

CITY COUNCIL AGENDA



City Hall Meeting Room C, Guelph City Hall, 1 Carden Street

DATE Wednesday, June 17, 2015 – 6:00 p.m.

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

Disclosure of Pecuniary Interest and General Nature Thereof

Affordable Housing Workshop

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ITEM #	DESCRIPTION
1	Welcome and Introductions
2	Overview of Agenda and Workshop Purpose
3	Overview of Roles and Responsibilities for Affordable Housing (5 minutes) <ul style="list-style-type: none">• Federal, Provincial and County as Service Manager
4	Warm up Exercise (15 minutes)
5	Presentation and Questions/Answers – Housing Continuum (non-market and market housing) (50 minutes)
6	Affordable Housing Perspectives Exercise (10 minutes)
7	Discussion on Provincial Long-Term Affordable Housing Strategy Update (45 minutes)
8	Summary of Key Issues in Affordable Housing (10 minutes)
9	Workshop Wrap-up and Next Steps (15 minutes)

Recommendations:

1. That the presentation on affordable housing, be received.
2. That the City's submission to the Provincial consultation on the Long Term Affordable Housing Strategy Update include the input received at City Council's June 17, 2015 Affordable Housing Workshop.

ADJOURNMENT

INTERNAL MEMO



DATE June 4, 2015
TO **City Council**
SUBJECT **Council Workshop: Affordable Housing (June 17, 2015)**

This workshop is being held in response to Council's interest in affordable housing as reflected through the 2015 Budget deliberations and Council's Shared Agenda sessions. An interdepartmental staff team are currently working on an Affordable Housing Strategy for the City including a review of the Affordable Housing Reserve Fund. Further information about this work is included in the attached background materials (specifically PBEE Report #14-15).

The **purpose** of the workshop is:

- To increase Council's understanding of the City's current roles, responsibilities and investments in Affordable Housing across the Housing Continuum.
- To begin to gather Councillor's perspectives on principles and values that informs Council's roles and directions on Affordable Housing and the Affordable Housing Reserve.
- To gather Council feedback on key questions posed in the province's Long Term Affordable Housing Strategy Update to inform the City's submission to the province.

The **agenda materials** for the Council Workshop on Affordable Housing are attached and include the following background materials:

- a. Housing Strategy Background Report and PBEE Committee Report #14-15 dated April 2014 (includes project charter for the Affordable Housing Strategy)
- b. Ontario's Long-Term Affordable Housing Strategy Update, Consultation Discussion Guide (April 2015)

Please review the background materials ahead of the session. These materials provide context for the presentations and discussions that are planned for the workshop. The workshop is an important starting point in our discussions on Affordable Housing and will inform the development of directions for the Affordable Housing Strategy. Council will be continuously involved as the project moves forward with next steps including a report to IDE Committee in the fall.

The following **reference materials** are also included for your information:

- a. Housing and Homelessness Plan (Wellington County, November 2013)
- b. Built to Last: Strengthening the Foundations of Housing in Canada (FCM, May 2015)

STAFF REPORT



TO Planning & Building, Engineering and Environment Committee

SERVICE AREA Planning, Building, Engineering and Environment

DATE April 7, 2014

SUBJECT Housing Strategy Background Report and Proposed Project Charter

REPORT NUMBER 14-15

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To present the Housing Strategy Background Report and a proposed project charter to the Committee for approval.

KEY FINDINGS

The provision of a full range of housing to meet the changing needs of all types of households is a fundamental component of Guelph's sustainable community vision, and is one of the key focus areas of the Guelph Wellbeing initiative.

The roles, responsibilities and relationships amongst all of the stakeholders are complex, involving Federal, Provincial, Municipal, Service Manager, not-for-profit and private sector involvement and coordination. All stakeholders must continue to work together to ensure that the entirety of the housing continuum is addressed in a systemic, integrated manner.

The City, through its update of its Official Plan policies, and the work of the Service Manager on the Housing and Homelessness Plan has established and identified a range of land use policies and other implementation tools and mechanisms to address aspects of the housing continuum.

This report, and the attached Housing Strategy Background Report and proposed project charter, provide an overview of the current state of housing policy and implementation in Guelph and identify a recommended focused scope for developing a City of Guelph Housing Strategy.

The City will continue to work closely with the County, who, as Service Manager has the lead role in addressing the portion of the continuum between homelessness and social housing in accordance with the Housing and Homelessness Plan (HHP) approved by the Province in 2013 posted on <http://www.wellington.ca/en/socialservices>.

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The proposed project charter for the Guelph Housing Strategy outlines a project scope which is intended to add value to our ongoing collaboration with the Service Manager on implementing the HHP by focusing primarily on the City's lead role as a land use planning authority and addressing affordability in the Market Housing portion of the housing continuum.

The proposed scope also includes a review of the City's potential role(s) with respect to financially incenting the creation of affordable housing across the full continuum: is this a role the municipality should play, and if yes, what is the guiding corporate philosophy, policy and funding model that defines and supports this role?

FINANCIAL IMPLICATIONS

Council approved a capital budget of \$40,000 for completion of the Housing Strategy. Budgeted funds will be used to support data acquisition and analysis in subsequent phases of the work and will assist with the implementation of a community engagement process.

ACTION REQUIRED

To receive the Housing Strategy Background Report and approve the project charter.

RECOMMENDATION

1. That Report 14-15 from Planning, Building, Engineering and Environment regarding the Housing Strategy Background Report and Proposed Project Charter dated April 7, 2014 be received.
2. That the Housing Strategy Project Charter included as Attachment 2 to Report 14-15 be approved.

BACKGROUND

The provision of a full range of housing to meet the changing needs of all types of households is a fundamental component of Guelph's sustainable community vision, and is one of the key focus areas of the Guelph Wellbeing initiative. Provincial policy and legislation sets out a framework for municipalities to address housing needs through their role as land use planning authorities and also sets out the requirement for Service Managers to develop Housing and Homelessness Plans in collaboration with stakeholders, including the City.

The City's Official Plan Update (Official Plan Amendment 48) establishes a policy framework that recognizes the need to plan for a full range of housing types and tenures, and commits the City to undertaking a Housing Strategy. The proposed scope of the Guelph Housing Strategy recognizes that all stakeholders must continue to work together to ensure an integrated, systemic approach to addressing the entire housing continuum, and recommends new work that builds on and adds

value to other ongoing housing initiatives in which the City is participating, particularly HHP implementation.

Purpose of Housing Strategy

The Housing Strategy is intended to address municipal requirements under the Provincial Growth Plan and Provincial Policy Statement regarding planning for a range of housing types and densities by establishing and implementing minimum targets for the provision of affordable rental and ownership housing. The City completed an Affordable Housing Discussion Paper in 2009 which provided the basis for the affordable housing target incorporated into the City's Official Plan via OPA 48. The Housing Strategy will advance the Official Plan policies by providing an implementation plan related to the 30% affordable housing target along with a mechanism to monitor achievement of the target. The work will include a review of the methods used in determining the affordable housing benchmark prices for rental and ownership units in the 2009 Affordable Housing Discussion Paper and an update of the prices. The Housing Strategy will also assist Council in responding to affordable housing funding opportunities and the City's potential role as a funding source through programs such as the City's Affordable Housing Reserve Fund (AHRF). The opportunity to integrate recommended actions with existing policies and processes, including other funding sources, the Development Priorities Plan and other monitoring processes, will also be explored.

REPORT

Intent of this Report

The intent of this report is to:

- 1) provide a current overview of the state of housing policies and strategies related to the City of Guelph (Housing Strategy Background Report); and
- 2) outline a proposed project charter which defines the scope for undertaking a City of Guelph Housing Strategy.

Housing Strategy Background Report

The Housing Strategy Background Report, posted on <http://guelph.ca/housing> as Attachment 1, provides context to the City of Guelph Housing Strategy and details about the current policy framework for housing to help establish project scope, and appropriately address provincial policy requirements and the City's adopted Official Plan policy. The Background Report provides a general overview of the housing continuum; definition of affordable housing; summary of various government roles, responsibilities and relationships; background policy documents; past studies and reports; and City funding initiatives.

The Housing Continuum and Defining Affordability

Figure 1 presents the Province's definition of the housing continuum with homelessness at one end of the spectrum and home ownership at the other end. Supporting a full range and mix of housing, including the need for affordable ownership and rental housing, is key to community health and wellbeing and addresses the City's corporate strategic goal to ensure a well designed, safe,

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inclusive, appealing and sustainable City. The intent of much government policy is to enable households to move through the continuum as their needs change by encouraging an appropriate range of housing supply and supports for the community.

