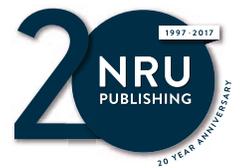


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3 IRREGULAR LAND ASSEMBLY

Character challenge

4 CLIMATE ACTION

Life style changes required

■ RENT CONTROL CAUTION

MOTIVATE DEVELOPERS

Sarah Niedoba

Provincial rent control provisions have been applauded by **Ryerson's** City Building Institute in a recent report. However, its author cautions that the regulations long-term success lies in the province's ability to keep developers motivated to build new rental supply.

Last month the province introduced its Fair Housing Plan—sixteen measures intended to cure Ontario's ongoing housing and affordability crisis, and cool Toronto's red-hot housing market.

"Landlords are taking on more risk, now that rent control is in place," says report author and City Building Institute research manager **Graham Haines**. "Tenants might want to stay longer in a rent-controlled apartment, so finding ways to offset that risk will be an important task moving forward."

In a move intended to spur rental development, the

province has introduced incentives for developers. These include new property tax regulations so that new apartment buildings will be taxed at residential, rather than the higher commercial rates and \$125-million in development charge rebates to reduce the upfront costs for rental projects in areas of high demand.

Using data from Toronto's rental market the Haines concludes that the impact of rent control in the absence of these supply-side incentives is very small. His analysis shows that the 25-year income expectation for a rent-controlled apartment is 98.5 per cent of that for a non-rent controlled unit.

Fortress Real Developments senior vice president **Bill Myers** agrees that incentives to encourage more rental supply are the answer. He considers the rent control regulations "terrible," and believes they will lead

to a lack of rental unit development in Toronto.

"I've been talking to developers who are in the process of building rental units right now, and what they're doing is changing the type of units they're going to rent. Instead of having some family-sized units, now they're looking to rent out single-occupancy units, with a higher turnover rate," he says. "The only thing that's going to dampen the rental market is more supply, and this rent control is only going to make

that problem worse."

According to Haines, this is where provincial incentives come into play.

"To ensure these rules work to the betterment of everyone in the long term, we need to make sure the province incentivises new rental construction," he says.

The report recommends the province consider additional development incentives including above-inflation rent increases in some market segments. It argues that the long-term

CONTINUED PAGE 6 ■

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MOTIVATE DEVELOPERS

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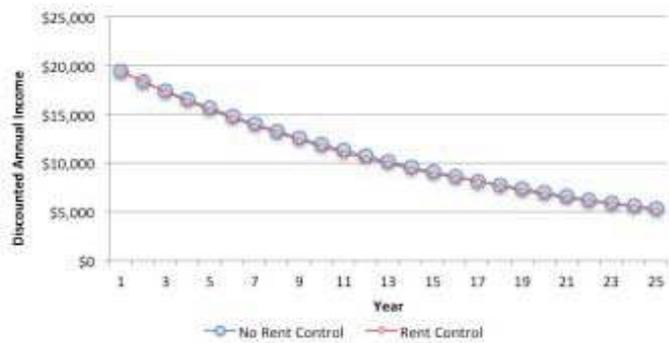
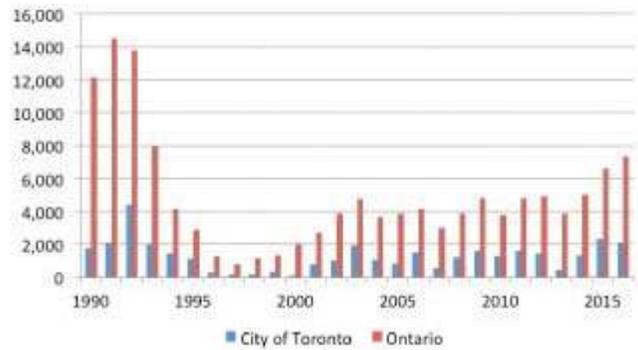
success of the province's plan is dependent on its ability to work with developers to spur new rental construction.

"If we want these rules to contribute to a healthier vacancy rate in our city, we need the government to make sure that we are getting new construction," says Haines. 🌱

A graph charting the annual rental market starts of Toronto and Ontario

A graph charting the annual expected income of a rental unit, with and without rent control

SOURCE: THE CITY BUILDING INSTITUTE



SHADOWS ON THE PARK

CONTINUED FROM PAGE 5

Jarvis Residences' proposed tower will also create shadowing impacts on Allan Gardens. Both Wong-Tam and Waltho said the tower's height is problematic in terms of shadow impacts and the lack of transition that is provided to the adjacent two- and three-storey townhouses on Jarvis.

"You have a 50-storey tower going right next to a two storey townhome. ...Where's the transition? ... [Jarvis Residences] has come in saying this is what we want without ever giving any consideration to how this building is going to come crashing to the ground

next to the townhomes next to it," Wong-Tam said.

Wong-Tam wants developers to be more respectful of city priorities and the starting point for that is to improve relationships between the community and developers. It would then be possible to get developments that works for both. She contends that change needs to begin with the Ontario Municipal Board.

"Get rid of the Ontario Municipal Board and we'll actually have a much more civilized conversation about city building. It will be less speculative, it will be less

predatory. ... Right now you have planning staff that are worried about the Ontario Municipal Board and what is defensible at the board, and you have developers who are willing to take the gamble of buying a site that is too small, proposing too much massing, too much density and too much height, but it's so profitable that it's worth the

gamble because they could prevail at the board."

Staff's [refusal report](#) for Antorisa's proposal and the [preliminary report](#) for Jarvis Residences' development will be considered by council on May 24.

A Jarvis Residences representative was unavailable for comment before deadline. 🌱



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two Landscape Architects and two Architects

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