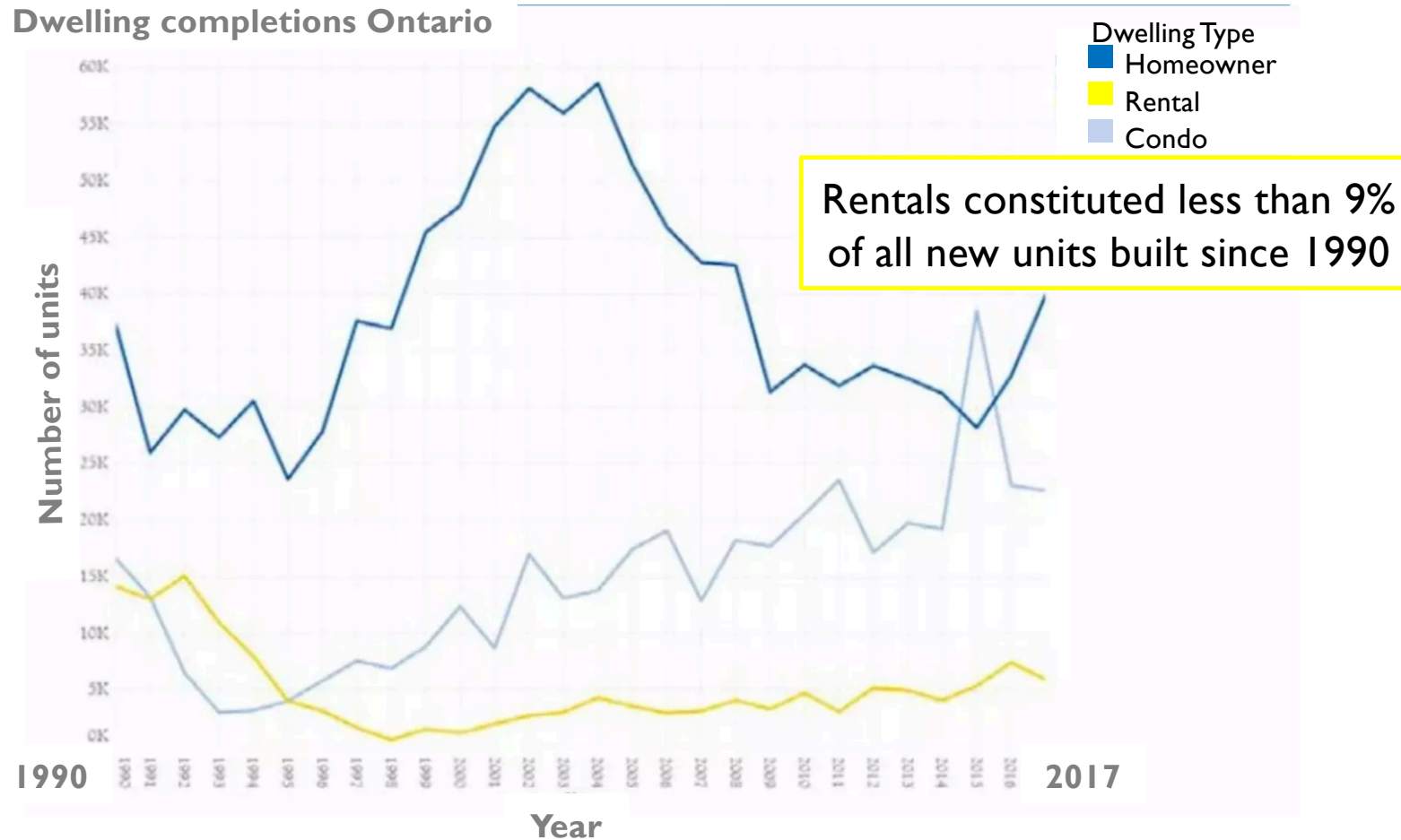
SHARE OF RENTAL LISTINGS BY PROPERTY TYPE





Since 1990, Ontario has built 1,075,779 units for homeownership; 410,562 condo; 143,091 purpose built rental

Dwelling completions Ontario



Rentals constituted less than 9% of all new units built since 1990

PURPOSE-BUILT
RENTAL UNITS
ARE NOT
BEING BUILT

Experts say Toronto is in desperate need of more purpose-built rental housing. Image via ACTO using data from the CMHC Housing Market Information Portal.