Figure 1: Housing Continuum



Source: MMAH, Municipal Tools for Affordable Housing, Summer 2011

In the City of Guelph the Non-Market Housing component of the housing continuum is largely administered and managed by the County of Wellington in its role as Service Manager. This leaves the Market Housing component of the housing continuum (being private market rental and ownership housing) to the City of Guelph to address. However the City also has a role on the Non-Market end of the housing continuum through funding of the Service Manager and also through its historic use of the AHRF to incent Non-Market affordable housing.

Housing affordability crosses the entire continuum and can be defined many ways. At a basic level, according to Canada Mortgage and Housing Corporation, housing is affordable for a given household if it costs less than 30% of gross (before-tax) household income. Shelter costs include the following:

- **Renters:** rent and any payments for electricity, fuel, water and other municipal services;
- **Owners:** mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

The adopted City of Guelph Official Plan defines affordable housing based on the Provincial Policy Statement definitions and local market conditions analysed through the City's 2009 Affordable Housing Discussion Paper. For the purposes of this report the following definition from the City of Guelph Official Plan (OPA 39 and 48) will be used:

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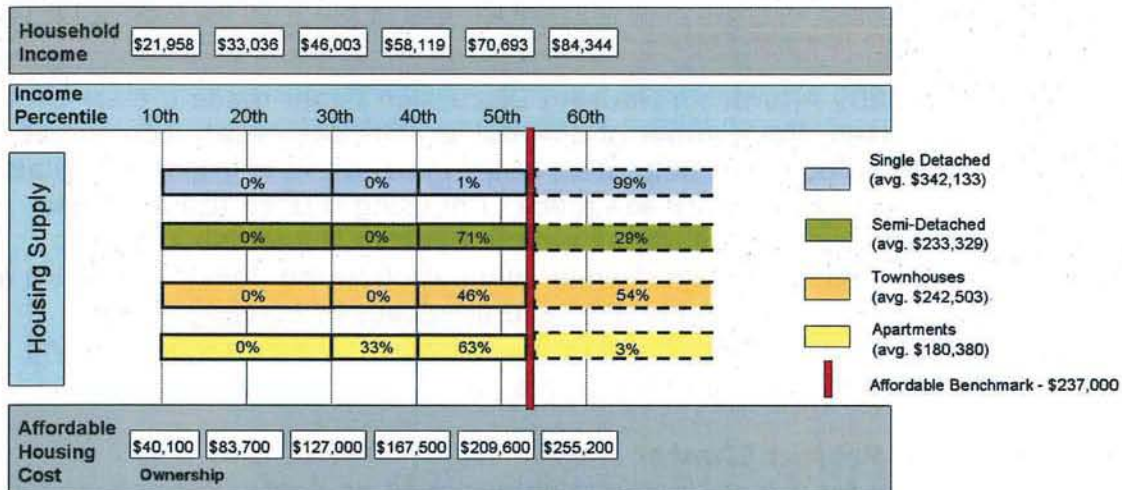
Affordable housing means:

- a) in the case of ownership housing, housing for which the purchase price is at least 10 percent below the average price of a resale unit in the City of Guelph;
- b) in the case of rental housing, a unit for which the rent is at or below the average market rent of a unit in the City of Guelph.

The 2009 Affordable Housing Discussion Paper set an affordable ownership benchmark value of \$237,000 and an affordable rental benchmark value of \$833 based on 2008 market values.

Figure 2 illustrates household incomes by percentiles to show how the affordable ownership benchmark price relates to low-to-moderate income households (below 60th percentile of income distribution). The most affordable new housing forms were apartments (97%) followed by semi-detached dwellings (71%). Only 1% of single detached dwellings were below the affordable ownership benchmark value.

Figure 2: Comparison of Affordable Benchmark and Average New House Prices (2008)

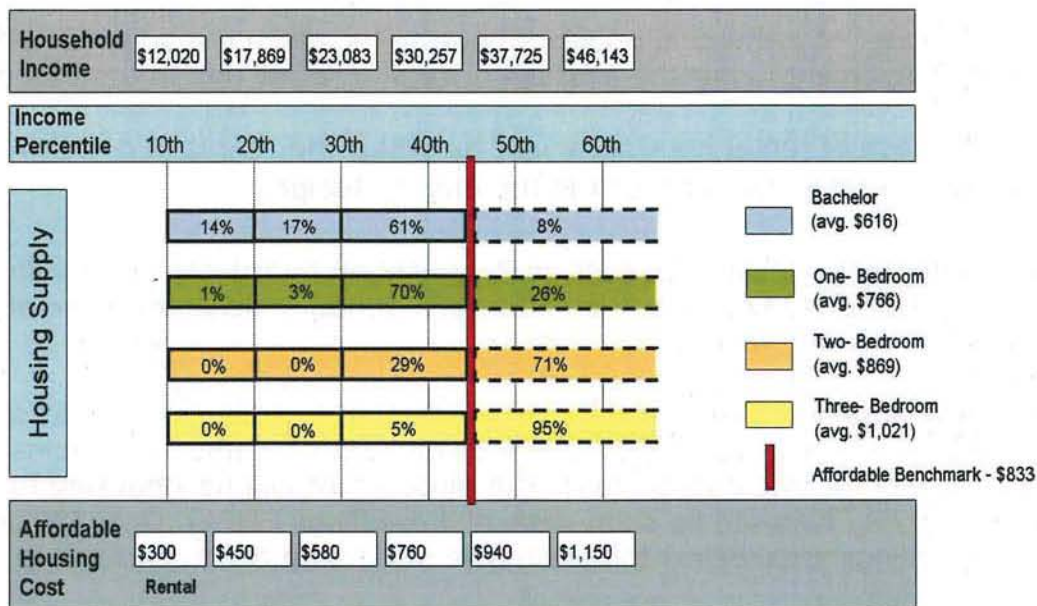


Source: MPAC housing sales data (2008). Household incomes have been calculated from Statistics Canada 2006 Census and have been adjusted upwards by 6.0 % on the basis of the Ontario Consumer Price Index from Statistics Canada.

Figure 3 illustrates household incomes by percentiles to show how the affordable rental benchmark price relates to low-to-moderate income households (below 60th percentile of renter income distribution). The most affordable rental housing forms were bachelor apartments (92%) followed by one bedroom units (74%). Only 5% of three bedroom units were below the affordable rental benchmark value.

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Figure 3: Comparison of Affordable Benchmark with Average Rental Prices



Source: Calculated from CMHC's data (2008). Household incomes have been calculated from Statistics Canada 2006 Census and have been adjusted upwards by 6.0 % on the basis of the Ontario Consumer Price Index from Statistics Canada.

The findings of the 2009 Affordable Housing Discussion Paper made it clear that as bedroom sizes increased, the number of affordable units decreased. Looking at affordability in isolation does not help meet housing needs. It is important to also consider housing suitability and the adequacy of housing related to household needs along with housing affordability. Suitable housing is suitable in size to accommodate household composition while adequate housing does not require any major repairs. The affordability, suitability and adequacy of housing will be considered as part of the Housing Strategy work. The 2009 Affordable Housing Discussion Paper did not address these issues.

Project Scope and Project Charter

A key initial challenge for the work plan is determining an appropriate scope for the City of Guelph Housing Strategy given the complexity of housing needs, multiple policy drivers and program requirements, and the various roles, responsibilities and tools available to stakeholders.

The development of an appropriate project scope focused on policy drivers, roles, responsibilities and tools available to the City, while recognizing the continued lead role of the County of Wellington as the Service Manager in implementing the HHP, and a need to coordinate our efforts with the County, where appropriate, to ensure that complementary and value-added strategies are developed. The advantages of building on work already completed were also recognized.

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The City's need to develop a Housing Strategy is fundamentally driven by our vision of a sustainable community and the role that housing choices and opportunities play in achieving this vision. Provincial policy and legislation provide a framework for municipal consideration of housing, and municipalities are required through the Provincial Growth Plan to develop a housing strategy to address the planning and development of a range of housing types and densities to support the achievement of the intensification target and density targets. Similarly, the Provincial Policy Statement requires municipalities to provide an appropriate range and mix of housing types and densities for current and future residents by establishing and implementing minimum targets for the provision of affordable housing.

