



Co-operative Housing and Housing Opportunities Toronto

A Response to the City of Toronto's Housing Opportunities Discussion paper

A Submission from the
Co-operative Housing Federation of Canada and
Co-operative Housing Federation of Toronto

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The City of Toronto is to be congratulated for its plan for a 10-year affordable housing framework, Housing Opportunities Toronto (HOT). Mayor David Miller and Councilor Giorgio Mammoliti are correct in stating "Affordable housing is essential to everyone who lives in or wishes to make Toronto their home."

The invitation of the City to give individuals and organizations the opportunity to provide input to the HOT consultation document is also welcome. The Co-operative Housing Federation of Canada (CHF Canada) and the Co-operative Housing Federation of Toronto (CHFT) are pleased to provide this joint response to the City's consultation document.

CHF Canada is the national voice of the Canadian co-operative housing movement. Founded in 1968, its membership includes close to 900 non-profit housing co-operatives as well as organizations that are closely linked with the co-operative housing movement. CHF Canada has strongly advocated for the federal and provincial governments to invest in affordable housing. We have worked closely with many organizations, including the City of Toronto, to press the federal and provincial governments to provide increased resources to meet the housing needs across Canada.

CHFT was founded in 1973 to develop, represent and serve housing co-operatives in Toronto and later in York Region. It has over 160 member coops representing more than 45,000 housing co-op members. CHFT provides a wide variety of support services for its members to ensure the successful operation of housing co-operatives. CHFT is a leading advocacy voice in the City of Toronto for the housing needs of its citizens.

CHF Canada and CHFT applaud the City for recognizing the importance of meeting the diverse housing needs of all of its residents and for recognizing that investment in new and existing affordable housing is essential. We also applaud the recognition of the HOT document that, to best meet the housing needs of low- and moderate-income people, housing must be created within a community of mixed incomes. The goal of income-mixing to develop successful, sustainable communities has long been embraced by the co-op housing movement.

The City's proposed housing framework canvasses a great many issues. CHF Canada and CHFT would like to provide comments on a few of them, and raise some additional housing questions that are not necessarily addressed in the consultation paper.

1. The co-op housing movement welcomes Toronto's ambitious goal of assisting 200,000 Toronto households with a range of housing opportunities over the next 10 years. To meet these targets the HOT consultation paper correctly recognizes that it will take the resources of three orders of government, as well as the private and not for profit sectors. We think it would be useful if the City of Toronto also estimated the reduced number of households that would be assisted if the federal or the provincial governments step away from their affordable housing responsibilities. These figures would be important as part of the continuing advocacy work to be carried out by the City and other housing activists to convince the federal and provincial governments to make ongoing significant financial contributions to the creation and renovation of affordable housing.

2. One of the proposed strategies is to assist people to afford rents. Specifically the HOT consultation paper proposes an investment of \$120 million annually to assist 60,000 households through expanded rent supplement (rent-geared-to-income or RGI assistance) and housing allowance initiatives. The co-op sector strongly supports the City's position of asking the Province to commit to a new long term program for RGI subsidies in new and existing housing, including housing that has been delivered under government programs. The lack of RGI subsidies to help house the lowest income members of our community has been one of the major flaws in the Canada-Ontario Affordable Housing Program.

The co-op sector would like to work with the City in the delivery of new rent supplement assistance by offering existing, non-RGI co-op housing units for rent supplement funding. There are a significant number of Section 95 co-ops which have lost the financial capacity to provide RGI assistance due to declining federal subsidies. Our co-op organizations can work with the City representatives to connect with co-ops that would be interested in participating in a new rent supplement program.

3. Under the theme of "preserve and fix existing housing stock," the HOT document calls upon Toronto to leverage the value of social housing to re-invest in repairs and regeneration. The paper further recommends action to "facilitate the redevelopment and refinancing of social housing by amending federal and provincial regulations which limit innovation in leveraging the use of social housing assets."

The co-operative housing sector is very pleased to hear that the City supports a creative approach to regeneration and intensification, which is possible in a number of co-ops in Toronto. Unfortunately, rules established by the Province's *Social Housing Reform Act* and by Canada Mortgage and Housing Corporation (CMHC) make an innovative approach to adding new co-op units on existing sites very difficult. Our sector wants to work closely with the City to seek the necessary changes and approvals at the provincial and federal levels that will allow creative regeneration using existing co-op assets. Our organizations would be pleased to meet with City officials to begin working on a number of pilot co-op housing redevelopment projects, and advocating for a more innovative approach than the current regulatory framework permits.