HOUSING STARTS IN ONTARIO 2009-2019

	Single	Semi-Detached	Row	Apartment	All	Single	Semi-Detached	Row	Apartment
2019	18,259	1,792	13,525	34,294	67,870	27%	3%	20%	51%
2018	21,537	2,378	11,584	40,457	75,956	28%	3%	15%	53%
2017	26,339	2,865	15,275	30,724	75,203	35%	4%	20%	41%
2016	27,191	2,280	11,605	30,787	71,863	38%	3%	16%	43%
2015	23,447	1,973	10,307	32,565	68,292	34%	3%	15%	48%
2014	21,352	2,571	9,548	22,691	56,162	38%	5%	17%	40%
2013	21,312	3,045	9,095	25,162	58,614	36%	5%	16%	43%
2012	23,580	3,255	10,514	37,065	74,414	32%	4%	14%	50%
2011	24,912	2,966	9,144	28,218	65,240	38%	5%	14%	43%
2010	25,551	2,813	10,075	18,665	57,104	45%	5%	18%	33%
2009	20,397	2,881	7,063	17,598	47,939	43%	6%	15%	37%
Average 10 Year	253,877	28,819	117,735	318,226	718,657	35%	4%	16%	44%

TORONTO HOUSING STARTS 2009-2019

		Number				%			
	Single	Semi-Detached	Row	Apartment	All	Single	Semi-Detached	Row	Apartment
2019	4,209	459	3,951	21,843	30,462	14%	2%	13%	72%
2018	6,405	926	4,137	29,639	41,107	16%	2%	10%	72%
2017	10,172	1,410	6,982	20,174	38,738	26%	4%	18%	52%
2016	11,884	898	4,925	21,320	39,027	30%	2%	13%	55%
2015	10,223	1,106	5,133	25,825	42,287	24%	3%	12%	61%
2014	8,830	1,530	3,861	14,708	28,929	31%	5%	13%	51%
2013	9,421	1,874	4,103	18,149	33,547	28%	6%	12%	54%
2012	10,699	2,253	5,536	29,617	48,105	22%	5%	12%	62%
2011	11,247	2,010	4,231	22,257	39,745	28%	5%	11%	56%
2010	9,936	1,654	4,365	13,240	29,195	34%	6%	15%	45%
2009	8,130	2,032	2,918	12,869	25,949	31%	8%	11%	50%
Average 10 Year	101,156	16,152	50,142	229,641	397,091	25%	4%	13%	58%

SOCIAL HOUSING STATISTICS

Wait time

Source of data: Information obtained from nine service managers

Unit Type	Avg. Wait Time (Years)	Longest Wait Time (Years)
Bachelor	3.94	6.75
1 bedroom	5.26	11.50
2 bedroom	4.84	10.50
3 bedroom	5.53	11.35
4 bedroom +	7.29	16.42

