



Committee Report

To:	Chair McQueen and Members of Affordable Housing Task Force
Committee Date:	March 3, 2021
Subject / Report No:	Addendum to PDR-AF-01-20
Title:	Updated Housing Action Plan and Next Steps
Prepared by:	Grey County Staff
Reviewed by:	Kim Wingrove
Lower Tier(s) Affected:	All local municipalities
Status:	Recommendation adopted by Committee as amended per resolution AF04-21: add engaging with known landlords/developers to the updated Housing Action Plan March 3, 2021;

Recommendation

1. That Addendum to Report PDR-AF-01-20 be received which provides an update on the actions and initiatives that are underway to address both affordable and attainable housing and includes an updated Housing Action Plan; and
2. That Council endorse the updated Housing Action Plan attached to this report and direct staff to implement the next steps and actions that will assist with creating more affordable and attainable housing throughout the County.

Executive Summary

This report identifies the strategic initiatives that are underway or under development to address affordable and attainable housing including the creation of an affordable housing fund, establishing a land bank, Community Improvement Plan incentives, Development Charge (DC) exemptions and deferrals, Official Plan (OP) and zoning changes, creating a concept plan for the Durham lands and including housing related initiatives in the Climate Action Plan. An updated Housing Action Plan outlining specific actions, next steps and implementation details for the strategic initiatives is provided.

Background and Discussion

The Affordable Housing Task Force (Task Force) commenced on March 3, 2020. [Report PDR-AF-01-20](#) was presented at the first Task Force meeting which presented housing options and potential program opportunities for helping to create more affordable and attainable housing.

Throughout the past year, the Task Force has analyzed data to better understand the overall need for affordable housing. The data reviewed clearly shows that the need for both affordable and attainable housing throughout the County is very evident (see Appendices and Attachment section for data reviewed). Average housing prices continue to be at an all-time high and vacancy rates for rental housing remains low making it very difficult for residents to access housing.

Although the Affordable Housing Task Force focused on actions and initiatives to provide housing for residents most in need (i.e. residential households making less than \$30,000 a year), a number of the action items and incentive programs will also help to address attainable housing or what is often called the 'missing middle' (i.e. households making between \$30,000 to \$100,000).

1. Affordable Housing Fund

[Report HDR-AF-01-21](#) was presented at the December 15, 2020 Affordable Housing Task Force meeting. The report identified action goals and a timeline and also recommended that an affordable housing development fund be created to fund future affordable housing builds, purchasing surplus lands or properties to support builds, and to provide rent supplements. The Affordable Housing Task Force supported the report and recommended that a total of \$1.1 million be earmarked for the Affordable Housing Fund as part of the 2021 Budget and that a 1% tax increase be implemented on a go forward basis each year to put towards the Fund. County Council approved the budget on February 11th with the 1% funding for the Affordable Housing Fund to come from the one-time funding reserve for 2021. The intent for future budgets would be that the 1% funding for the Affordable Housing Fund would be funded from the levy.

The end result is that \$1.1 million has been allocated this year to the Affordable Housing Fund to support future affordable housing builds and rent supplements. This funding will have a significant impact on helping to address the current housing waitlist. The funding can be used to help leverage additional funds from provincial and federal programs. Any funds from the divestiture of County property or through savings from end of mortgage payments for non-profits can also be put towards the Affordable Housing Fund. The intent will be to grow the Affordable Housing Fund over time which will lead to the development and construction of affordable housing builds. Most affordable housing builds will contain a mixture of affordable and attainable housing in order to make a build project viable and therefore by funding the creation of affordable housing, additional attainable housing units will also be created.

2. Housing Land Bank

One of the action items supported by the Affordable Housing Task Force is to establish a 'land bank' to support future affordable and attainable housing builds. Lands that are currently owned by the County, local municipalities, or the Province are being explored to see if they are suitable to support future housing builds. This reflects the County's Housing First policy, whereby any surplus land that the County owns must first be considered for affordable housing where it is deemed to be suitable to support such a build.

Staff are developing criteria to assess the suitability of sites including properties within settlement areas, sites that can be readily serviced, sites in close proximity to schools, hospitals, medical clinics, and other public facilities. County staff will work with local municipal

staff on developing the preferred site criteria and to identify preferred sites. We will then work towards getting the lands shovel ready by pre-zoning the lands to support affordable and attainable housing builds.