These provincial planning requirements have largely been addressed through the City's Official Plan Update process (OPA 39 and 48). The Official Plan Update designates sufficient lands to meet growth plan needs to 2031, supports a range of housing types and includes an affordable housing target along with definitions for affordable ownership and rental housing. However, the policies recognize the need for further guidance regarding implementation which is to be addressed through the Housing Strategy. In dealing with housing needs, the City's primary focus is through its role as the land use planning authority and the use of associated tools such as land use designations, intensification policies and permitted uses in its Official Plan and through the development approvals process. The City also collaborates with the County of Wellington and other stakeholders to address other aspects of the housing continuum and to ensure an overall, integrated, systems-based approach is followed.

The County as the Service Manager is responsible for the administration, funding and management of social housing and homelessness programs and resources for both the County of Wellington and the City of Guelph. The City does, from a funding perspective, pay its apportioned costs for social housing and homelessness programs but only has an indirect influence on how this funding is spent and how social housing resources are managed. In addition the Service Manager is required to complete a Housing and Homelessness Plan under the Housing Services Act, 2011 which was approved by the Province in 2013. The City is continuing to work with the County on the development of the HHP implementation plan.

It is recommended that the City build on the work already completed through the Official Plan Update and focus on affordable housing implementation strategies. In addition, it is recommended that the City of Guelph Housing Strategy focus mainly on its land use planning role and on the Market Housing components of the housing continuum.

The City will continue to play a support role, already reflected in the City's planning policies and funding arrangement with the County, in addressing Non-Market Housing, i.e. homelessness, special needs housing (emergency shelter, transitional housing and supportive housing), social housing and subsidized rental.

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The project charter, included as Attachment 2, addresses policy drivers, builds on work already completed, defines project scope and responds to the housing policies and targets contained in the City's adopted Official Plan. Policy drivers include the Provincial Growth Plan, City of Guelph 2009 Affordable Housing Discussion Paper, Official Plan Update policies (OPA 39 and 48), and the 10-year Housing and Homelessness Plan completed by the Service Manager which was approved by the Province in November 2013 posted on <http://www.wellington.ca/en/socialservices>. Key components of the work plan include updating the affordable rental and ownership housing benchmarks, developing an implementation plan, and exploring the potential for a comprehensive policy framework and sustainable funding plan for the Affordable Housing Reserve Fund.

The City of Guelph Housing Strategy will include a review of the Housing and Homelessness Plan completed by the County of Wellington with a focus on actions related to increasing the supply and mix of affordable housing options for low-to-moderate income households viewing the provision of affordable housing as a key City building objective and focal area of the Guelph Wellbeing initiative. In addition, city staff are participating in the implementation of the County's Housing and Homelessness Plan. The intent is to create complementary and value-added strategies and continue to leverage and support opportunities presented by other levels of government in meeting community housing needs.

The Housing Strategy will also review the City's potential role as a funding source of affordable housing through programs such as the Affordable Housing Reserve Fund (AHRF). A first principles approach will be taken starting with determining if the City should be financially incenting affordable housing and if yes what is the guiding philosophy, policy and financial model. If it is determined that an ongoing funding role is warranted, the Housing Strategy will include a comprehensive policy framework and sustainable funding plan. Since 2002, the City of Guelph has supported the funding of affordable housing using the AHRF including opportunities, such as the "Investment in Affordable Housing (IAH) Initiative" managed by the Service Manager. The AHRF lacks a sustainable funding plan and requests for funds have been considered outside of a comprehensive policy framework or needs analysis.

Work Plan

Table 1 below presents a high level work plan for the Housing Strategy. The proposed approach allows for raising awareness and understanding of government roles and historic responses, and allows for community engagement opportunities to advance the understanding of issues, prior to proceeding with the development of recommended directions. It is intended that a more detailed work plan, including a community engagement and communications plan will be developed upon the initiation of Phase II.

Table 1: Housing Strategy Project Phases

Phase I	Background Report	April 2014 (Complete - Attachment 1)
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Phase II	Discussion Paper	Winter 2015
Phase III	Directions Document	Spring 2015
Phase IV	Housing Strategy	Fall 2015

Data analysis and the identification of housing issues will be completed as part of the discussion paper scheduled for release in the winter of 2015. A community engagement plan will also be presented, at that time, and will address building the community's awareness, understanding and engagement in the development of sustainable directions for affordable housing in the City.

A directions document, including a review of practices of other municipalities and draft recommendations, is anticipated in early 2015. The release of a directions document ensures ample opportunity for stakeholders to review draft directions and propose additional approaches prior to City staff fully developing actions. The expectation is that the directions document will inform a draft Housing Strategy that will be released to the public in the fall of 2015 for further consultation.

Critical Success Factors

Managing the scope of the project is essential along with the ability to acquire and analyze housing need and supply information so that a response based on local data is developed recognizing the roles and responsibilities of the City and connections with other stakeholders and opportunities. In particular support from key internal departments is needed along with on-going dialogue with Wellington County staff, given their role as Service Manager.

Next Steps

Following approval of the City of Guelph Housing Strategy project charter, data analysis and collection will begin. Housing need and supply data will be collected and affordable housing benchmarks will be reviewed and updated. The data will focus on the affordability, suitability and adequacy of housing needs and supply. A review of the secondary rental market is also anticipated given the increased supply and significance of this housing option in the City of Guelph.

Conclusion

The complexity of housing needs, presence of multiple stakeholders and multiple policy drivers supports the proposed approach that encompasses a comprehensive analysis of housing needs (affordability, adequacy and suitability); recognizes the roles and responsibility of the City and connections with other stakeholders; and coordinates and maximizes policy and program requirements and tools. The result will be a City of Guelph Housing Strategy that comprehensively assesses and responds to community needs in a manner that best leverages tools and resources, including the ability to support other stakeholder efforts with a clear implementation plan. A coordinated systems-based approach is required to address the full housing continuum with a scope reflective of our ongoing work with the County of Wellington as Service Manager. The provision of affordable housing

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across the entire housing continuum is a key City building objective and a key focal area of the Guelph Community Wellbeing Initiative.

CORPORATE STRATEGIC PLAN:

2.2 Innovation in Local Government - Deliver public services better.

3.1 City Building - Ensure a well-designed, safe, inclusive, appealing and sustainable City.

FINANCIAL IMPLICATIONS:

Council approved a capital budget of \$40,000 for completion of the Housing Strategy. The budget will primarily be used for data acquisition and analysis, which could include the collection of primary data through a housing needs survey, including the secondary rental market. This funding also includes budget for the implementation of a community engagement process.

DEPARTMENTAL CONSULTATION:

The work plan was developed with the assistance of a cross departmental team with representatives from Planning Services and Community and Social Services. Communications, Community Engagement and Finance staff will be consulted during subsequent phases of the work plan.

COMMUNICATIONS:

A Community Engagement and Communications Plan will be developed in coordination with Community Engagement and Communications staff. The public will be consulted throughout this process.

ATTACHMENTS

- *ATT-1 Housing Strategy Background Report
- ATT-2 Housing Strategy Project Charter

* Attachment 1 is available on the City of Guelph website at <http://guelph.ca/housing>. Click on the link for the April 7, 2014 Housing Strategy Background Report and Proposed Project Charter Staff Report (with attachments).

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Attachment 1

**City of Guelph Housing Strategy:
Background Report**

April 2014

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1 Introduction

The City is undertaking a review of the state of housing policies and strategies related to the City of Guelph in support of the development of a housing strategy. The provision of a full range and mix of housing to meet the changing needs of all types of households is a fundamental component of Guelph's sustainable community vision and is one of the key focus areas of the Guelph Wellbeing initiative. The complexity of housing needs, presence of multiple stakeholders, and multiple policy drivers requires a comprehensive assessment of the state of housing in order to develop a coordinated systems-based approach for the City to address housing needs across the continuum that is reflective of our on-going work with the County of Wellington as the Service Manager for social housing and homelessness programs.

The Background Report was compiled to provide context to the Housing Strategy and details about the policy framework for housing to appropriately address provincial policy requirements and the City's adopted Official Plan policy. The Background Report provides a general overview of the housing continuum; definition of affordable housing; summary of various government roles, responsibilities and relationships; background policy documents; past studies and reports; and City funding initiatives.

1.1 The Housing Continuum

A full range of housing, including affordable ownership and rental housing, is a basic need supported by all levels of government. It is a key component of meeting the needs of a growing population, social inclusion and economic sustainability. Access to appropriate housing is key to community health and wellbeing and addresses the following goal of the City's Strategic Plan "3.1 City Building - Ensure a well-designed, safe, inclusive, appealing and sustainable City".

