

THE LAND DIGEST

Lansdowne Site for Affordable Housing

Economic Indicators:

Real GDP Growth	
Q2 2016	-1.6%
Toronto Employment Growth	
Jul 2016	1.2%
Toronto Unemployment Rate	
Jul 2016	6.4%
Inflation	
Jul 2016	1.3%
Bank of Canada Overnight Rate	
Aug 2016	0.5%
Prime Rate	
Aug 2016	2.7%
5 Year Mortgage Rate Fixed	
Aug 2016	4.6%

Increasing urban development new home prices have put a profound strain on Toronto's affordable housing situation over the past few years. The introduction of new economic and planning incentives, such as the City of Toronto's Open Door Program, are now priming the landscape for a new wave of affordable housing developments, with 15 city-owned sites currently earmarked for new affordable housing. Among these sites is a large plot of land which has sat vacant as surplus land for almost 20 years, bounded by Lansdowne Avenue on the east, Paton Road on the south, Wallace Avenue on the north, and a light industrial facility on the west.

On the morning of September 27, Mayor John Tory and Ward 18 Davenport City Councillor Ana Bailão were both on hand to announce that the City is making the plot of land at 640 Lansdowne Avenue available to private and non-profit developers to construct a new affordable housing development. The Lansdowne site along with the 14 other city-owned properties—valued at a combined \$106.3 million—will add up to a total of 1,750 rental homes and 641 affordable ownership homes. This will add to five existing sites that have already been

approved to support 262 rental homes and 147 affordable ownership homes.

Mayor Tory declared at the event, "We need to do everything we can to build more affordable housing in Toronto. Making City land available to private and non-profit builders will help deliver more affordable housing to people who need it. As a city, we are doing our part but we can no longer do it alone. We need the federal and provincial governments to take action. Without real partnerships, our cities will become more and more unaffordable, affecting people of all ages and backgrounds."

The announcement is one element in a multi-agency effort by the City and partners from Build Toronto, Toronto Community Housing (TCH), the Toronto Transit Commission (TTC) and Waterfront Toronto to open up affordable housing opportunities. In the last 18 months, City Council has approved the construction of 522 units of affordable housing across the city. The Open Door Program is expected to continue building affordable housing opportunities well into the future thanks to the City of

Toronto's commitment of up to \$225 million in incentives and \$106.3 million in land over the course of the next five years.

Tomorrow, the Mayor and Councillor Bailão will team up again to host the 2016 Toronto Housing Summit: Taking Action on Housing, which aims to pressure the provincial and federal governments to step up their roles in Toronto's mounting affordable housing crisis, as well as other Canadian cities.

"There is a real housing crisis in Toronto and across Canada," said Councillor Bailão. "This crisis can only be solved when all levels of government come together, leverage their resources, foster innovation and create a different way of doing things."

Source: [Urbantoronto](#)
Jack Landau

Where is Affordable Housing

Toronto housing prices have reached heights that would give most homebuyers vertigo. And governments are staggering to find solutions to improve affordability.

So what would happen if we already had a fix?

Ontario's Growth Plan for the Greater Golden Horseshoe, currently under review, could result in building a greater supply of family housing in neighbourhoods where most buyers currently can't afford homes.

While home prices are rising throughout the region, it's the hottest markets where a lack of affordable supply is outpacing demand and pricing out homebuyers in urban and suburban centres. This is especially true in amenity-rich walkable transit-accessible neighbourhoods.

Residents increasingly face the choice of living in a highrise condo or "driving till they qualify" to the suburban frontier where family-sized houses are more affordable and most new supply is constructed.

What's needed is a "missing middle" housing supply in urban and suburban centres. This includes multi-unit homes such as townhouses, stacked flats or midrise buildings that are generally more affordable than semi- or single-detached houses.

The Growth Plan would require municipalities to plan for a greater density of housing and workplaces in urban and suburban growth

centres, particularly around transit lines and GO and subway stations. In most locations this would not manifest in tall highrises like we see in downtown Toronto, but rather "gentle density." This gentler approach to density consists of mixed-use commercial, residential and retail buildings, including missing middle housing that supports transit and businesses at a more human scale and village feel.

The Growth Plan is the sister policy to Ontario's celebrated Greenbelt Act. While the greenbelt protects critical agricultural lands, the Growth Plan helps direct population growth to urban areas. By building "in and up" instead of out, this plan aims to house the 100,000 new residents that join the GTA every year, while curbing sprawl.

Critics of both the Growth Plan and Greenbelt Act are worried that these two policies have constrained land supply and are responsible for the increase in housing prices. Indeed, it can be more cost-effective to build houses in greenfields, so restricting access to this supply of land will have an impact on the price of this type of housing supply.

By comparison, building missing middle housing and mixed-use gentle density most often drags developers through a lengthy, onerous and costly approval and construction process, not to mention the cost of buying and assembling pricey land in urban areas, especially near transit.

However, an effective and well-implemented Growth Plan could actually unlock

much needed housing supply in locations where people want to live. But it requires complementary policies to make building gentle density, multi-unit housing and mixed-use development cost competitive.

For starters, rezoning for multi-unit mixed-use development would save developers and therefore homebuyers time and money. Reducing parking requirements could eliminate \$40,000 dollars per housing unit, and retooling development charges and other pricing policies can reward denser development. Some municipalities, such as Kitchener, Mississauga and Hamilton, are already rezoning their new LRT corridors for greater density, mixed-use development and more missing middle housing.

Large, yarded houses in the suburban fringes will always have a market, but families with three children or more are one of the fastest shrinking demographics. A growing generation of young homebuying families want housing options closer to good jobs and transit. Living close to transit enables a family to get rid of one car and save \$10,000 per year, further increasing affordability.

*Source: Toronto Star
Cherise Burda is the executive director of the Ryerson City Building Institute and Mike Collins-Williams is the director of policy with the Ontario Home Builders' Association.*

RECENT SALES – Metro Toronto

Address	Acres	Price	Notes
30 Merton St.	0.70	\$19.5MM	Future condo site
497 Richmond St. W.	1.27	\$26.0MM	13 storey mixed use – Build TO
61 Yorkville Ave.	0.45	\$25.0MM	Land lease bought by tenant
2 Bricknell Ave.	1.22	\$3.5MM	Build TO -4 storey rental res.
10 Mary St.	0.24	\$28.0MM	Office – future condo apts.
462 Eastern Ave.	1.54	\$13.5MM	Future condo apts.

Source: CFAS and RealTrack

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CFR has quality agents and advisors who have been involved extensively in the purchase and sale of development lands.

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The key members of the Land Development Group are well tied into the development community.

In many cases they have acted on their behalf in consulting situations. This allows the team great access to leading edge information regarding future growth areas, highest and best use, and new paradigms in development densities.

The Land Development Group started in 2012 and to date has sold over \$80 million worth product.

With an in house planner and accredited appraiser as part of the team, the Group can offer to its clients services like no other Brokerage. These professionals are quick to assess the potential development of property and its hidden values.

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