

## The Lack Of Condos In Toronto Worsens By Building Approbation Hold Up-Study

By John Colley Loum January 9, 2018

According to the University of Toronto's Building Tall Research and the **Residential Construction Council of Ontario (RESCON)**, the procrastination of building approval of Condos in Toronto has been one of the major factors that has delayed the construction of condo units in the area.

Dr. Arash Shahi, research manager of Building Tall and a post-doctoral fellow at U of T's Department of Civil Engineering, mentioned in his commentary thus;

"As the city of Toronto's populace grows more and more, the need to build condos heavenward will be a definite solution. Nonetheless, stringent laws and bureaucratic policies of the city, according to our research, shows that getting permits to erect aloft will be difficult in the future."

The most noteworthy disturbing aspect of these delayed approvals is the fact that, it has doubled in time more over a period of a decade. This has retrograded the impetus in all realtors and buyers alike, additionally stiffening the whole process, relayed the report.

"The Toronto Development Guide which states all approvals shall happen or take place within nine months, eventually lasted up to three and a half years around the year 2016. A high percentage of approved applications dodged the city council after due process of application and went straight to the Ontario Municipal Board (OMB). They specified that failure for the city council to arrive at a decision mandated the OMB appeal. This incurred more expenditure and added time to the first period of application to the city council, underlined the report.

A vital component that the government failed to take advantage of is the property tax revenue. In this kind of system, they stand to lose a lot if they don't take advantage of the situation to expand the property tax revenue.

"Supposed a 60-storey building with 600 units, each unit vending at an average price of \$540,000, the property tax revenue accrued would be \$4,500 per unit. This would generate about \$2.7 million for the city in one year. Additionally, with approbations being procrastinated for 4 to 5 years, the city would have generated up to about \$10.8 million and above in that stance," concluded the report.