An appropriate supply of housing needs to be adequate in condition, not requiring any major repairs; suitable in size to meet household needs; and affordable in price.

Housing choice is important. A range of housing stock needs to be available throughout the City to meet a range of household needs including economic circumstances.

Figure 1 presents a housing continuum from the Ministry of Municipal Affairs and Housing (MMAH) with homelessness at one end of the spectrum and home ownership at the other end.

Figure 1: Housing Continuum



Source: MMAH, Municipal Tools for Affordable Housing, Summer 2011

The intent of much government policy is to enable households to move through the continuum as their needs change by encouraging an appropriate range of housing supply and supports for the community. Movement through the continuum is not necessarily linear nor in only one direction, it means finding the best fit with household needs, supply and choice, if available. Some households may stay within one segment of the continuum out of necessity while others may stay out of choice. For example some households may have their needs best met with supportive housing. In other cases some households may choose to rent in the private market instead of seeking home ownership. Homelessness is the one exception where needs and choice do not apply and programs are developed to help households avoid this part of the continuum.

The City's focus in dealing with housing is to plan for the provision of a range and mix of housing types to meet the needs of its current and projected population, including the need for affordable rental and ownership housing. The City plans for a range of housing types and densities through land use planning tools such as land use designations, intensification policies and the development approvals process. Affordable housing (defined in section 1.2) can be found across the entire housing continuum.

Non-market housing is predominantly affordable and generally managed by other levels of government, including the County as the Service Manager. The County is not responsible for providing all transitional or supportive housing the community, but what they do provide is available to those in the lowest quintile. The City provides support to other levels of government, including the County as the Service Manager, for homelessness, special needs housing (emergency shelter, transitional housing and supportive housing), social housing and subsidized rental. The support provided includes City funding for social housing and other programs, including the Affordable Housing Reserve Fund, which is discussed further in section 2.8.

Market housing (private market rental and home ownership) has received more direct support from the City through its land use planning role, Affordable Housing Reserve Fund and other financial incentives including the

Downtown Guelph CIP Minor Activation Grant which are discussed further in sections 2.1-2.6, 2.8.1 and 2.8.4.

1.2 Definition of Affordable Housing

There are numerous definitions of affordable housing. Traditionally within the housing industry and according to Canada Mortgage and Housing Corporation, housing is affordable for a given household if it costs less than 30% of gross (before-tax) household income. Shelter costs include the following:

- **Renters:** rent and any payments for electricity, fuel, water and other municipal services;
- **Owners:** mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

The Provincial Policy Statement defines affordable as meaning:

"a) in the case of ownership housing, the least expensive of:

1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for *low and moderate income households*; or
2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the *regional market area*;

b) in the case of rental housing, the least expensive of:

1. a unit for which the rent does not exceed 30 percent of gross annual household income for *low and moderate income households*; or
2. a unit for which the rent is at or below the average market rent of a unit in the *regional market area*."

The Province's Growth Plan and the PPS define low and moderate income households as those with an annual income at the 60th percentile or less within the regional market area. The City of Guelph is the regional market area for the purpose of applying these definitions.

The term affordable housing is also occasionally assigned a specific definition for the purposes of various housing programs. The 2014 Housing Directory released by the County of Wellington Housing Services defines housing as affordable because the rent is set at approximately 80% of the average market rent in the area. In addition there is a maximum household income limit in order to be eligible for these affordable units. Six sites within the

County's service area include affordable units. Four of the sites are located within the City of Guelph.

The adopted City of Guelph Official Plan policies use the same definition of affordable housing as the County of Wellington. The definition is based on the Provincial Policy Statement definitions and local market conditions analysed through the City's Affordable Housing Discussion Paper (2009). For the purposes of this report the following definition from the City of Guelph Official Plan (OPA 48) will be used:

Affordable housing means:

- a) in the case of ownership housing, housing for which the purchase price is at least 10 percent below the average price of a resale unit in the City of Guelph;
- b) in the case of rental housing, a unit for which the rent is at or below the average market rent of a unit in the City of Guelph.

1.3 City, County, Provincial and Federal roles, responsibilities and relationships

Historically, the federal government was a major funder of affordable housing initiatives. The Central Mortgage and Housing Corporation (now "Canada" Mortgage and Housing Corporation) was created in 1946 to house returning war veterans and to lead the nation's housing programs. In the late 1940's, the federal government created a social and rental housing program for low-income families, with costs and subsidies shared 75% by the federal government and 25% by the province. Since the 1990's, the federal government ended funding for new housing programs and transferred responsibility for ongoing social housing programs to the provinces for administration.¹

In the past 25 years, the federal government has provided funding for:

- Supporting Community Partnerships Initiative (SCPI) created in 1999 which targeted transitional housing for the homeless. SCPI is a community-based program that relies on communities to determine their own needs and to develop appropriate projects. This program has since been replaced by the Homelessness Partnering Strategy
- Homelessness Partnering Strategy (HPS) was launched in 2007. HPS supports 61 designated communities, including Guelph-Wellington, to develop local solutions to homelessness. The Economic Action Plan 2013 announced nearly \$600 million for HPS for five years, from April 2014 to March 31, 2019
- Investment in Affordable Housing (IAH) was announced in 2011 which is a \$1.4 billion combined federal, provincial and territorial investment

¹ <http://www.onpha.on.ca/AM/Template.cfm?Section=Funding#rentalsupportive>

toward reducing the number of Canadians in housing need by improving access to affordable housing that is sound, suitable and sustainable. Under the Investment in Affordable Housing bilateral agreements, provinces and territories match federal investments. Locally, the Guelph-Wellington area received \$5,418,752 over the four years (2011-2015). Economic Action Plan 2013 announced the Government's continued commitment to working with provinces and territories to develop and implement solutions to housing by proposing \$253 million per year over five years to renew the Investment in Affordable Housing to 2018-19.

Provincially, the Ontario Housing Corporation (OHC), a crown corporation, was established in 1964 as a landlord to provide and manage adequate and affordable housing. OHC gave policy direction and funded Local Housing Authorities (LHA) which managed public housing owned by the Province, acting on behalf of the OHC as local delivery agents for Public Housing.

"Between 1985 and 1989, the Ontario government was directly involved in social housing and funded the building of non-profits and co-ops through the then-Ministry of Housing. The majority of non-profit housing in Ontario was built during this period. In the 1990's, when the federal government had largely stopped participating in the construction of new social housing, the Provincial Government followed suit by 1995."²

In January 1997, the Government of Ontario announced comprehensive reform of the provincial-municipal relationship. This Local Services Realignment (LSR) made fundamental changes to provincial and municipal roles and responsibilities and created 37 Consolidated Municipal Service Managers and 10 District Social Services Administration Boards (DSSAB) to deliver social programs: social housing, Ontario Works and Children's Services. In January 1998, municipalities assumed funding responsibilities for social housing although programs are still governed by the Province. And in January 2001, Ontario's 84,000 public housing units are devolved to Service Managers (formerly Consolidated Municipal Service Managers). Locally, Wellington County is the Service Manager for social programs for both Wellington County and the City of Guelph.

On November 29, 2010, the Province released its Long-Term Affordable Housing Strategy (LTAHS). The LTAHS focuses on transforming the way housing and homelessness services are delivered in order to achieve better outcomes for people. The vision of the strategy is:

"To improve Ontarian's access to adequate, suitable and affordable housing, and provide a solid foundation on which to secure employment, raise families and build strong communities."

² <http://www.onpha.on.ca/Content/ONPHA/About/HistoryofNonProfitHousing/default.htm>

Two key elements of the LTAHS are:

1. Local housing and homelessness plans

Service Managers are required to prepare a local Housing and Homelessness Plan (HHP) that addresses matters of provincial interest and is consistent with policy statements issued under the Act. These plans must identify local needs and establish priorities. Guelph Wellington's HHP is discussed in section 2.7.8.

2. Program consolidation (Community Homelessness Prevention Initiative)

Previously, numerous provincial housing and homelessness programs existed, each operating independently with their own set of rules and Service Managers were required to use funding only for specific purposes set out by the province. Several of these provincial housing and homelessness programs were consolidated into a single program called Community Homelessness Prevention Initiative (CHPI). Program consolidation allows Service Managers to use funding in a more flexible manner which is reflective of local need and based on an integrated, client-centred approach. Locally, the County's October 10, 2012 Social Services Committee meeting, report #OW-12-12: 2013 CHPI Funding, the County's funding allocation was confirmed at \$2,811,525 for April 2013 to March 2014. In addition to this provincial funding, an additional \$904,000 is being contributed municipally in 2014 to maintain service comparable to levels prior to CHPI implementation.

