FITTIGN IN AFFORDABLE HOUSING IN DOWNTOWN TORONTO

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ABSTRACT

Allocating new low income housing could be challenging particularly in large cities which emphasize profit-making activities. For urban planners in Toronto, setting up government interventions should be conjoined with the Ontario’s policy on low income housing, but more importantly, with the nature of provincial politics. When socialist-oriented government took power, social spending was protected from the provincial budget cut which represent favorable policies and commitments towards the needy and disadvantaged. It was a bad decision especially in the period of recession. Unpopular to the majority, the conservative-oriented party easily won seats at the provincial-based power. They prefer market-oriented, strong-handed policies on low-income and provision of the basic needs to the needy, leaving among other low income housing to market mechanism to determine the size of low income housing. This leads planners to rely heavily on the non-interventionist instruments to provide such housing.

I. INTRODUCTION

Can the charm of being downtown simply be its skyscraper, corporate-style facades, tourist sites, heritage zones and designer’s shops while forgetting about the residing of population whose souls enrich the urban environment? As we see in many American cities, much of the downtown is emptying with depressed housing found located next to storage buildings and old commercial areas. A portion of downtown is selectively reserved for high value condominium, tourist, retail and office space. To a degree, the downtown represents the dual characters of urban communities: the old decaying neighborhood occupied by the poor, and the new dynamic one that leads economic turns of the region. The psychological effect of the former is horrendous and could undermine the latter. Crime, drug use and school drop-out rates hypothetically have concentrated effects higher than the average (Wilson 1987 in Temkin and Rohe 1996: 161). This turns some people away from attempting to integrate their once beloved city with their individual identities. Many in the urban periphery do not travel to, invest in, or even care about downtown Cincinnati or Detroit, and link themselves with non-decaying geographical reference points in the suburbs.

For a long time, promoting the social and economic health of local downtown communities has not been a focus for city officials or the business communities (Temkin and Rohe 1996: 161). An emphasis put by city officials and urban planners on physical characteristics of the community (housing stock, commercial establishment, etc.) so far has not helped to empower downtown communities to create safe and meaningful environment. At the same time, the suburb grew as landscape of homogenous homeowners, exclude the poor form entering and shelter property tax revenue from central cities (Ottensman 1992: 97; Auldrac and Shersmyen 1994: 169). Many employ local parochialism through the power of zoning to limit the amount of new low income development (Down 1973 in Crook 1996: 63). Since the 1980s, the income gap
between the rich and the poor has expanded, with the poor increasingly being concentrated in the inner cities (Crook 1996: 64). The poor compete with each other for affordable housing market or subsidized rental housing, or end up on the street. Condition worsened with the recent recession that hit North American cities. As a result, urban planners, city officials and politicians now have to find ways to respond to the urban poor in the central cities.

The case study of Toronto - Canada shows that efforts to intervene in the provision of affordable housing are highly influenced by policies developed at levels higher than municipal government. This paper is aimed at examining the planning instruments by which affordable housing is accommodated by taking into account the political and social situation of Ontario. First, the paper will outline the housing and development situation in downtown Toronto. Second, it will explore the problems faced by urban planners wanting to continue or expand progressive policies, including adapting the planning process itself so that it does not prevent affordable housing to be built within a particular communities. Third, the conclusion that policy intervention and proposed changes for the city of Toronto seem to be the only possible ways to expand affordable housing is drawn.

II. THE DOWNTOWN

The decline of downtown living has been observed since 1960s (Ottenman 1996). Urban revitalization of the inner cities (as opposed to comprehensive redevelopment) is contemporary; though its history in different localities depends on political situations and even academic thought. During the 1960s and 1970s, the congestion of North American cities was responded to by rational, scientific, technical and quantitative approaches of urban planning. The zoning blanket was introduced with little thought given to either the nature of the urban activities or the eventual disruption of social structures due to the encouragement of more intensive land uses and “better” transportation. Downtown communities declined, were divided by highways, housing became rundown, and congestion did not decrease because of demands by suburban commuters wanting to access central city jobs and services. The government funded public housing was of marginal design. So far, it had not accommodated the need of prospective occupiers or revitalize the community spirit of the old neighborhood. Solutions turned to be disastrous distortion caused by the oversimplification of complex systems. In 1961, Jane Jacobs chronicled this charge in her classic book: “The Death and Life of Great American Cities”.

