

# Bill 23, More Homes Built Faster Act, 2022

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Submission to the Standing Committee on Heritage,  
Infrastructure and Cultural Policy

November 16, 2022

Submission by: Right to Housing Toronto



Legislative Assembly of Ontario

Queen's Park

111 Wellesley Street West, Toronto ON M7A 1A2

Dear Members of the Standing Committee on Heritage, Infrastructure and Cultural Policy

**Re: Bill 23, More Homes Built Faster Act, 2022**

We are representatives of the Right to Housing Toronto (R2HTO), a network of organizations and individuals working to support the implementation of the right to housing in the City of Toronto. We are writing to you to express some concerns regarding key provisions currently included in the proposed More Homes Built Faster Act, 2022.

As the housing crisis in Ontario persists, we have consistently engaged with local government politicians and staff and worked with communities to advocate for policies that would strengthen protections for tenants, preserve existing affordable housing stock and create new affordable housing options for lower income Torontonians. We believe strong regulations and public investments are crucial interventions to fulfill such objectives and in turn, advance the right to adequate housing over time.

Unfortunately, we believe Bill 23, *More Homes Built Faster Act*, fails to create more housing options that are affordable for people most impacted by the housing affordability crisis. We are especially concerned about elements of the bill that may very well displace many residents from their homes and affect municipalities' ability to serve their communities effectively.

Particularly alarming are the proposed revisions to municipal powers over demolition and conversion control. A key provision empowers the Minister of Municipal Affairs and Housing to

effectively scrap or modify prohibitions and regulations related to redevelopment activity made at the local level. If passed, specific regulations would be developed to determine how the Minister would intervene, the details of which are already open for consultation separately.

We urge our Provincial Members of Parliament to abandon the provision that changes municipal powers over demolition and conversion control. Curtailing local powers over demolition and conversion essentially removes a critical tool available to municipalities to preserve affordable rental apartments from the pressures of intensification and urban transformation and to protect their tenants. Notably, in Toronto, Official Plan amendments introduced in 2007 required that rental units of apartment buildings with six or more units be replaced with an equivalent amount if they are subject to redevelopment. This requirement has preserved approximately 4,000 rental units over the last 15 years at a time when the majority of new housing is emerging in the form of condominiums, an option that is unaffordable to Torontonians living on low- to moderate-incomes. In fact, Toronto's replacement policy is a critical tool to protect residents from displacement, ensuring that those who are affected by redevelopment have the right to return to their homes. Another provision in Toronto's Official Plan requires that redeveloped units that were affordable must remain available at similar rates for up to 10 years, in effect preserving affordability. This has meant that over half of the protected housing stock has also remained affordable. The fact that the policy has ensured that thousands of renters live in secure homes is a significant contribution to advancing the right to adequate housing.

Removing the provisions that allow municipalities to preserve affordable housing and protect their residents, would leave thousands of residents vulnerable to displacement from their communities. In fact, other aspects of this bill, notably a proposal to allow for more density along transit corridors, would strengthen the incentive for developers to demolish and redevelop several apartment buildings in these areas into condominiums. This trend would not be limited

to the city of Toronto. Cities such as Ottawa are also exploring implementing a rental replacement policy as they reckon with the pressures of displacement brought on by population growth and intensification. We urge the province to allow municipalities to preserve affordable housing and protect tenants from displacement, while ensuring that the process of intensification, which we support, is equitable, reasonable and rights-based.

Moving forward, we also urge the province to consider the rights and needs of renters more comprehensively in the decision-making process. Renters make up over half of residents in Toronto and will constitute a larger share of residents over time. The existing rental stock in many of Ontario's cities offer readily available accommodation often at affordable rates. Investments should be made to help maintain affordability in such buildings. Local efforts to acquire rental buildings that are at risk of being sold off can also benefit from provincial support. These are cost-effective investments in our communities compared to the inadequate and costly alternatives of providing emergency shelter for those who may be displaced.

Second, our engagements with the City of Toronto and our publication of a series of Rights Reviews on Affordable Housing have made us acutely aware of the fiscal constraints that local governments have to contend with when delivering on their housing responsibilities. The variety of exemptions, cuts, and restrictions on development charges in the proposed bill would add more pressure to the operations of municipalities and their ability to respond effectively to housing needs of residents. While some exemptions are reasonable, such as incentivizing more non-profit housing development, other waivers and discounts will not create more housing that is affordable for low- and moderate-income households. For example, there are many exemptions for "attainable" housing rather than affordable housing.

We are also alarmed to see that the development charges can no longer be used by municipalities to finance “housing services.” In effect, this restriction significantly impacts cities’ ability to deliver on a set of responsibilities that have progressively been transferred to the local level without sufficient fiscal resources to assist with the transition over the years. These restrictions add more burdens, essentially making it impossible for municipalities to maintain the affordable housing stock in their cities and create new affordable options that are accessible to residents from different walks of life. Taken together, the exemptions and cuts shift the tax burden from developers to taxpayers.

There are also related regulatory measures to Bill 23 that we are concerned by. Notably, proposed restrictions on how municipalities can utilize inclusionary zoning as a tool for increasing the development of different housing options will further reduce their ability to create affordable housing options. Proposed regulations would limit set aside requirements for affordable units at 5% of units in new construction while the period that such units would need to remain affordable would be limited to 25 years. Many of the jurisdictions currently moving forward with their localized inclusionary zoning policy have more rigorous standards, all of which were developed based on extensive feasibility analyses as well as consultations with numerous stakeholders, in some cases for two years. It is also worth noting that the policies were developed within regulatory constraints introduced earlier by the province that restricted the application of the policy to the boundaries of transit areas. The current moves by the provincial government add more disruption to municipal efforts to increase their affordable housing stock. The changes will significantly water down a lever that is in any case a modest approach to creating affordable housing.

Taken together, we are deeply concerned about how the proposed legislation neglects to account for communities that are most in need. Indeed, little is explored by way of investments

in new deeply affordable housing options. How the cost savings from removing barriers to construction will be passed onto the renter or homeowner is not explored either.

We urge the province to reconsider the proposed bill in a way that offers solutions to a problem that we agree requires urgent action. We recommend reviewing further revisions using a rights-based approach that prioritizes the needs of the province's most vulnerable residents struggling to make ends meet and deploys maximum available resources to serve our communities.

Thank you,

On behalf of Right to Housing Toronto