Social housing, including CHPI, is governed by the province's Ministry of Municipal Affairs and Housing (MMAH).

Prior to CHPI, emergency shelters were funded through the Ontario Works program (under the Ministry of Community and Social Services) at an established per diem rate based upon occupancy. Effective January 1, 2013, emergency hostel services were removed as Ontario Works financial assistance. Emergency shelter solutions could be provided through CHPI at the discretion of the Service Manager, in accordance with local needs and priorities. Locally, the County, as Service Manager, is using CHPI funds to support emergency shelters. The funding provided is "block funding" to shelters to offset the cost of operations and not based on occupancy.

The City of Guelph primarily relies on its land use planning role to support a full range of housing that is adequate, suitable and affordable. Through the development and implementation of official plan policies, zoning by-law regulations and programs, the City supports the development, retention and support of an appropriate supply of housing. Housing supply responses include policies permitting accessory apartments, lodging houses, multi-residential developments and protecting rental housing stock. Housing adequacy responses include property management by-laws, enhanced by-law enforcement and fire prevention programs. Housing suitability responses include enforcement of building and fire code standards and supporting other

levels of government in the supply and retention of special needs housing. Housing affordability responses include an Affordable Housing Reserve Fund and supply responses for the types of residential units that tend to be affordable, e.g. rental apartments, including accessory apartments.

2 Policy Basis for a Housing Strategy

2.1 Provincial Policy Statement 2014

The Provincial Policy Statement requires municipalities to provide an appropriate range of housing types and densities for current and future residents by establishing and implementing minimum targets for the provision of affordable housing.

Specifically, section 1.4.3 requires municipalities to:

"provide for an appropriate range and mix of housing types and densities to meet the projected requirements of current and future residents of the regional market area by:
a) establishing and implementing minimum targets for the provision of housing which is affordable to low and moderate income households."

The Growth Plan and the PPS define low and moderate income households as households with an annual income at the 60th percentile or less within the regional market area. As discussed in section 1.2, the City of Guelph is the regional market area for the purpose of applying these definitions.

2.2 Provincial Growth Plan

The Provincial Growth Plan for the Greater Golden Horseshoe works in conjunction with other provincial legislation including the 2005 Provincial Policy Statement and provides an overall planning framework for municipalities within the area which includes the City of Guelph. Municipal Official Plan policies must conform to the Provincial Growth Plan. The initial Growth Plan included population and employment forecasts for the County of Wellington and the City of Guelph combined to 2031. An amendment to the Growth Plan provided population and employment forecasts for the City of Guelph separate from the County of Wellington to 2041. Urban growth centres, i.e. Downtown, are to be planned to achieve, by 2031 or earlier, a minimum gross density target of 150 residents and jobs combined per hectare. A density target of 50 residents and jobs per hectare is required within the "Greenfield Area" of the City, the portion of land within the City's urban boundary outside of the existing "Built-up Area" (as of June 2006). By 2015 and for each year after, a minimum of 40% of all annual residential development must occur within the "Built-up Area".

The Provincial Growth Plan requires municipalities to develop a housing strategy to include the planning and development of a range of housing types and densities to support the achievement of the intensification target and

density targets. The housing strategy is to include Official Plan policies and implementation strategies.

Specifically, section 3.2.6.6 states:

“Upper-and single-tier municipalities will develop a housing strategy in consultation with lower-tier municipalities, the Minister of Municipal Affairs and Housing and other appropriate stakeholders. The housing strategy will set out a plan, including policies for the official plans, to meet the needs of all residents, including the need for affordable housing – both home ownership and rental housing. The housing strategy will include the planning and development of a range of housing types and densities to support the achievement of the intensification target and density targets.”

The provincial growth plan also requires municipalities to establish and implement affordable housing targets in accordance with the Provincial Policy Statement.

Specifically, section 3.2.6 of the Growth Plan states:

“Municipalities will establish and implement minimum affordable housing targets in accordance with Policy 1.4.3 of the PPS 2005.”

The 2014 Provincial Policy Statement maintains this policy direction.

2.3 Local Growth Management Strategy (2009)

The City of Guelph prepared a Local Growth Management Strategy in 2009 in response to the Provincial Growth Plan for the Greater Golden Horseshoe and to serve as the foundation for an update of the City’s Official Plan. Council approved the following, growth and housing related items, as part of Phase III of the growth strategy on June 23, 2008:

1. That the City of Guelph plan for a population target of 169,000 people to the year 2031 (equivalent to a Places to Grow population of 175,000) in response to the Provincial Growth Plan.
2. That the City should plan for a steady rate of population increase; this rate of increase is primarily associated with the planning of future infrastructure – both hard and soft services and will be equivalent to a long term average annual population growth rate increase of 1.5 %.
3. That within the ‘Built-Up’ area of the City, residential intensification opportunities will be identified in the Downtown ‘Urban Growth Centre’ and the ‘nodes and corridors’ are schematically illustrated on Schedule “H”, Residential Intensification Opportunity Areas.

4. That in addition to the 'residential intensification opportunities' within the 'Built-Up' area of the City, that opportunities to provide higher density residential development in the four 'Mixed Use Nodes' of the City's current Official Plan will be examined in the next phase of the Urban Design Action Plan.
5. That all development including higher residential density and mixed-use development be planned within the 'Greenfield' areas of the City based on the implementation of the Community Energy Plan.
6. That a provision for affordable housing be planned within the City based on the implementation of the Affordable Housing Strategy.

Both the provincial and local growth management policies focus on additional residential intensification and higher residential densities to ensure the City grows in a more compact urban form to assist in making the City a complete community for living, working and playing. Density should be optimized so as to:

- increase the residential population in Downtown;
- ensure a high level of livability;
- achieve, where appropriate, mixed-use neighbourhoods; and
- increase the diversity of housing.

The phase III work concluded that development, to meet the objectives of the Provincial Growth Plan and the City's local growth strategy, can be accommodated on lands contained within the current boundaries of the City of Guelph.

The final phase of the Local Growth Management Strategy, phase IV, included a more detailed assessment of the environmental, social, cultural and economic implications of the strategy and tools necessary to implement the recommendations of the strategy. The assessment of growth impacts and possible planning proactive approaches developed included the following:

- housing needs for the 2031 population target;
- affordable housing provision; and
- planning and development opportunities for specific areas of the City: Urban Growth Centre, Guelph Innovation District and South Guelph Special Study Area.

The three Local Growth Management Strategy impacts are discussed in further detail below.

Housing Needs:

Approximately 26,600 new households are anticipated, as of 2006 with a general distribution of 30% singles/semis, 33% multiple townhouses and 37% low/mid/high rise apartments. A gradual annual increase in the

proportion of higher density multiple and apartment dwelling units is projected resulting in a more balanced range of housing types with greater diversity and choice. By 2031 lower density units will represent 47% of the entire housing supply (58% in 2009), multiples at 24% from 18%, and high density at 29% from 24%. Future residential development within the "Greenfield Area" will need to average 60-70 persons per ha. with 40-50% of projected residential growth being accommodated within the City's "Built-up area".

Affordable Housing Provision:

Increased growth means an increased need to provide for additional affordable housing opportunities. The City needs to establish and implement minimum targets for low and medium income households. Co-ordination and co-operation with the City's Service Manager (County of Wellington) is essential to support the availability of a full continuum of affordable and social housing to meet household needs.

Planning and Development Opportunities:

There are three areas requiring secondary plans within the City which have potential to meet various growth plan needs. The Downtown Secondary Plan for the City's Urban Growth Centre was completed in 2012 through OPA 43. The Downtown will be planned to accommodate an additional 6,000 new residents and 1,500 new jobs at a minimum density target of 150 persons and jobs per hectare by 2031. In 2006 there were approximately 3,200 people living and 7,000 people working in the area representing a density of approximately 95 jobs and people per hectare. Special efforts would be made to balance out the employment-residential mix in the area which as of 2006 has 75% employment and 25% residential activity. The Guelph Innovation District will be planned to provide a compact mixed use community with a strong employment focus and a range of residential housing types focusing on medium to high density forms within an "urban village". The Clair Maltby Secondary Plan area (established in OPA 48) will be planned for employment and residential development. A high density "urban village" may be provided within the area to serve as the southern terminus to the Gordon/Norfolk/Woolwich transit spine.