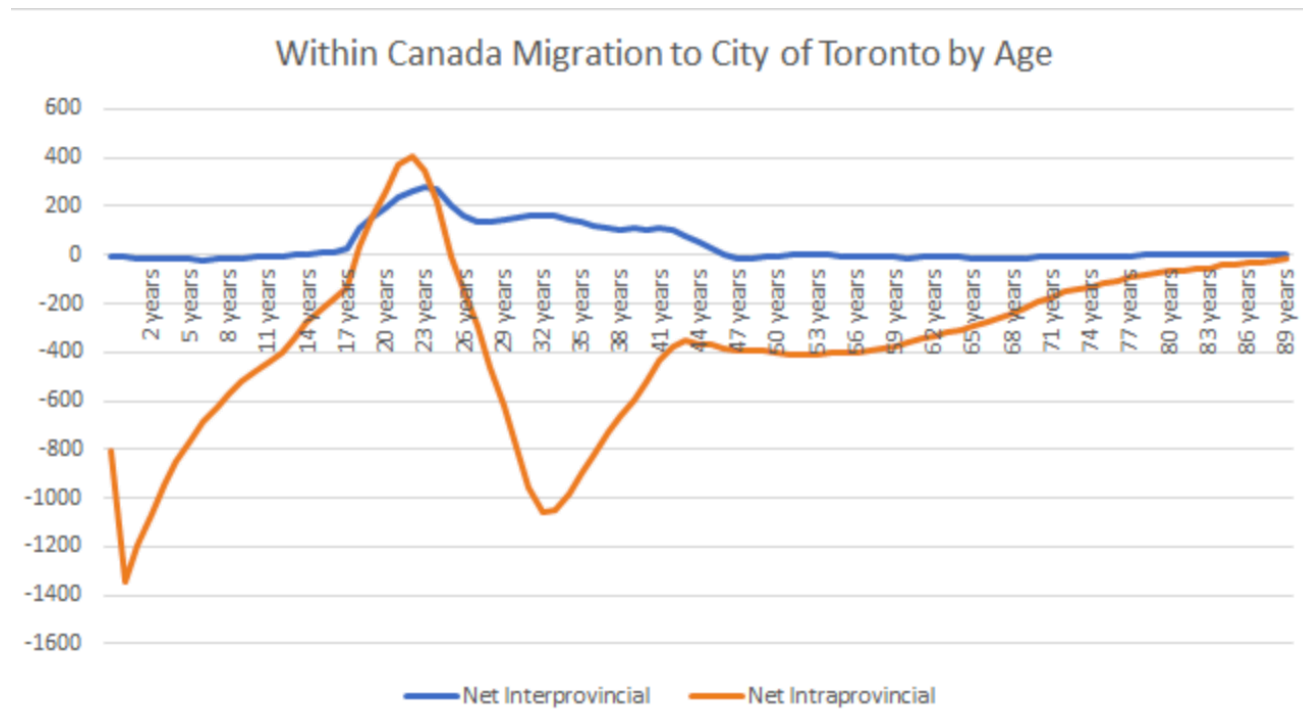
* Wait times presented in this figure exclude those experienced by priority applicants who are victims of family violence, who account for about 5% of the wait list. Priority applicants' shorter wait times are not reflective of the time it takes for 95% of the other applicants to obtain social housing.

