



# Ownership Housing Plays Important Role

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A couple of months ago, I focused this column on the affordable housing strategy that the City of Toronto was developing. This is an important issue, so I want to update you on where this strategy stands.

After almost a year of consultations, a final version of the strategy was released by the City last week. Although it is not perfect, the document does make some encouraging commitments, the most important of which, I believe, are the targets that it sets for affordable ownership housing.

Before I get into the details of this aspect, it is worth mentioning that the simple fact that the City's strategy includes actions on affordable ownership housing is a considerable accomplishment. In the past, government action on affordable housing almost always focused exclusively on rental housing. For years, REALTORS® have been telling governments that ownership housing has an important role to play in affordable housing policy. This is exactly what we told the City, and I was encouraged to see some of our formal input included directly in the final version of their strategy.

As we noted in our input to the City, while rental housing plays a critical role in addressing Toronto's affordable housing challenges, ownership housing can have distinct advantages, including

- helping to ensure long-term financial security for low-income households by allowing for asset-building and the creation of equity;
- creating pride of ownership, which promotes urban renewal and ultimately benefits the entire community; and,
- helping to ensure rental vacancy rates remain healthy by freeing up rental units when renters make the jump to ownership.

While recognizing the role of ownership housing is critical, the actions taken to make it happen are just as important. In that regard, one of the most important commitments in the City's strategy is the plan to

extend City incentives, which are currently restricted to rental housing, to affordable home ownership initiatives. This means that the City could be offering breaks on things like property taxes, development charges, and other fees or taxes, which will help to encourage the creation of new affordable ownership housing and help people to afford the homes that they currently live in. It is expected that City will begin working on a by-law to implement this action in the fall and REALTORS® look forward to working with the City on this.

Although I am encouraged by the City's affordable housing strategy, I would be remiss if I didn't point out some concerns over City policies that contradict the laudable objectives of this plan. I remain concerned about numerous recent City decisions that, in fact, are adding to the cost of home ownership, specifically the unfair Toronto Land Transfer Tax, property tax increases at twice the rate of inflation, and increases to costs such as garbage pick-up and water use. With this in mind, I hope that the City's new affordable housing strategy will help to re-focus City Council's priorities in a way that benefits home owners and buyers.

Adequate housing is a fundamental need. REALTORS® understand this, which is why we will continue to work with the City, and all levels of government, to ensure that home ownership remains attainable for as many people as possible.

"Greater Toronto REALTORS® look to this conference as a source of information on all of the latest tools and trends in the profession," said Ms. O'Neill. "It is an excellent example of REALTORS® ongoing commitment to provide quality service to their clients."

*Maureen O'Neill is President of the Toronto Real Estate Board, a professional association that represents 28,000 REALTORS® in the Greater Toronto Area.*