If there is an insufficient supply of available publicly owned lands within certain settlement areas, there may be a need to purchase lands using the Affordable Housing Fund to support future builds. Lands within the Housing Land Bank will then be offered to either non-profit housing organizations or through a request for proposal (RFP) process whereby developers can submit a development proposal that would need to meet certain conditions including minimum housing targets, etc. This would be similar to the RFP process completed for the lands in Durham that resulted in the construction of a 15-unit apartment building with 11 affordable units and 4 attainable units (see picture below).



3. Community Improvement Plan Incentives

Through [Report PDR-CW-30-19](#) the County supported a Community Improvement Plan (CIP) Program, which amongst other things will help incent new affordable and attainable housing to be built. The CIP enables municipalities access to programs such as the development charge deferral/exemption, surplus land grant, and the tax increment equivalent grant. Municipalities can offer these programs in their CIPs to increase attainable housing stock, including secondary suites, multi-unit housing, purpose built rental housing, rooming house developments and apartment dormitory style developments. Most local municipalities have either approved or are in the process of approving a new CIP using the County’s CIP Program template (see table below showing CIP status).

Next steps are to work with the local municipalities to promote these incentive programs through brochures, websites, social media, through pre-submission consultation meetings with developers, etc. We will also work with municipal staff to monitor the progress of the CIP Program, share success stories, and make any adjustments to the incentives to ensure that they are being as effective as possible.

Local Municipality	Community Improvement Plan Status
Township of Chatsworth	Information Sessions being held in February and March. Hope to complete CIP before the end of 2021.

Township of Georgian Bluffs	Completing in 2021 along with Township Official Plan Update
Municipality of Grey Highlands	CIP Approved and accepting applications - Grey Highlands CIP
Town of Hanover	Hanover adopted a new CIP in November 2020
Municipality of Meaford	Meaford had an existing CIP which addressed a number of the County CIP Program incentives. Meaford is in the process of updating their existing CIP and plan to adopt the update in the near future
City of Owen Sound	City of Owen Sound adopted a new CIP in November 2020
Township of Southgate	Southgate CIP approved in October 2020
Town of The Blue Mountains	Town Council adopted two new CIP's in January 2021 called the Housing Within Reach CIP and Town-wide Revitalization CIP
Municipality of West Grey	West Grey Council approved the West Grey CIP in December 2020

4. Development Charge Exemptions and Deferrals

On January 14th, 2021, County Council approved changes to the Development Charges By-laws that will help to encourage more rental housing, non-profit housing, and additional dwelling units by exempting these developments from a County Development Charge. Other changes include alignment with some of the recent changes to the Development Charges Act, supporting incentives related to the Community Improvement Plan Program, and considering Development Charge credits for qualifying redevelopment projects (for example conversion of commercial buildings to residential uses).

On January 28th, 2021, County Council approved the Deferral and Conditional Exemption Policy which implements and provides further administrative details regarding the deferrals and conditional development charge exemptions that County approved on January 14th, 2021. In addition to the development charge exemptions, the policy outlines when the County would consider deferral of development charges beyond the deferrals required under the DC Act. Developments that qualify for development charge deferrals include:

1. Housing units that meet the Accessibility for Ontarian Disabilities Act standards. Any housing units that meet the AODA standards would be eligible for a County DC deferral until time of occupancy.
2. Other rental developments that would not be eligible for a conditional exemption under the County's Development Charge By-laws.

3. Any new condominium apartment developments or life lease/land lease developments.

The development charge exemptions and deferrals are an additional incentive that will help to encourage more affordable and attainable housing. It will allow non-profit housing providers and developers to reduce their overall development costs which could make a rental project more viable and may allow developers/homeowners to proceed with rental projects earlier than originally anticipated. It would also free up capital costs which could be invested in more rental housing builds. If there were more rental housing options throughout the County, some people may sell their existing homes and move into a rental unit to either downsize or to free up equity in their house which would free up more housing supply options for others to enter the housing market.

5. Recolour Grey and Local Official Plan/Zoning Updates

In June 2019, the Province approved Recolour Grey, the County's new Official Plan. Recolour Grey contains new direction on housing, going far beyond what was in the previous Official Plan. Section 4.1 of Recolour Grey highlights policies on;

- residential intensification,
- affordable housing (both rental and ownership),
- social and special needs housing,
- tiny homes,
- second units,
- garden suites,
- seniors housing, and
- short term accommodations.