During the 1970s and early 1980s, the revitalization of downtown residential areas continued as a marginal goal on the political and planning agenda. Movements such as to stop development of highways into the downtown, to emphasize alternatives to automobiles worked incrementally so that its impacts of downtown revitalization is still minimal. In some significant cases, however, the private sector (often in private-public ventures) did start to reinvest in downtown projects such as new office buildings, up-scale tourist districts, waterfront redevelopment, loft-conversions, new arts and cultural facilities, tourist and convention infrastructure, boutique areas and downtown malls that utilize the community cohesiveness. Early success with a number of these projects began a wave of downtown development that lasted through from the mid-1980s to the early 1990s. Yet this development was largely geographically separate or in competition with older, lower income downtown communities and led to too few cases of subsidized housing. As such it should be considered as “beside” the issues discussed in this paper.

Toronto offers many interesting examples of enlivening downtown areas. First, it is one of the few cities in North America that successfully prevent the transformation of
its downtown by traffic planners and congestion. Most downtown residential communities had not run down and the housing stock remains solid. It began in 1969 when an attempt to break the downtown’s stranglehold on high order jobs and services was consciously made. The decision was to increase the height of office buildings only in selected downtown areas as well as creating comparable downtown activities in the six suburban municipalities. Instead of market determine to which direction that the city should decentralize, the government decided to determine through extensive public transit. At the same time, the government put enough financial resources and land is relatively easy to obtain. Second, even when faced with changing government style, especially at the provincial level, Toronto has the power to exercise planning instruments in order to allow them to address the demand for affordable housing in conformance with higher level policy. Third, Toronto has successfully attempt to do filtering of housing stock of a particular neighborhood in order to provide an opportunities for potential in-movers to improve their housing conditions by moving from areas that are relatively less attractive. Other exercise include transformation of building uses such as adaptive re-use of former manufacturing buildings, or creation of accessory apartments or even creating well-designed square and streets as vehicles for social interactions of local communities.

III. TORONTO, THE LIVELY CITY

Downtown Toronto has been known as lively, compact, walkable and offers enriching experiences to visitors as well as residents. This attractiveness cannot be separated from its position as the most multiculturally diverse city as declared by the United Nations (Berridge 1995: 10). The 40% immigrants of foreign origin are enough to overwhelm the conservative Anglo-Canadian characteristics that dominated the city twenty years ago (Gartner 1995: 17).

The challenge for Toronto is how, in the era of global competition, the central city can stay not only ‘lively’ with high social interaction during the night and day, rich and poor, and culturally different populations, but economically and ecologically efficient and less costly to run. Before the recession that hit the city in the early 1990s, Toronto experienced a major housing boom. House prices reached peak level at the top of North American charts. Many prospective homeowners were prevented from entering the housing market. The reality of affordable housing for low income people was also not promising. Rental vacancy rates declined and problems of homelessness became worse (LaPointe, 1996).

In 1990s, housing market stabilized. Housing demand fell as did prices, reduced by 25% from their 1989 peak. The picture was worse for those in need of affordable housing which was mainly funded using govern-ment money. The recession, in fact, had no impact at every level and some NGOs back off from further financing affordable housing.

