



November 29th 2022

ACORN Written Submission regarding Bill 23: Build More Homes Faster Act

ACORN members would like to share our submission to the Provincial government regarding recently proposed More Homes Built Faster Act 2022 (Bill 23).

ACORN (Association of Community Organizations for Reform Now, Canada) or ACORN Canada is a national, independent, membership-based community union of low- and moderate-income people with more than 160,000 members in 24+ neighbourhood chapters spread across 9 cities. For more information, please visit www.acorncanada.org.

ACORN members who are low-and-moderate income tenants, women, fixed-income seniors, people with disabilities, racialized people and newcomers, among others – have serious concerns with regard to Bill 23.

As a result of persistent efforts over more than 17 years, ACORN has been able to secure stronger tenant protections in case of renovations/demolitions and policies across different cities in Ontario to build real affordable housing. However, if this Bill is passed in its current form, it will have devastating impacts on low- and moderate-income tenants as not only will it create more unaffordable housing but it will also take away the powers cities have in building and protecting affordable housing.

These issues are detailed below:

1. Building more unaffordable housing.

The Act aims to build 1.5 million homes in the next 10 years. However, building more unaffordable housing is not the solution to the housing crisis. Ontario needs affordable housing and not more luxury condos.

2. Cities will have no power to build real affordable housing.

Inclusionary Zoning (IZ) allows cities to mandate a certain percentage of new developments to be set aside as affordable. Currently, cities have some powers to legislate their own IZ bylaws and build some real affordable housing. While the IZ policy was limited to major transit areas only, this Bill goes a step further limiting the potential of IZ in creating real affordable housing.

- 5% set aside rate for affordable housing units. Only 5% of the IZ units of a new development will be set aside as affordable. This is extremely low given the extent of the housing crisis. Data shows that each year in Canada, 64,000 existing affordable housing units are lost — 20,000 in Ontario alone. IZ has been implemented in several cities in Canada and the US, and studies show the best set-aside rates are 20-30%. ACORN members and allies won IZ bylaws in Toronto and Mississauga with set aside rates of up to 16% for affordable rental units and up to 22% for affordable ownership phased over years.
- The units will be kept affordable for a maximum of 25 years. Ontario is in a chronic housing crisis. There are massive incentives for landlords to up the rent once a tenant vacates the unit. After 25 years, the affordable housing unit will return to the market and the tenants will lose their affordable housing and communities. For IZ policies to be effective, the IZ units need to be kept affordable forever!
- The definition of affordable housing will be changed. There will be a standardized approach to determine the rent of an IZ unit. CMHC defines housing as affordable only if the rent is no more than 30% of the household income. The standardized approach will build unaffordable housing if it doesn't meet this definition.

3. It will make tenants more vulnerable to demovictions, increase homelessness crisis and destroy existing affordable housing.

In Ontario, landlords are increasingly using renovation/demolition as a tactic to evict tenants so that once the tenant moves out, they are able to substantially jack up the rent.

- One, the Bill strips the tenants' right to return in case of demolition. This is extremely disturbing since it will destroy existing affordable housing and accelerate evictions and homelessness crisis since the new units will be out of rent control.
- And second, the Bill proposes launching consultations to standardize municipal by-laws in cases of renovations and demolitions. Standardizing could also lead to diluting some of the strong tenant protections that ACORN and several other organizations have won across cities that have prevented evictions and homelessness.

ACORN members want energy efficient homes but meeting carbon emission targets at the expense of low-income affordability is not the solution! ACORN strongly believes in giving cities the tools and powers they need to protect tenants' rights. More, not less tenant protections in case of renovations/demolitions is the answer!

4. Other issues

Further, other aspects of the Bill that are concerning are the following:

- It proposes to exempt new developments, including affordable housing, from development charges. ACORN members are wary of this because in the absence of these charges, costs for important services such as transit and other city services will not be met.

- It also reduces the capacity of conservation authorities in the process of building more housing.

In short, the new legislation works to the detriment of low- and moderate-income tenants. ACORN strongly urges the Government of Ontario to scrap these aspects of the Bill as it will worsen the housing crisis, especially for low- and moderate-income tenants who are in desperate need of support.

ACORN members look forward to hearing how the City of Hamilton will share their opposition to Bill 23 with Premier Doug Ford and Minister Steve Clark. ACORN urges the city to explore all options to oppose the legislation and move forward with local policy to protect tenants from demoviction.