Wait List

Source of data: Ministry of Housing

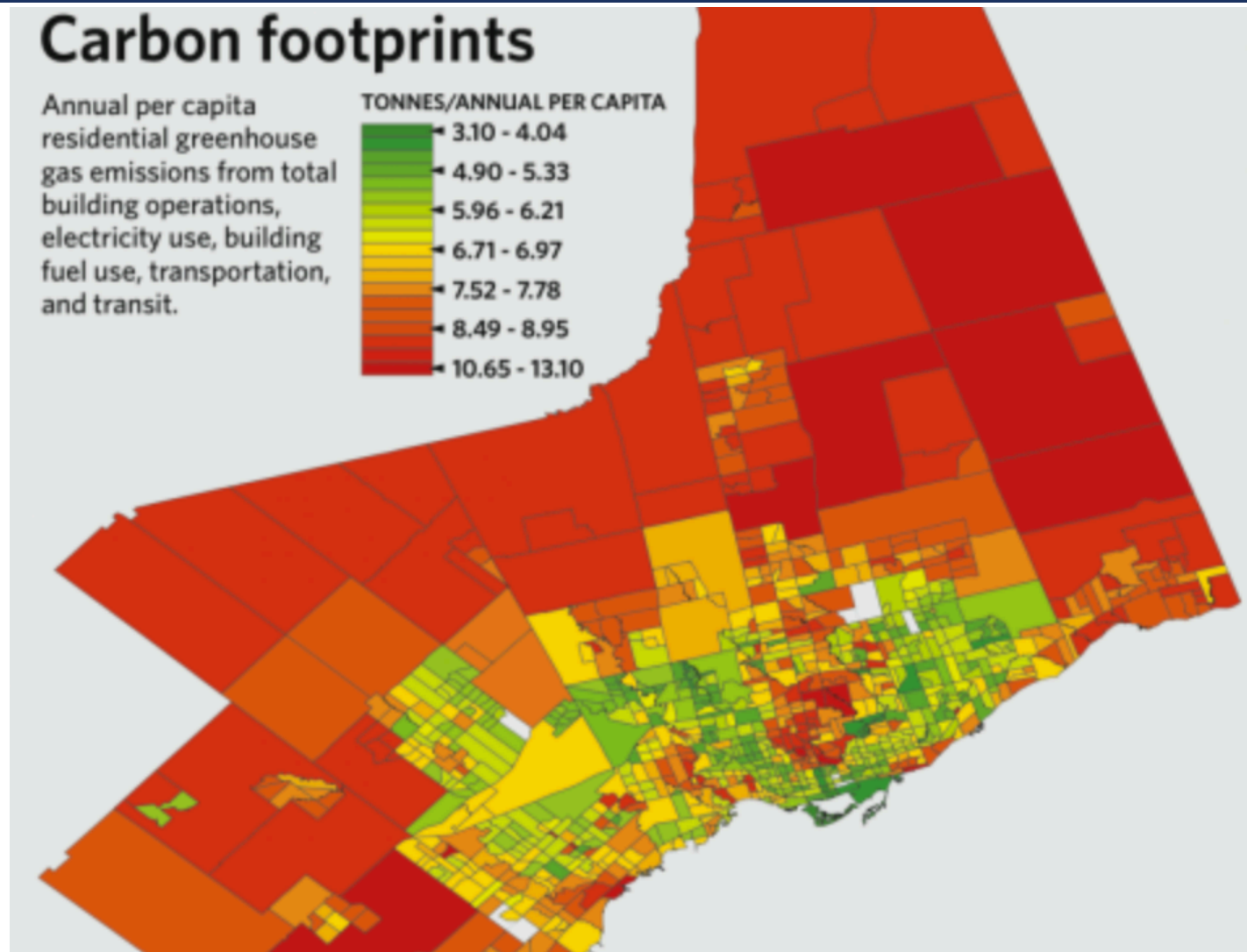
Year	Wait List	Increase/ (Decrease)	% Increase/ (Decrease)
2004	136,114		
2005	140,722	4,608	3.3
2006	139,677	(1,045)	(0.7)
2007	137,309	(2,368)	(1.7)
2008	136,954	(355)	(0.3)
2009	154,095	17,141	11.1
2010	163,386	9,291	5.7
2011	169,717	6,331	3.7
2012	174,642	4,925	2.8
2013	180,405	5,763	3.2
2014	181,429	1,024	0.6
2015	184,457	3,028	1.6
2016	185,179	722	0.4