2.4 Official Plan Update

The City's adopted Official Plan policies conform to and are consistent with the Provincial Policy Statement and Growth Plan, including the development of a housing strategy designed to address the full range of housing, including the need for affordable ownership and rental housing. Official Plan Amendment (OPA) No. 39 brought the City's Official Plan into conformity with the Provincial Growth Plan. Official Plan Amendment 48 completed the update of the Official Plan by bringing the Plan into conformity with provincial legislation and plans and is consistent with the 2005 Provincial Policy Statement. OPA 39 is approved and is in full force and effect. OPA 48 was approved with modifications by the Ministry of Municipal Affairs and Housing on December 11, 2013 and is under appeal to the Ontario Municipal Board.

The City's Official Plan is the main policy document that guides the type, form and location of growth in the City. The Official Plan policies support a range of housing types and densities throughout the City through land use designations and intensification policies. Part of that range includes special needs housing (emergency shelter, transitional housing and supportive housing), social housing, and private market forms including accessory apartments and coach houses. Policy support is given to the development of and retention of special needs housing in conjunction with the County, Provincial and Federal governments. An update of the City's Zoning By-law will further support and define the range and density of housing. The Official Plan policies also include an affordable housing target of 30% (27% ownership units, 3% rental units), encouragement for the creation of accessory apartments through a separate target of 90 per year, and the definitions of affordable housing (ownership and rental) adapted from the Provincial Policy Statement. Although the Official Plan Update addressed the housing strategy requirements of the Provincial Growth Plan (policy 3.2.6.6), the implementation strategies related to the housing targets were expected to be part of an affordable housing strategy. Specifically the corresponding adopted Official Plan policy states "the City will undertake a review of municipal implementation tools that could be used to support and implement *affordable housing*".

The adopted Official Plan also includes a policy to support and assist the Service Manager, i.e. County of Wellington, in the preparation of a housing strategy (distinct from the housing strategy required by the Growth Plan) to meet the needs of the most vulnerable in the City. This policy reflects the Service Manager's role in delivering social housing and the need for the Service Manager, under the Housing Services Act, 2011 sec. 6(1) – 10(1), to produce a Housing and Homelessness Plan.

The adopted Official Plan policies recognize the different roles, responsibilities and tools available to the City versus the Service Manager in meeting the needs for a full range of household types through the creation of complimentary strategies. Appendix A provides the housing policies in an excerpt from the Official Plan Update.

2.5 Amendment to the Planning Act through the Strong Communities through Affordable Housing Act

The Strong Communities through Affordable Housing Act (2011) is the foundation for the Province's long-term commitment to affordable housing. The Act included changes to the Planning Act. These changes came into effect on January 1, 2012. The Planning Act changes include specifically identifying affordable housing as a provincial interest in Section 2 of the Act and enhanced tools to support the creation of second units (accessory apartments) and garden suites (coach houses). The Planning Act changes require municipalities to establish official plan policies and zoning by-law provisions allowing second units in single, semi-detached and row housing,

as well as in ancillary structures. The official plan and zoning by-law provisions would not be appealable except where such official plan policies are included in a five-year update of a municipal plan. The Planning Act changes also provide the Minister of Municipal Affairs and Housing with the ability to make regulations authorizing the use of and prescribing standards for second units. Municipalities still have the ability to determine appropriate locations and standards for these units.

The City of Guelph has supported accessory apartments and coach houses since the Apartments in Houses legislation from the early 1990s. The City's Official Plan policies are consistent with the Planning Act changes. However the City's Zoning By-law does not currently allow or regulate accessory apartments in row dwellings. Furthermore, coach houses are not permitted by the zoning by-law except through site specific amendments. City servicing requirements have meant that very few coach houses are being developed.

2.6 Development Priorities Plan

The City prepares an annual Development Priorities Plan (DPP) to manage and monitor the rate of growth and timing of development in a balanced and sustainable manner that supports Growth Plan needs. The DPP has evolved over time to incorporate additional housing supply opportunities, such as residential infill opportunities and growth plan targets. The City's growth plan needs include accommodating a population projection of 175,000 people by the year 2031 with a minimum of 40% of the City's annual residential development occurring within the City's built-up area by 2015. The DPP also supports the achievement of the City's planned long term housing supply and mix, and achievement of a minimum three year supply of residential units on serviced land that is suitably zoned for residential intensification and redevelopment, and land in draft approved and registered plans (consistent with the Provincial Policy Statement).

The DPP provides statistics on development and construction activity in the previous year and recommends targets for the number of dwellings units to be approved in draft and registered plans of subdivision for the current year in keeping with City population projections and growth management requirements. The supply of units includes potential residential units created by registered plans of subdivision and zone changes (approved outside of plans of subdivision) which yielded at least 10 dwelling units. Lots created by severance and/or accessory apartments are excluded. Supply is measured by dwelling type and location, i.e. greenfield area or built-up area. Building permit activity by dwelling type is also measured including historic levels going back to 1994. Tenure is not measured. Achievement of growth plan targets such as building permit activity within the built-up area and the greenfield area has been measured since 2008. The DPP and the capital budget are reviewed concurrently to ensure that the timing of subdivision plan registration is linked with the timing of any capital project required to serve development. The DPP will continue to evolve as a monitoring and growth management tool.

2.7 Past Housing Studies and Reports

2.7.1 Municipal Housing Statement (1990)

The City completed a Municipal Housing Statement Update in December 1990 in response to the Province's July 1989 Land Use Planning for Housing Policy Statement. The policy statement required all municipalities to examine their planning policies related to the provision of a full range of housing. Many of the recommendations were incorporated into the City's Official Plan

2.7.2 Affordable Housing Policy Paper (2001).

The City produced an Affordable Housing Policy Paper in 2001 to outline potential solutions to address the needs identified at that time.

2.7.3 Affordable Housing Action Plan (2002)

The 2002 Affordable Housing Action Plan was completed to supplement the City's 2001 Affordable Housing Policy Paper. The Action Plan outlined the numerous issues facing the community regarding the availability of appropriate, safe and adequate affordable housing.

2.7.4 Wellington and Guelph Housing Strategy (2005)

In the spring of 2005 the County of Wellington was directed by the "Seniors and Social Services Committee" to prepare an Affordable Housing Strategy in conjunction with the City. On May 16, 2005 the Wellington and Guelph Affordable Housing Strategy was endorsed by Guelph City Council. The Strategy built upon the City's 2002 Affordable Housing Action Plan and the 2001 Affordable Housing Policy Paper. The Wellington and Guelph Housing Strategy provided an overview of housing needs and gaps in the County and City and identified a series of strategies to assist in providing affordable housing in Wellington and Guelph. The Housing Strategy addressed the following topics:

- 1) The need to produce new affordable and social housing
- 2) The protection of persons who are at risk of losing their housing and becoming homeless
- 3) Preservation of existing rental housing stock
- 4) Planning and land use regulation applicable to affordable housing
- 5) Education, research and monitoring of affordable rental housing.

2.7.5 Affordable Housing Discussion Paper (2009)

In 2009 an Affordable Housing Discussion Paper was completed to provide background and direction for the establishment of affordable housing targets

for both ownership and rental housing and form the basis for updating the affordable housing policies in the City's Official Plan.

The key findings and recommendations from the City's 2009 Affordable Housing Discussion Paper are outlined below.

- A recommended minimum affordable housing target of 36% for low and moderate income households.
- A separate recommended target of 90 accessory apartments annually.
- An explanation of the methodology used to determine the recommended target(s).
- A list of possible implementation tools to be considered for inclusion in the Official Plan as appropriate.

Affordable Housing Benchmarks

The affordable housing benchmarks presented in the Discussion Paper apply to the City of Guelph as the "regional market area"³. The regional market area was defined as the City of Guelph due to the significant disparity between incomes, housing prices and rent between the City and parts of the County. The affordable housing targets were applied to new construction only. This principle was applied since there is no direct municipal control over resale and/or rental accommodation in the existing housing stock.

The affordable ownership and rental housing benchmark prices were determined using 2008 house and rent prices and the Growth Plan and PPS definitions. In 2008, a house price of \$237,000 or below was considered affordable ownership and represents households with a gross annual income of \$79,000⁴. In 2008, rent at, or below \$833 was considered affordable rent and represents households with a gross annual income of \$33,300⁵.