Recolour Grey provides favourable development conditions for affordable housing and requires a wide variety of housing types and densities to be built, including both home ownership and rental opportunities. For example, the County Plan allows for secondary suites (or second units) in a wide variety of land use designations and has also removed minimum unit sizes for new dwellings, such that tiny homes can be permitted. More information on Recolour Grey can be found at [this link](#).

As our communities continue to grow and evolve, the County and member municipalities will need to ensure our planning evolves as well. Just as traditional employment has shifted over time, so too will the need for other uses including housing. Whether it be opportunities for co-living or multi-generational homes, we will need to ensure our official plans and zoning by-laws evolve alongside the needs of residents. Residential neighbourhoods may continue to change, as will downtowns, and opportunities to explore residential infill developments, whether as a secondary unit in a dwelling, or a small apartment complex in or near downtown should be promoted where appropriate.

The County will be undertaking a County housekeeping amendment in 2021 which is an opportunity to review our current housing policies and to include policies to support different forms of housing such as co-housing options. Further policies that support the creation of additional dwelling units can also be considered as part of the housekeeping amendment. County staff will also continue to work with our member municipalities to update their zoning by-laws and official plans, to ensure favourable development conditions at the community level.

Most municipalities have permissive secondary suite policies, and some have also removed minimum residential unit sizes from their zoning by-laws. County staff recommend that these policy updates not just extend to secondary suites and tiny homes, but that municipal documents also consider unit densities and parking standards, which can also impact the overall housing price. Pre-zoning lands that are identified as part of the Housing Land Bank will also be important when zoning by-laws are being updated.

6. Durham Lands

Committee of Management passed a motion directing staff to retain a consultant to provide an assessment report of housing build options for the recently acquired lands in Durham. The report will investigate various housing options that would complement the future rebuild of Rockwood Terrace. The report will also assess the capital and estimated long-term operating requirements for the various housing models. The various housing options could include a mixture of affordable, attainable, and market rate housing.

7. Climate Change Action Plan

Through the County's current Climate Change Action Plan (CCAP), the County may also see recommendations to further support and promote innovative and energy efficient building design. Efficiencies in building design should also help lower the costs of maintaining the housing once occupied. In discussions with groups like Habitat for Humanity, housing advocates note that the cost of buying or renting a dwelling is only a portion of the story, i.e. the carrying costs of the house also need to be considered, in order for people to be able to maintain the home or rental unit. A draft climate change action plan will be finalized this Spring. Further information about the Climate Change Action Plan can be found on the County's website at this [location](#).

Future Actions/Next Steps

Based on the initiatives that are already underway, the following are some further action items and next steps with respect to encouraging and supporting the creation of more affordable and attainable housing. These have also been included in an updated Housing Action Plan attached as an appendix to this report.

- Implement the Affordable Housing Fund by supporting future affordable housing builds, purchasing lands, and providing rent supplements as identified in [Report HDR-AF-01-21](#)
- Finalize the land bank criteria and work with local municipal staff to identify surplus lands that can support future affordable and attainable housing builds and to pre-zone these lands as part of zoning by-law updates.
- Offer surplus lands to non-profit organizations first and then to private developers through an RFP process to create affordable/attainable housing under the Community Improvement Plan Program.
- Update policies in the County Official Plan and local official plans to support different forms of housing including [co-housing options](#), policies regarding additional dwelling units/secondary suites, etc.

- Investigate options for landlord/tenant matchmaking to see if this is something that can be promoted and supported locally. As our population ages, and we have more 'empty-nesters' or single older-adults, there are lots of vacant bedrooms in houses that could be utilized by students, young professionals, etc. County staff could explore online/smart phone apps that have been developed to assist with this 'matchmaking'.
- Work with local municipalities to promote incentives being offered through Community Improvements Plans, development charge exemptions, etc. This can be done by sharing success stories, by promoting through the Housing for All webpage and through local municipal websites, through social media, as part of pre-submission consultation meetings with developers, sharing information with non-profit organizations about incentives, etc.
- Continue to monitor the CIP incentives with support from local municipalities to ensure that the incentives are working as intended and if not, make adjustments to the CIP if necessary.
- Explore partnerships with major employers, which would see housing built to help address their labour shortage. These types of housing may include traditional home types (owned or rental), or it may see the construction of dormitory style housing to accommodate employees. County staff will continue to explore partnership opportunities with major employers, or industry sectors, in this regard.
- Finalize the housing options study review of the lands the County has acquired in Durham and move forward with implementing the recommendations and concept plans developed by the consultants.
- Implement the recommendations from the Housing and Homelessness Plan and to continue to update and monitor this Plan.
- Continue to promote and educate on the need for, and the importance of, affordable and attainable housing to remove the negative stigma that is often attached to higher density housing or housing that is not single detached homes. Pre-zone lands within settlement areas to allow for higher density housing forms to allow for a more streamlined process and to avoid lengthy/costly appeals.