MOVEMENT OUT OF TORONTO 2018/2019

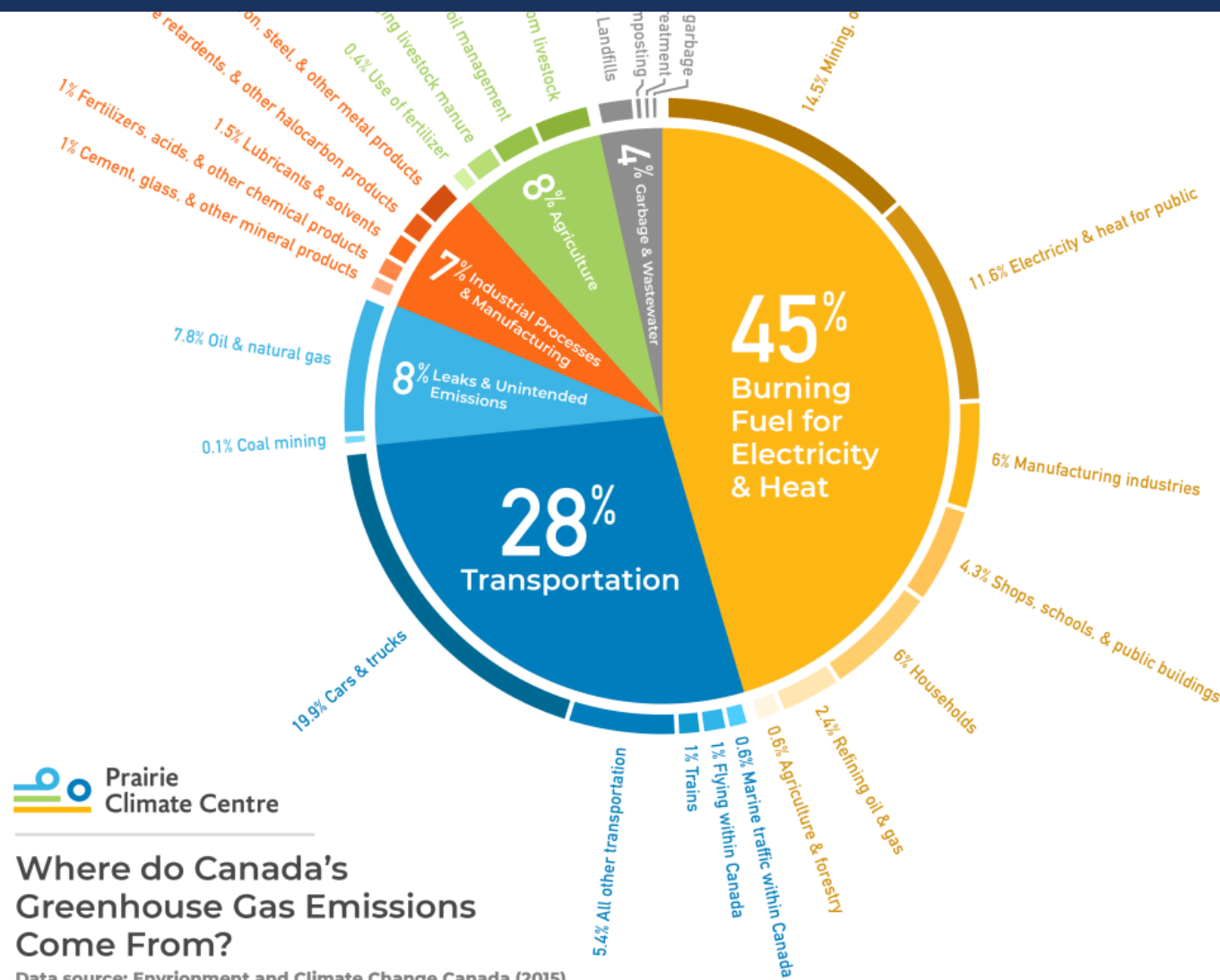


	Toronto	Metro Area
Births	31,273	67,178
Deaths	(19,119)	(36,061)
Net Natural	12,154	31,117
Immigrants	50,724	105,591
Net non-permanent	19,547	7,941
Emigrants	(7,622)	(15,729)
Net International	62,649	97,803
Net Interprovincial	3,779	5,410
Net Intraprovincial	(32,840)	(47,838)
Net Within Canada	-29,061	-42,428
Total	45,742	86,492

