



Wynne government's Fair Housing Plan not helping housing supply: RESCON

VAUGHAN, ON, April 26, 2017 /CNW/ - While intentions may be good, "Ontario's Fair Housing Plan" does not do enough to increase the supply of housing in Ontario during the biggest housing crisis in the Greater Toronto and Hamilton Area (GTHA) for almost 30 years, says the president of the Residential Construction Council of Ontario (RESCON).

"We all want to see an improved situation for homeowners, new-home buyers and renters," Lyall says. "But the Plan's 16 initiatives will tighten the market for all forms of shelter, which will make finding a new home or rental even harder for buyers and renters."

Here's why:

1. The Housing Plan will have a chilling effect on investment in purpose-built rentals.

Thousands of units now will not be built. The Wynne government's new rental control will impede builders' ability to construct purpose-built rentals – which means it will be harder to add to the housing supply in the coming years.

"We have already heard of purpose-built rental projects being shelved after last week's announcement," Lyall says. "And while the government's \$25-million-per-year development charge rebate will provide incentive to build rental properties, this figure requires perspective: for a rapidly growing province of 13.6 million people, this is just a drop in the bucket." Lyall said well over \$10 billion worth of all forms of shelter will be needed each year for 10 years.

2. More red tape? It already causes three-year waits for Toronto condo owners.

One of the biggest problems that extends new-home buyers' waiting times is a very slow approvals process, Lyall says. This keeps buyers out of newly purchased condo suites in Toronto, for example, for up to three years because of extended wait times for building and planning approvals, according to research by RESCON and the University of Toronto (due for May).

"Red tape makes a tangible impact on the lives of homebuyers, according to our research. The government should streamline the regulatory process so that we can increase the supply that's desperately needed here."

3. Housing supply worsens as 100,000 people come to the GTHA every year.

"People are scrambling to find shelter," Lyall says. "They need deep pockets to purchase a new home or pay for temporary shelter costs. Meanwhile, builders are running out of serviced land to build on, and the new housing inventory has fallen by about 50% since last year.

"We need the government's proposed 'Housing Supply Team' to start work immediately or the market will hit fever pitch again this year."

WHAT IS RESCON?

The Residential Construction Council of Ontario represents more than 200 of Ontario's residential builders. Working with our labour partner, LiUNA Local 183, our members build world-class high-rise, mid-rise and low-rise homes, including rental apartments and social housing buildings. Visit www.rescon.com.

SOURCE Residential Construction Council of Ontario (RESCON)

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