Toronto official plan, Cityplan '91, proposes to increase by 100,000 the population of the central city of Toronto, reaching 725,000 by 2011. The city reached its peak in the late 1960s with a population of 712,000, declined sharply, then have risen slowly. However, despite the population projections for slow population increase, the need for housing climb at a faster pace. A decrease on household size since the 1920s is the cause (interrupted briefly by the “Baby Boom” of 1947-1966, though much of this growth took place in the suburbs around the City). In the 1920s, there were an average of five persons in a household, today is only two. Beside the size of households, housing analysts point to changing household characters - more single parents, singles, individual sharing housing and childless couples. Smaller households not only demand smaller houses but also accessibility to workplace and
community involvement. Also, starting the late 1990s, Canada’s immigration began to rise in response to the federal government’s target to maintain overall population growth. Although this only represents about one percent of Canadian households, it has a significant share of new households in urban intake cities such as Toronto and Vancouver (La Pointe 1996: 8).

IV. PROVIDING AFFORDABLE HOUSING

Cityplan ‘91 recommends that of the new housing in the central city, half will be for people of low or moderate income (1991b). As efforts toward increasing downtown living is done by creating a mix between work and residential neighborhoods, low and moderate income groups cannot be excluded from such policy of mix. However, even continual construction of new affordable housing cannot compensate for the loss caused by demolition, gentrification and lot conversion top condominiums (Millward 1991: 3). Thus redevelopment of housing should avoid the process of relocating low income groups outside the city core. In fact, such a goal was strongly supported by the provincial government. Problems of availability of affordable housing in Toronto should be solved by Torontonians themselves.

The current reality shows that almost 23,000 low income tenants (or 45% of low income tenants) living in the central city are spending more than half of their income on rent. Thus, families are left with only half of their income for food, clothing and other necessity of life. With the increased living cost in the city, they are prone to reliance on charity, social services, food-banks and face the possibility of homelessness.

The city of Toronto mainly consists of built-up areas, parks and roads. Hence, additional population cannot be accommodated through traditional efforts such building more housing. Instead of putting afford-

able housing within high density residential areas, such housing development takes places on former downtown rail yard, in mixed use areas between high and low income, in mixed use areas between commercial and residential areas, in brown-fields, on small parcels of land through in-fill development or conversion of unused industrial buildings into housing, or redevelopment, or adaptive reuse. Unfortunately, innovative efforts have been jeopardized by zoning ordinances (in Canada, called zoning by-laws). Following Ontario’s planning process, any new development has to conform with the current surrounding area in term of level of density, use and building setbacks. The practice of exclusionary zoning, where zoning demands homogenous density such as high design (thus high income) housing with no allowance for higher density has been a standard in Toronto. At the same time, it is relatively easy to remove affordable housing under the banner of urban renewal, or of revitalizing the city’s economy, or failing conventional approaches, through various legal loopholes. Thus such rules limit efforts to develop more affordable housing in the central city regardless of the need for this type of housing.

Recent political debate over the availability of affordable housing cannot be separated from the political situation in the province of Ontario where Toronto is located. In 1989, toward the end of their administration, the Liberal government of the province of Ontario introduced a policy statement entitled ‘Land Use Planning for Housing’. This was intended to promote ‘affordable, accessible, adequate and appropriate housing’ (LaPointe 1996: 9). In addition to planning for a ten-year supply of residential land, municipalities have to enable at least twenty-five percent of new housing directed toward affordable housing. This is to fulfill the target of affordable housing in Ontario. In Toronto, since the city was still executing as Official Plan from 1983, this policy was not incorporated.
immediately. Instead, Toronto was and continued to use a rarely-practiced local policy. The so-called ‘density bonus policy’ is aimed at encouraging developers interested in profitable buildings to spare additional resources in order to secure public benefits. The developers are allowed to build higher density on the condition that affordable housing is also provided. Affordable housing can either be provided on the same site or on other sites. The City of Toronto also allows, through the density bonus policy, developers to execute affordable housing projects exceeding maximum residential density by as much as twenty-five percent.