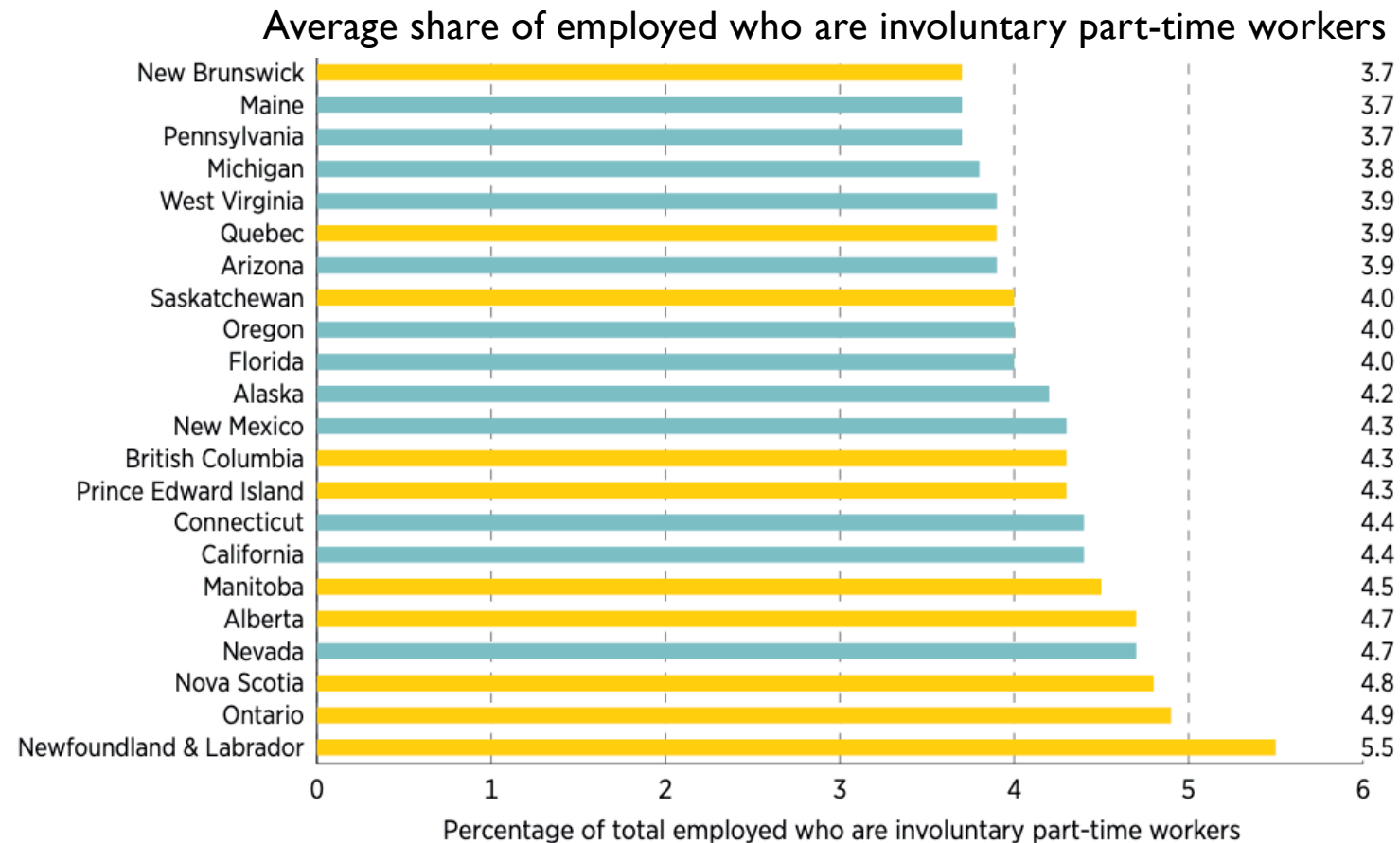
CARBON FOOTPRINT IN GREATER TORONTO AREA



TRANSPORTATION IS A SIGNIFICANT CONTRIBUTOR TO CANADA'S EMISSIONS



ONTARIO HAS A RELATIVELY LARGE UNDEREMPLOYMENT RATE



Sources: Statistics Canada, 2019b, 2019c; US, Dep't of Labor, Bureau of Labor Statistics, 2019e, 2019f; calculations by authors.

PROPORTION OF FOREIGN BUYERS

Residential real estate purchases by non-residents Apr 2017 - March 2019

Region	Sales subject to foreign buyers tax	Percentage of all home sales
Toronto	1,618	2.7%
York	651	2.8%
Peel	265	0.83%
Halton	132	0.86%
Durham	46	0.25%

OUTCOMES, PROGRAM CHANGES AND COST STRUCTURE

- Co-Investment Fund Deficit (New Constructions + Repair and Renewal)
 - Deficit: **\$2.64 billion/year.***
 - Increased spending could yield **5,866 new market units** and **2,514 affordable units.**
- Rental Construction Financing Initiative
 - Deficit: **\$1.05 billion/year.***
 - Increased spending could yield **2,333 new market units** and **1,000 affordable units.**
- Housing Innovation Fund
 - Deficit **\$52.35 million/year.***
 - Increased spending targeting secondary suites could yield **952 new units.****
- Federal Lands Initiative
 - Total of **5,900 surplus land** across GTHA owned by federal, provincial and municipal governments.
 - Successful examples to create mixed-use communities: Downsview Land and