4. While there are a large number of positive recommendations contained in the HOT document, perhaps one of the most important is to call on the federal government to “immediately commit to re-investing social housing savings arising from the expiration of current agreements back into social housing.” The HOT document illustrates that the decline in federal government funding for existing social housing has already begun and will soon accelerate rapidly as housing agreements expire. By simply maintaining the \$180 million in annual federal housing expenditures in Toronto, significant investments in needed repairs of existing housing and creation of new affordable housing could be achieved.
5. The City of Toronto restates its long-held position that the Province should resume paying for downloaded social housing, to relieve pressure on the City’s tax base. The co-op sector has been advocating in complementary fashion for the Province to upload the funding and administration (to the provincial level and then on to the Agency for Co-operative Housing) of the housing co-ops which were downloaded by the Province to the City of Toronto and other municipalities a decade ago. The co-op sector would appreciate the support of the City of Toronto for the uploading of co-ops, which would significantly improve the City’s financial situation.
6. The co-op housing sector is pleased to note that one of the HOT document themes is to “create and renew mixed, inclusive, sustainable neighbourhoods.” Housing co-ops have played a strong, positive role in creating many of the successful mixed neighbourhoods in Toronto. In the various federal and provincial housing development programs that were active from the 1970s until the mid 1990s, about 25% of the housing created was co-op housing. However, in programs of the past five years the co-op share of new housing has been only 4%. The co-op sector would like to work with the City so that new housing initiatives do not present barriers that make it difficult to create new co-ops, allowing the co-op share of new affordable housing supply to return to its historic levels of 25%.
7. Specifically, to help achieve a successful housing mix, the City of Toronto should require that any affordable housing created under inclusionary zoning provisions or in affordable housing created in major redevelopment neighbourhoods such as West Donlands, should meet the “25% co-op housing” standard. This provision should also apply when government land in Toronto is made available for affordable housing and as part of the city’s large sites policy and/or distribution of City funds generated under section 37 “bonusing” provisions.
8. As part of building successful mixed neighbourhoods it is important to provide community support for the residents. The recent Canada-Ontario Affordable Housing Program did not recognize the importance of community development; there was no funding for board development/governance or for community development. The co-op sector wants to work with the City of Toronto to ensure that any new affordable housing initiatives at the municipal, provincial or federal levels of governments provide resources

- for community and board development. This can be delivered through community start-up funding in recognition of the reality that new co-op and private non-profit housing should have adequate board/community development funds in their operating budgets, to ensure the success of their communities.
9. The co-op housing sector is supportive of the higher environmental and energy standards for new affordable housing called for in the HOT document. The City, in partnership with other levels of government, should provide additional capital financing to new housing proponents in order to achieve these higher energy and environmental standards, so that housing providers can still set occupancy charges that are affordable.
 10. Under the theme of creating new affordable rental housing for 10,000 households, – the HOT document notes that the City of Toronto should work with financial institutions, including pension funds, to develop options for lower-cost mortgages. The co-op sector agrees that accessing mortgage funding has been a major challenge under the housing programs of recent years. This difficulty has been recently exacerbated by the spillover effect from the US sub-prime mortgage crisis. Efforts to improve access to mortgage financing should also involve the Province as well as CMHC (which has made some significant improvements in mortgage financing for affordable housing in the past four years).
 11. The co-op sector is pleased to see that the HOT consultation document proposes that Toronto develop a strategy to create more family-sized housing in the City. Successful mixed communities should include families with children, seniors, single persons and couples. Housing co-ops have traditionally been successful in creating family-oriented housing and the sector is interested in working with the City to build on our past successes.
 12. As one of its supplementary actions, the HOT consultation document supports exploring the acquisition and renovation of existing apartment buildings by not-for-profit organizations. The co-op sector in Toronto has had previous success in converting and rehabilitating existing apartment buildings and in ensuring that housing remains affordable in future decades. The co-op sector would like to work with the City of Toronto to consider future acquisition/rehabilitation opportunities.

While there are many more positive actions and recommendations contained in the HOT document, the above points represent some of the key issues for the co-op housing sector. The co-op sector will continue to advocate strongly for the federal, provincial, and city governments to invest significant and much-needed resources to create new housing and ensure existing affordable housing is sustained. The co-op sector would also like to work with the City of Toronto on specific pilot projects which could provide strong examples for creative ways of meeting housing needs. Pilot projects could include small-scale redevelopment or intensification of co-ops, acquisition of existing rental buildings and/or producing new co-op housing through future inclusionary zoning by-laws.

For many decades co-operative housing has successfully provided affordable housing and built successful communities throughout the City of Toronto. We wish to continue to work closely with the City on its affordable housing framework for the next decade to further build upon those successes.

We thank the City of Toronto for the opportunity to respond to the HOT consultation paper and engage in this vital discussion on housing for all Torontonians.