Staff propose that the Affordable Housing Task Force meet to discuss progress on the Housing Action Plan initiatives and provide direction on any new affordable or attainable housing related challenges and opportunities within 3 to 6 months of this report.

Legal and Legislated Requirements

There are no further specific legislative requirements beyond those already being considered by County departments stemming from this report. Various pieces of legislation such as the *Planning Act*, *Municipal Act*, *Development Charges Act*, *Residential Tenancies Act*, etc. all impact housing in Ontario.

Financial and Resource Implications

The action items identified in the Housing Action Plan will primarily be funded from the Affordable Housing Fund established by County Council as part of the 2021 Budget. Other programs and initiatives would be funded from existing budgets and implemented using existing

staff resources. For future/new initiatives, additional expenses may be required which will be considered either through future budgets or through separate staff reports to Council.

Relevant Consultation

- ☒ Internal (Housing, Planning, Economic Development, CAO, Communications)
- ☒ External (Member municipalities, non-profit organizations, developers)

Appendices and Attachments

Appendix A - Updated Housing Action Plan (attached)

[Report PDR-AF-01-20](#)

[Report HDR-AF-01-21](#)

Housing Data Information:

- a) [Grey County Housing Additional Statistical Information](#)
- b) [Grey County Updated Housing Information](#)
- c) [Combined Municipal Profiles](#)
- d) [Individual Municipal Profiles](#)
- e) [Grey County Housing Information](#)

Appendix A: Updated Housing Action Plan

<i>Strategic Initiative</i>	<i>Actions</i>	<i>Next Steps</i>	<i>Method</i>
<i>Affordable Housing Fund Growth</i>	<p>Annual 1% Levy contribution to fund</p> <p>Federal and Provincial Funds allotted for affordable housing</p> <p>Divestment income from identified Grey County Housing units/buildings</p> <p>Other one-time funding as available</p>	<p>Provincial funding amounts for 2022-2024 expected this summer</p> <p>Three Grey County properties ready for divestment this April</p> <p>Appraisal on units completed</p>	<p>Bi-annual report to council on status of affordable housing Fund</p> <p>Divestment of property through report to council</p> <p>Use of Real Estate Services to divest property</p>
<i>Establish a Housing Land Bank</i>	<p>Assess County Properties for Housing Development</p> <p>Assess Municipal Properties for Development</p> <p>Assess Private Properties for Development</p>	<p>Continue to work with municipalities as properties become available</p>	<p>County and municipal staff assesses viability of publicly owned properties for development of affordable or attainable housing using criteria</p> <p>Assessment of Property Appraisal</p> <p>Work with municipalities to pre-zone lands to support housing builds</p> <p>Report to council to add property to housing land bank</p> <p>Annual RFP for Non-Profit Providers to develop land</p> <p>Annual RFP for Private Developers to develop land with certain percentage of units dedicated to affordable housing.</p> <p>RFP results ranked. Results and recommendations to council for approval</p>