Figure 17: Secondary Suite vs New Rental Suite Construction Cost Comparison, City of Toronto, 2016-2018

	Total Cost Per Unit	Monthly Rent Per Unit
New Rental Apartment Suites		
High-end Downtown	\$425,680	\$2,025
Median Central (Not Downtown)	\$345,746	\$1,675
Basic Fringe	\$242,623	\$1,575
Non-Profit (No Return)	\$229,500 - \$266,000	\$1,250 - \$1,325
Secondary Suites in Existing Dwellings		
Secondary Suites	\$55,000	\$1,000

Source: Altus Group, City of Mississauga, CMHC & N. Barry Lyon Consultants

*Unit yield based on Altus Construction and Development Costs Guide for residential property in Canada using higher bound estimates that address “missing middle” gap and suitability needs.

**Unit yield based on secondary suite construction costs in Toronto by Altus Group and Ryerson Centre for Urban Research & Land Development.

PRIVATE SECTOR:

WESTERN CANADA

EASTERN CANADA

BUILDING TYPE		\$/Sq. Ft.	Vancouver	Calgary	Edmonton	Winnipeg	GTA	Ottawa/Gatineau	Montreal	Halifax	St. John's
RESIDENTIAL	CONDOMINIUMS/APARTMENTS (Includes Underground Parking)	Up to 6 Storeys (Hybrid Construction)	220 - 290	185 - 220	185 - 220	190 - 225	195 - 265	190 - 235	170 - 215	180 - 235	175 - 235
		Up to 12 Storeys	250 - 315	220 - 265	220 - 265	225 - 270	215 - 280	200 - 255	185 - 245	195 - 250	195 - 255
		13-39 Storeys	265 - 325	230 - 285	235 - 295	235 - 295	215 - 290	205 - 275	200 - 280	200 - 260	n/a - n/a
		40-60 Storeys	270 - 350	245 - 305	250 - 305	250 - 315	235 - 310	n/a - n/a	220 - 295	n/a - n/a	n/a - n/a
		60+ Storeys	320 - 370	n/a - n/a	n/a - n/a	n/a - n/a	275 - 330	n/a - n/a	n/a - n/a	n/a - n/a	n/a - n/a
		Premium for High Quality	80 - 200	60 - 160	60 - 160	65 - 165	75 - 200	55 - 160	65 - 170	65 - 170	60 - 170
	WOOD-FRAMED RESIDENTIAL	Row Townhouse with Unfinished Basement	120 - 185	110 - 140	115 - 140	110 - 140	100 - 155	110 - 150	100 - 140	95 - 135	110 - 145
		Single-Family Residential with Unfinished Basement	130 - 230	115 - 150	120 - 155	115 - 155	110 - 210	110 - 180	95 - 160	90 - 150	115 - 150
		3-Storey Stacked Townhouse	160 - 215	135 - 160	140 - 165	130 - 160	135 - 175	140 - 170	115 - 160	115 - 165	135 - 170
		Up to 4-Storey Wood-Framed Condo	165 - 225	145 - 170	150 - 175	150 - 175	145 - 195	150 - 185	115 - 170	125 - 160	125 - 170
		5 to 6-Storey Wood-Framed Condo	190 - 250	150 - 180	155 - 180	150 - 190	155 - 205	150 - 185	n/a - n/a	125 - 170	125 - 175
		Custom-Built Single-Family Residential	400 - 1,000	400 - 850	400 - 850	405 - 850	400 - 900	420 - 870	350 - 700	300 - 600	285 - 600
		Additional Cost for One Level Underground Parking	85 - 130	80 - 120	85 - 125	90 - 130	95 - 150	95 - 130	80 - 135	90 - 120	115 - 140
	SENIORS' HOUSING	Independent / Supportive Living Residences	190 - 280	160 - 250	165 - 255	165 - 255	170 - 270	160 - 245	150 - 240	155 - 235	170 - 240
