

December 21, 2000

TO: Paula Dill, Commissioner – Urban Planning and Development Services

FROM: Councillor Michael Walker

RE: Condominium Conversion Applications

I am writing to draw your attention to an alarming trend that has been emerging since the introduction of the Tenant Protection Act in 1997. As you are well aware, Toronto is faced with a crisis in the supply of affordable rental housing which is only getting worse due to the lack of new construction and skyrocketing rents.

Now a number of applications have been made to the City to convert existing rental housing both affordable and luxury, to condominium. While I appreciate the benefits of ownership over tenancy many people for whatever reason can not or choose not to own their home. The argument that many of these condominium units will be rented out is a faulty one since the Tenant Protection Act does not offer security of tenure to tenants in condominiums.

One of the main reasons that Toronto has been so successful as a City and is recognized internationally as one of the best Cities in the world is because of the mix of income ranges in our neighbourhoods. The ability for a senior citizen to sell their home and remain in their community in a rental unit is crucial to the livability of a City. This is being lost in the profit hungry housing frenzy that is occurring today.

New Condominiums are being built at an unprecedented rate, however many of these units are not affordable for most tenants to make the jump from tenancy to ownership. Many tenants cannot save money for down payments due to the amount of money that they are being forced to pay in rents. Added to this is the resistance of banking institutions to lend money to people of lesser means. This means that lower income tenants, those most in danger of economic eviction to the social-housing waiting lists or to the streets, will be forced out of their homes, their neighbourhoods and this City.

Premier Harris and his gang of neo-conservative free-market ideologues may believe that the market will solve the housing problem, but you and I know that all things are never equal. The supply of housing will never be close enough to the demand for housing to cause a natural reduction in the cost to the consumer of housing. Developers, driven by profit, will not produce low-income or affordable rental housing. Now the landlords are jumping into the Condominium craze, attempting to convert our existing supply of rental housing to condominium housing.

Our housing crisis has never been worse, this in the face of the greatest economic expansion in history. The latest economic indicators show that we may be heading into an economic slowdown, if not a full-fledged recession. While we have had unprecedented economic growth we have not seen this new wealth shared, and our homelessness problem has also grown.

One application that is of extreme concern is for a conversion to condominium of the Brentwood Towers at 17-25 Lascelles Boulevard. This affordable rental housing complex of 5 buildings houses nearly 2000 residents. This is the worst possible application in terms of its possible impacts on the rental housing market in North Toronto, and through possible precedent for the entire City. A number of other similar applications are also in the system and must be treated seriously.

Could you please report back to me on the strategic approach that your department is taking with respect to these applications. I would like to know that the Urban Planning and Development Services department is taking these applications as a serious threat to the affordable rental housing market in Toronto. If these conversion applications are processed, or succeed, we will have very little control over our ability to ensure people have affordable housing options.

This City must take a stand on these applications in face of the emerging trends of the demolition and conversion of affordable rental housing to luxury condominiums.

Yours sincerely,

Michael Walker
Councillor - St. Paul's