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<i>Strategic Initiative</i>	<i>Actions</i>	<i>Next Steps</i>	<i>Method</i>
<i>Develop an Incentive Package for Rental Housing Development</i>	<p>Package of Incentives to be developed through CIP Process</p> <p>Stream-lined process for applicants developing affordable housing</p>	<p>Continue to assist municipalities that have not completed a CIP</p> <p>Work with municipalities to promote CIP incentives and other incentives (e.g. development charge exemptions)</p> <p>Continue to promote and educate on the importance and overall need for affordable and attainable housing.</p> <p>Work with municipalities to monitor effectiveness of CIP incentives and to share</p>	<p>Five municipalities have completed new CIP's or CIP updates and four municipalities will be completing CIP in 2021 in accordance with the Planning Act.</p> <p>Promote incentives through brochures, websites, social media, by sharing success stories, and promoting as part of pre-submission consultation meetings with developers.</p> <p>Prepare educational videos, brochures and workshops to educate and promote on the importance of and overall need for affordable and attainable housing.</p> <p>Monitor CIP implementation on an annual basis with a report to Council.</p>
<i>Assess Current Community Housing for Redevelopment</i>	<p>Identify opportunities for redevelopment or new builds</p> <p>Building Condition Assessment to determine facility condition index on Grey County Housing Buildings</p>	<p>Building condition assessments complete end of March 2021</p> <p>Appraisal for building in Durham required</p> <p>Complete housing options study for lands acquired by the County</p>	<p>Business plan, financials, viability assessment for redevelopment to be discussed with Affordable Housing Taskforce and recommended to Council.</p> <p>Council to approve development or redevelopment</p> <p>Report presented to Long Term Care Development Task Force regarding housing options and concept plans for the lands in Durham. Final report to Council and then staff to implement recommendations.</p>

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<i>Strategic Initiative</i>	<i>Actions</i>	<i>Next Steps</i>	<i>Method</i>
	May require consultant assistance	in Durham (Spring/Summer 2021)	
Assess Non Profit Housing Providers for Affordable Housing Opportunities	<p>Meet with local Non-Profit Housing Providers to determine opportunities for development of affordable housing</p> <p>Provide resources and information to support community housing providers seeking to develop new housing</p>	Working with Lutheran Social Services on business case, pro forma, site plan	<p>Federal and Provincial funds focus on affordable housing development with non profits providers</p> <p>Non profit providers submit affordable housing business plan. Must include provincial priority groups and requirements.</p> <p>Staff assess project to ensure meets Provincial and local affordable housing requirements.</p> <p>Report to Council to approve affordable housing build</p>
Public-Private Partnerships	<p>Determine interest of local developers to develop rental housing</p> <p>Commitment for 20 years at affordable rents</p>	<p>Inform developers of incentives available for affordable/attainable housing (e.g. CIP incentives, development charge exemptions).</p> <p>Work with municipalities to pre-zone lands to allow a higher density of housing in key areas.</p> <p>Explore partnerships with major employers on housing projects that</p>	<p>Meet with private developers and employers to inform them of available incentives through workshops, promotional materials and during pre-submission consultation meetings.</p> <p>Work with municipalities to update housing policies and zoning permissions through official plan updates and zoning by-law updates.</p>

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<i>Strategic Initiative</i>	<i>Actions</i>	<i>Next Steps</i>	<i>Method</i>
		would help address their labour shortage.	
Develop RFP for affordable housing development	<p>Develop RFP and evaluation criteria</p> <p>Include Incentives approved by Council</p> <p>Land available through Housing Land Bank</p> <p>Other funding Available</p> <p>Repeat each year with on-going funding</p>	<p>Complete actions identified in ‘Establish a Housing Land Bank’</p> <p>Work with Purchasing staff to develop an RFP similar to the RFP used for the Durham apartment build.</p>	Distribute RFP to non-profit housing organizations initially and then to private developers
Assess other programs such as Secondary Suite Program and landlord/tenant matchmaking programs	<p>Offer funds for secondary suite program</p>	<p>Update Secondary Suite/additional dwelling policies in the County Official Plan and local municipal planning documents</p> <p>Promote secondary suite/additional dwelling program along with other incentives (e.g. development charge exemptions under the Development Charges Act).</p>	<p>Work with municipalities to update policies and zoning provisions through official plan updates and zoning by-law updates to encourage secondary suites/additional dwelling units.</p> <p>Promote secondary suite/additional dwelling incentives through brochures, websites, social media, by sharing success stories, promoting as part of building permit process with landowners, and as part of pre-submission consultation meetings with developers/landowners.</p> <p>Research landlord/tenant matchmaking programs developed by other municipalities and engage key stakeholders to determine if a similar program would be helpful within Grey County.</p>

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<i>Strategic Initiative</i>	<i>Actions</i>	<i>Next Steps</i>	<i>Method</i>
		Investigate options for landlord/tenant matchmaking programs	
County Portable Rent Supplement Program	Annual funds to provide rent supplements to those on the waitlist that are adequately housed but unable to afford where they live	Provide deep subsidy units through Non Profit Budgets	Explore options through Provincial funds