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March 21, 2023

**City of Toronto**  
City Planning  
Strategic Initiatives, Policy & Analysis  
Metro Hall, 55 John St. 22nd Floor  
Toronto, Ontario

VIA email to christine.ono@toronto.ca

**Attn: Christine Ono, Project Manager**

**Re: Bill 23 - Draft Inclusionary Zoning Implementation Guidelines**

We are writing to you concerning the draft inclusionary zoning guidelines on behalf of the Canada Chapter of Community Associations Institute ("CAI Canada").

Specifically, we are the Advocacy Committee for CAI Canada, who raise issues relating to current and proposed legislation, among other initiatives.

CAI Canada is an organization founded to provide information, education and resources to condominiums in Canada.

The purpose of this letter is to raise concerns relating to the draft Inclusionary Zoning Implementation Guidelines ("Guidelines").

**A. Subsidy by Homeowners**

The Guidelines would require the IZ affordable housing units to be effectively and seamlessly integrated into new residential condominium projects where applicable.

Section 5.7 goes on to state that the new condominium, at the time of registration, must convey easements at nominal cost to the IZ affordable rental units concerning common areas, utility and mechanical areas, areas required for ingress and egress etc.

As a result, the homeowners of the residential units of the condominium would essentially have to bear the operation, maintenance, repair and other costs relating to those areas themselves. These individual homeowners would have to subsidize the IZ affordable rental units, increasing housing costs for such individuals and creating some concern relating to affordability of these other units.

To be abundantly clear here, CAI Canada supports the concept of making affordable housing available. One fundamental problem here is the issue of fairness to individual homeowners in the subject residential buildings, and the fact that they (and not the City and ratepayers in general) would be asked to subsidize IZ affordable rental units in a very direct way. While this information would undoubtedly be disclosed to purchasers of units, they are unlikely to understand the implications.

CAI Canada's submission is that affordable housing is a province-wide or City-wide issue and other solutions should be considered rather than placing the burden on individual homeowners and individual condominium communities.

## **B. Lack of Clarity and Excessive Complications**

The Guidelines overall lack detail relating to how the subject condominium corporations would operate with respect to the IZ affordable units.

For example, at Section 9.9.6 of the Guideline, there is reference to 'condominium fees' in the context of marketing IZ affordable units. Is this meant to contemplate that the IZ affordable units may be units within the applicable residential condominium? Or potentially a separate condominium within the applicable residential condominium? Either way the concerns above concerning subsidy apply.

As well, whether a separate condominium or not, the Guidelines are unclear about whether the IZ affordable units would contribute in any way to the operation, maintenance, repair and other costs relating to the condominium building or complex. Would a Shared Facilities Agreement be necessary or even permitted? Would this impact the proposed section 21.1 of the Condo Act that requires mandatory agreements? These are open questions it would appear.

Condominiums are governed by a volunteer board who are already heavily burdened by obligations set out in the Condominium Act. It is important that the inclusion of IZ affordable units in a condominium be structured in a manner that does not overly complicate the operation of the building, or it will significantly disincentive volunteers from participating.

We feel that more detail is needed as to how the relationship between condominium corporations and the IZ affordable units would be governed.

## **C. Summary**

As discussed above, the overall concern would relate to increased costs for individual homeowners and individual communities to subsidize IZ housing. In addition, Click here to enter text., we feel that there is a need for increased clarity as to how the relationship between condominiums and IZ affordable units is to be governed. An excessively complex integration will put undue burden on volunteer boards.

It is important that the future condominium owners who will potentially subsidize and coordinate the relationship with the IZ affordable units have a voice in the negotiation of the City guidelines. CAI can help play this role and is pleased to meet or communicate further on these issues.

We trust that the City will consider the foregoing issues as this matter proceeds.



David Thiel



Sally Thompson

Community Associations Institute,  
Canada Chapter Advocacy Committee