In addition to establishing housing targets and affordable housing benchmarks, the Affordable Housing Discussion Paper presented a number of recommendations regarding implementation tools that will be reviewed as part of the Housing Strategy. These recommendations are included in Appendix A. As noted previously, OPA 48 recognized the need to further

3 "Regional market area is defined in the PPS as an area, generally broader than a lower-tier municipality that has a high degree of social and economic interaction. In southern Ontario, the upper or single-tier municipality will normally serve as the regional market area. Where a regional market area extends significantly beyond upper or single-tier boundaries, it may include a combination of upper, single and/or lower-tier municipalities." (2005 PPS)

4 Household incomes have been calculated from Statistics Canada 2006 Census and have been adjusted upwards by 6.0 % on the basis of the Ontario Consumer Price Index from Statistics Canada.

5 Household incomes have been calculated from Statistics Canada 2006 Census and have been adjusted upwards by 6.0 % on the basis of the Ontario Consumer Price Index from Statistics Canada.

examine implementation options through the development of an affordable housing strategy.

2.7.6 Older Adult Strategy (2012)

In 2012, Community and Social Services developed an Older Adult Strategy. The development of the strategy was based on the World Health Organization's (WHO) Dimensions of Age-Friendliness, and was designed to be a planning framework for policy, service planning and resource allocation to make Guelph age-ready and age-friendly.

The Older Adult Strategy defined an age-friendly community as a community that supports older adults to live in security, maintain their health and participate fully in society. An age-friendly community has adapted its structure and services to be accessible and inclusive of older people with varying needs and capacities. Being an age-friendly community is an ongoing, ever evolving process that needs to be embedded within the Corporation's regular planning processes.

The strategy contains more than 60 recommendations, which cross all corporate service areas. When implemented these recommendations will make the City of Guelph age-ready and age-friendly. Recommendations are intended to be implemented over a number of years. The strategy's recommendations related specifically to housing issues are:

1. Develop an incentive plan for builders and developers tied to achieving the first three goals of the Flexhousing™ Principles: Adaptability, Accessibility, Affordability and Healthy Housing™ as well as walkable neighbourhoods and communities
2. Examine zoning and planning regulations to ensure they do not create unintended barriers to development of housing for older adults
3. Establish a working group with partners (builders, developers, provincial government, County – to develop a long-term strategy to increase the supply of accessible, affordable housing for older adults
4. Advocate, facilitate and promote opportunities for more housing options in the City (granny flats, group housing, home sharing, life leases, coops, assisted living, group housing, home sharing, accessory apartments)
5. Strengthen partnership with the County to support the implementation of the County's 10-year housing and homelessness plan.
6. Develop an affordable housing strategy for the City that targets 30% of new residential development as affordable

2.7.7 Guelph Wellbeing

The Guelph Wellbeing initiative is a current community project that has the goal of providing each person the best possible quality of life in Guelph. The initiative will define a vision for the future and develop a shared plan for action to achieve the goals set out by the community.

Guelph Wellbeing will be a resource for the entire community, providing direction to leaders, decision makers, and community groups for how we can make wellbeing a key consideration when making decisions and planning for the future. It will also be a source for inspiring new projects, actions, and partnerships in the community to improve quality of life in Guelph.

The project is guided by the City of Guelph and a Community Leadership Team that explores how to proactively, efficiently and collaboratively address our community's needs, sorted into the eight (8) domains of the Canadian Index of Wellbeing: health, environment, living standards, community vitality, engagement, leisure & culture, time use and community vitality.

Through numerous and varied community consultations, four (4) domain areas were identified which most closely relate to wellbeing: community vitality, leisure & culture, healthy populations. From these four domains, three (3) compelling themes emerged:

1. Connectivity: everyone is connected to their community, physically and socially
2. Food: everyone has access to safe, nutritious and affordable food
3. Housing: everyone has a safe and affordable place to live.

The "housing" theme includes safety, affordability, income and accessibility.

Now that three themes have emerged, a Collective Impact workshop was held January 21, 2014 to create a shared vision of community wellbeing and further refine each theme area. As a result, these themes have been narrowed to:

1. Connectivity: everyone has ease of access to moving around the city (walking, cycling, trails, affordable bus pass). Everyone has a sense of belonging and inclusion through volunteering and access to services.
2. Food: no child goes hungry
3. Housing: housing groups will share data and use as advocacy tools. Low income households have better access to affordable housing.

These theme areas will continue to be refined at a series of meetings being held in March 2014. It is anticipated that each theme will be even more precisely defined to determine action steps using evidence based resources. Each of these theme areas are developing population level indicators that will

be the basis for co-ordinating collective action to meet the goals of each theme area. Gathering data from the local efforts underway to achieve these goals will help us refine activities to achieve the goal.

2.7.8 Housing and Homelessness Plan for Guelph Wellington (2013)

The Housing Services Act (2011) requires the County of Wellington as Service Manager to develop a Housing and Homelessness Plan (HHP) on behalf of the community, to address housing needs in Guelph-Wellington. The requirement for HHPs are part of the shift in the provincial approach to a more integrated, systems based approach to addressing the housing continuum described in section 1.3.

The HHP was prepared in 2012 and 2013 in three volumes:

- I. The Interim Summary of Findings and Conclusions of the Need and Demand Study for 2006-2010 provides an overview of the current and forecast demand for housing in Wellington and Guelph, highlighting key demographic trends, the availability of and demand for social and affordable housing, as well as usage of local homeless shelters and eviction prevention services.
- II. The Housing and Homelessness Plan Discussion Paper, outlines research and consultation conducted in support of the HHP. It includes a review of promising practices related to homelessness and affordable housing as well as an inventory and analysis of the housing stock and programs.
- III. The 10-year Housing and Homelessness Plan, approved by the Province in November 2013 articulates the strategic directions, implementation strategies, and measures of success that guides housing and homelessness planning over the next 10 years. The Plan's 37 recommended actions contribute to the following eight strategic goals:
 1. To help low-income households close the gap between their incomes and housing expenses
 2. To provide a range of supports to assist people at risk of homelessness to remain housed
 3. To offer a comprehensive range of supportive housing options for residents with complex needs due to aging, disabilities, mental health issues and addictions
 4. To increase the supply and mix of affordable housing options for low-to-moderate income households
 5. To reduce the length of time and number of people that experience homelessness

6. To promote practices that make the housing and homelessness support system more accessible and welcoming
7. To preserve the existing social and affordable rental housing stock
8. To seize opportunities to turn research knowledge into action

The County has already begun implementing several actions, for example work has begun on an action focused, Homelessness strategy. The County is planning a Public Launch for the HHP in early 2014 to help raise the profile of the Plan and help catalyze community action around some recommendations.

The Affordable Housing Strategy will respond to many of these goals and several of the recommended actions. Appendix C excerpts those actions that overlap with the City's affordable housing mandate. The last column of the chart considers the City's relationship to the goal and whether this it is proposed to be addressed through the Affordable Housing Strategy or through another process.

2.8 City Funding of Affordable Housing

The City's funding of housing programs is two-part. The City is a funder of the Service Manager, Wellington County, that provides provincially mandated housing and homelessness services. The City also funds new affordable housing projects through its Affordable Housing Reserve. The city also funds Wyndham House, an emergency youth shelter outside of these frameworks.

2.8.1 Affordable Housing Reserve Fund

As part of the implementation of the Affordable Housing Action Plan (2002) the City established an affordable housing reserve fund. The reserve fund policy identifies its purpose as:

- to fund the City share of capital cost for affordable housing projects in partnership with Wellington County pursuant to the Federal-Provincial programs available at the time; and
- to offer incentives to encourage affordable housing projects.

Over its life, the Reserve has been funded by transfers from year-end surpluses of County managed Social Housing operation budget and from one time transfers from the City's operating revenue. New spending commitments of approximately \$1.3 M have been made since the fund's inception in 2002.

The Reserve has been used:

- to assist in the capital cost of renovating a building to establish the Wyndham House youth shelter;

- to offset City fees for Guelph Non-Profit Housing units at 32 Gordon Street, 371 Waterloo Avenue, and 747 Paisley Road; and
- to offset City fees for 12 units Built by Habitat for Humanity from 2007-2013;
- to offset lost interest arising from development charge late payments agreement in order to facilitate home ownership for those who could not otherwise afford to through Home Ownership Alternatives' Mountford Drive and 5 Gordon Street Projects ; and
- to make commitments to offset City fees of building Michael House's supportive housing for mothers and their infants. The grants have not yet been paid.