When the recession of 1990 hit, people were tired of the pro-growth business agenda with spin off advantages and demand a high level of social services be maintained. The New Democratic Party (NDP) government took power, the policy on affordable housing changed towards securing its availability. With their socialist view, the policy statement following the Sewell Commission Report says an increased proportion of affordable housing to thirty percent and requires municipalities to concentrate development in areas with ‘full’ sewage and water services (LaPointe 1996: 7). Such a statement strengthened the practice that has been attempted in well-developed Toronto and extend it to other cities in Ontario. Government’s efforts to secure affordable housing went further that even during the recession, that the only game in town was the development of affordable housing.

Several efforts to replace the bonus policy have been initiated in order to tap benefits from commercial and housing development for public purposes. The first is the ‘development exaction’ in which developers are charged for getting approval for their projects. These charges are used to help pay municipal expenditures for public benefits such as the land for affordable housing. It is seen as parts of getting the developers pay for increased activities caused by their development. However, development exaction is often used for other purposes more related to physical infrastructure, such as expansion of sewage, or local roads. The second is the ‘inclusionary affordable housing requirement’ in which developers set aside portion of residential development for affordable housing. Unlike development exaction, developers are asked to provide affordable housing or that a certain proportions of their project will be developed as affordable housing. The third is the ‘Housing Employment Linkage Fee’ of $107 per square meter on new office space to pay for new affordable housing. Cityplan ‘91 found that for every 1000 square meter of new office space built, sixteen low wage service sector jobs are created (Millward 1991). The idea behind this third instrument is that the linkage fee will help reduce the already tight market for housing the new workers will face and lessen competition for housing with higher income workers attracted by new development. Linkage fees are charged to the commercial developers (of offices, shops or leisure activities) who usually are hesitant to include affordable housing as parts of their development. With this innovative tools, developers are encouraged to help address the affordable housing crisis. They have not, so far, resolved problems of finding locations (except number two), of producing good design, and of building ‘enough’ affordable housing. At the same time, the recession and competition for growth has slowed commercial development so such mechanisms can cause more harm than good towards overall urban development.

These planning instruments, by transferring the burden of providing a portion of affordable housing to developers, have been criticized as being inequitable. The developers build affordable housing which may be useful for the community for a long period of time and tax payers are spared the cost of what is supposedly the responsibility of public sector. Local tax payers and the municipality are reluctant to pay for these due to
a sign of healthy change. It begins with relaxing some of the planning process and zoning by-law, so that inclusionary zoning is allowed, adaptive reuse of buildings and unused land are allowed. In one way, this goes against the usual practice of planning as order and homogeneity promoted by zoning by-laws do not promote healthy social interactions. In another way, this makes more of the social functions of land. The idle urban land such as unused land or brownfields, taking advantage of its locational advantage, and its existing infrastructure, now can be put into use. The decision to introduce the new Bill on planning process in Ontario indicates that new, creative approach to planning for affordable housing can be accommodated. While the introduction was triggered by economic hardship of the times, it offers chances for those who maintain their tie to affordable housing to be able to maneuver with less restrictive rules.

It is realized that to design for affordable housing, beside the physical factor, there is also economic, social and communication factors. From the physical design point of view, affordable housing should be planned and designed creatively as often minimal space is promoted to make it affordable. Efforts such as in-fill development and construction of out-buildings as accessory apartments, building of pedestrian proximity or pedestrian pockets are ones that makes it possible for increasing the interaction of downtown living. On a larger scale, the 'reconstruction' of downtown that incorporate affordable housing can be parts of post-modern community designs such as Urban Villages in which new development is to be fit into the old ones; or Traditional Neighborhood Development (TND) which depend on existing networks of roads and transits (Dunay and Plater-Zyberk 1990, in Lerner and Milgrom 1996: 52). However, minimal space often work irreconcilable with the issue of space livability. Minimal space often is measured without considering that low income people are real people too. The needs of living space for four persons cannot be reduced to a space that are used, for example, by university students. Space livability should be considered for the spirit of the community, and the positive traits brought with it can blossom and produce healthy, well-served communities.

VI. REFERENCE