		Assisted Living Residences	220 - 305	185 - 260	190 - 265	190 - 265	200 - 285	190 - 250	180 - 255	175 - 250	180 - 255
		Complex Care Residences	260 - 340	220 - 295	225 - 310	225 - 300	240 - 320	230 - 295	220 - 280	215 - 290	215 - 295
COMMERCIAL	OFFICE BUILDINGS (Over 5 Storeys incl. Underground Parking)	Under 5 Storeys with Surface Parking (Class B)	200 - 265	175 - 210	175 - 220	180 - 215	175 - 245	180 - 225	155 - 210	165 - 210	170 - 220
		5 - 30 Storeys (Class B)	250 - 285	175 - 265	175 - 270	180 - 275	180 - 265	190 - 245	165 - 245	175 - 240	185 - 230
		5 - 30 Storeys (Class A)	270 - 340	220 - 280	220 - 290	225 - 285	210 - 315	210 - 260	195 - 280	195 - 260	215 - 260
		31 - 60 Storeys (Class A)	295 - 390	265 - 360	265 - 380	275 - 370	280 - 390	n/a - n/a	255 - 370	n/a - n/a	n/a - n/a
		Interior Fitout (Class B)	40 - 105	35 - 85	35 - 85	35 - 90	40 - 90	40 - 85	40 - 90	35 - 85	35 - 85
		Interior Fitout (Class A)	100 - 160	75 - 130	75 - 130	75 - 130	80 - 150	80 - 135	80 - 145	75 - 135	75 - 135
	RETAIL	Strip Plaza	105 - 155	100 - 145	105 - 150	105 - 150	105 - 170	115 - 160	95 - 160	100 - 150	110 - 160
		Supermarket	170 - 220	150 - 200	160 - 205	150 - 205	145 - 200	150 - 180	120 - 170	125 - 190	135 - 180
		Big Box Store	160 - 220	150 - 200	160 - 205	155 - 205	135 - 190	145 - 170	115 - 170	135 - 175	135 - 180
		Enclosed Mall	215 - 300	200 - 270	205 - 280	205 - 275	200 - 280	195 - 245	185 - 250	185 - 255	190 - 245
	HOTELS	Budget	175 - 225	150 - 190	155 - 200	155 - 195	145 - 185	150 - 195	135 - 195	160 - 200	150 - 190
		Suite Hotel	255 - 300	220 - 280	225 - 285	225 - 285	225 - 285	200 - 260	195 - 255	200 - 265	205 - 270
		4-Star Full-Service	260 - 340	235 - 285	240 - 290	245 - 295	235 - 300	225 - 285	205 - 275	220 - 280	230 - 285
		Premium for Luxury	85 - 160	90 - 140	90 - 140	95 - 140	85 - 140	85 - 140	85 - 140	60 - 95	65 - 95
	PARKING	Surface Parking	5 - 25	5 - 15	5 - 15	5 - 15	5 - 15	5 - 15	5 - 15	5 - 15	5 - 15
		Parking Garages - Free-Standing (Above-Grade)	90 - 125	70 - 90	75 - 95	75 - 95	70 - 105	75 - 95	55 - 90	95 - 115	100 - 130
		Parking Garages - Underground	100 - 145	80 - 135	85 - 135	80 - 130	95 - 170	105 - 150	75 - 130	100 - 150	125 - 155
INDUSTRIAL	INDUSTRIAL FACILITIES	Warehouse	85 - 130	80 - 105	80 - 110	85 - 115	70 - 100	80 - 100	60 - 95	100 - 130	95 - 125
		Urban Storage Facility	80 - 130	70 - 105	70 - 110	70 - 115	75 - 95	85 - 105	n/a - n/a	n/a - n/a	n/a - n/a
		Data Centre - Tier III	560 - 925	460 - 900	460 - 925	470 - 915	525 - 1,000	510 - 880	495 - 865	n/a - n/a	n/a - n/a
		Pharmaceutical Lab	530 - 735	390 - 600	390 - 610	400 - 595	445 - 705	420 - 635	410 - 625	n/a - n/a	n/a - n/a
		Manufacturing Facility	285 - 370	230 - 315	235 - 330	240 - 320	260 - 340	255 - 330	240 - 320	250 - 325	250 - 325