	Paid (\$)	Committed and Forthcoming (\$)
Youth Emergency Shelter	122,000	
City, County, federal, Provincial Program	390,000	
Habitat for Humanity	322,000	
Wyndham House	122,000	
DC Late Payments lost interest	101,000	95,000
Michael House		150,000
Total	1,057,000	245,000

Recent Council reports awarding these grants have identified the need to review the City's role with respect to financial incentives and develop a more contemporary policy framework to guide the City's future involvement in financial incentives for affordable housing.

The affordable housing reserve forecast projects \$100,000 in new commitments every year. There is currently no revenue source for the reserve and at this pace the reserve will be in a negative balance in 2015.

The Affordable Housing Strategy should support the development of a guiding policy and will recommend a funding mechanism.

2.8.2 City as Funder of the Service Manager

The County, as Service Manager, establishes the budget for social service programs based upon the various program legislations, program directives and local need. The total cost is apportioned between the City and County based on a January 2010 arbitration ruling. Housing and homelessness programs administered through the Ontario Works program methodology are

apportioned based on the residence of the recipient. Costs for social housing programs are based on the prior residence of the tenant.

According to the County's proposed 2014 budget, the total budget for social housing funded by the Province, County and City is \$33,502,000. This amount includes a total of \$70,000 in additional (100% municipally funded) rent supplements and \$904,000 to supplement the CHPI funding received from the province, both of which are funded solely by the County and City. The City's portion of the total social housing budget is \$16,343,000 which includes approximately \$66,000 for the additional (100% municipally funded) rent supplements and \$723,000 to supplement the provincial CHPI funding. The bulk of the social housing budget is spent on rent supplements/subsidies, capital expenditures and administration costs.

2.8.3 Guelph Emergency Youth Shelter

The City has funded the operation of the Guelph Emergency Youth Shelter since 2008 in response to a Council motion and the closure of the Change Now Youth Shelter in 2007. Wyndham House is responsible for ensuring that the Guelph Emergency Youth Shelter is operated efficiently and effectively. The City provides \$442,900 in annual funding to Wyndham House. The City of Guelph owns the property and the building located on Norwich Street and as owner provides building maintenance and repairs, under the Corporate Property Division of Community and Social Services. These costs are incorporated into the \$442,900 budget. The Community Engagement and Social Services Liaison Division, through a Community Benefit Agreement, oversees all other aspects of the operation of the Guelph Emergency Youth Shelter.

2.8.4 Downtown Guelph CIP Minor Activation Grant

The Minor Activation Grant under the Downtown Guelph Community Improvement Plan can provide grants to assist with the capital costs needed to convert and/or rehabilitate under-utilized and vacant properties into viable commercial or residential uses. A grant to assist in the construction of two residential and two commercial units at 112 Wyndham St. North, valued at \$100,005, was awarded in 2012. These grants are funded from the Downtown Renewal operating budget. This program has no budget allocation for 2014.

3 Conclusion

The provision of a full range and mix of housing to meet the changing needs of all types of households is a fundamental component of Guelph's sustainable community vision and is one of the key focus areas of the Guelph Wellbeing initiative. The complexity of housing needs, presence of multiple stakeholders and multiple policy drivers supports a coordinated systems-based approach that addresses the full continuum of housing.

The Guelph Housing Strategy work should be scoped to focus on affordable

housing and on the market end of the housing continuum. This scope builds on the work already completed through the Official Plan Update and recognizes differences between the City of Guelph and the County of Wellington in regards to policy drivers, roles, responsibilities and tools.

The City's need to complete a housing strategy is in response to provincial planning policy drivers with the City's primary role in addressing housing needs coming from a land use planning perspective. In comparison the County of Wellington's housing focus, within the City of Guelph, is from a Service Manager's perspective dealing with the administration of social housing and homelessness programs. The City is responsible for its apportioned costs for social housing and homelessness programs.

In looking at a continuum of housing ranging from homelessness to homeownership, the County as Service Manager is responsible for the non-market end of the continuum. The City's focus should be on private market rental and ownership housing while still working with other levels of government in supporting the development and retention of housing on the non-market end of the continuum, i.e. special needs housing (emergency shelter, transitional housing and supportive housing). Given the City's funding requirements to the County as Service Manager for social housing, the Housing Strategy would appropriately consider relevant recommendations from the County's 10-year Housing and Homelessness Plan, especially actions increasing the supply and mix of affordable housing options for low-to-moderate income households. The intent is to take a coordinated systems-based approach that addresses the full continuum with a scope reflective of our ongoing work with the County of Wellington as Service Manager.

The Housing Strategy work is intended to advance the City's Official Plan policies by recommending implementation strategies related to the 30% affordable housing target along with a mechanism to monitor achievement of the target to address the requirements under the provincial Growth Plan and Provincial Policy Statement. The Housing Strategy will also review the City's role as a funding source of affordable housing through programs such as the Affordable Housing Reserve Fund (AHRF). If it is determined that an ongoing funding role is warranted, the Housing Strategy will include the development of a comprehensive policy framework and sustainable funding plan.

Appendix A – Official Plan Update (OPA 48 and OPA 39): Housing Policies (Excerpt)

3.13 Affordable Housing

1. In order to maintain and enhance a healthy and *complete community*, the City will make provisions for an adequate range of housing types and affordability options by:

- i) establishing and implementing minimum housing targets for the provision of housing that is affordable to *low and moderate income households*, in consultation with the County of Wellington; and
- ii) permitting and facilitating all forms of housing required to meet social, health and well-being requirements, including *special needs* requirements of current and future residents.

7.2 Affordable Housing

The City recognizes the importance of housing, including affordable housing, in meeting the needs of the City's existing and future residents.

Objectives

- a) To encourage and support the development of affordable housing throughout the City by planning for a range of housing types, forms, tenures and densities.
- b) To actively participate in, encourage and promote affordable housing opportunities funded by Provincial and/or Federal programs in conjunction with the Consolidated Municipal Service Manager (Service Manager) to ensure a supply of new affordable housing within the City.
- c) To encourage and support education and awareness programs with private, public and local community stakeholders to highlight the economic and social advantages of affordable housing.
- d) To recognize the role of existing housing and accessory apartments in providing choices for a full range of housing, including affordable housing.
- e) To protect the existing supply of affordable rental housing by regulating demolitions and the conversion of existing rental properties to condominiums or co-ownership housing.
- f) To promote innovative housing types and forms to ensure affordable housing for all socio-economic groups throughout the city.

- g) To establish and implement minimum targets for affordable housing through new development applications.
- h) To ensure that an adequate supply, geographic distribution and range of housing types including affordable housing and supporting amenities, are provided to satisfy the needs of the community and to support an affordable lifestyle.

7.2.1 Affordable Housing Targets

1. An affordable housing target will be implemented through new development applications city-wide. The affordable housing target is based on the method outlined in the City of Guelph's December 2009 Affordable Housing Discussion Paper and will be implemented through the use of various planning tools (e.g., planning policy, development approvals, financial incentives,
2. The annual affordable housing target requires that an average of 30% of new residential development constitute affordable housing. The target is to be measured city-wide. The target includes an annual target of 27% affordable ownership units and an annual target of 3% affordable rental housing units.
3. The City will support the Service Manager in the achievement of the development of social housing.
4. While not part of the annual affordable housing target, the creation of approximately 90 accessory apartment units annually will be encouraged.

7.2.2 General Policies

1. The City will develop a housing strategy that will set out a plan, including policies for the Official Plan and implementation strategies, to meet the needs of all residents, including the need for affordable housing – both home ownership and rental housing. The housing strategy will include the planning and development of a range of housing types and densities to support the achievement of the intensification target and density targets.
2. As part of the development approval process, City Council may require the identification of lands for affordable housing.
3. City Council shall consider giving priority, through the Development Priorities Plan, to development applications that provide the type, size and tenure of housing required to meet the social and economic needs of the City's residents.

4. City Council may establish alternative development standards for affordable housing, residential intensification, redevelopment and new residential development which minimizes the cost of housing and facilitates compact urban form. This may include setting maximum unit sizes or reducing parking requirements.
5. City owned land that is surplus to City needs and appropriate for residential development shall be given priority for sale or lease for the development of affordable housing.
6. Investment in new affordable housing shall be encouraged through a coordinated effort from all levels of government and appropriate partnerships with non-government organizations and through the implementation of a range of strategies including effective taxation, regulatory and administrative policies and incentives.
7. The City shall identify, promote and where appropriate, participate in affordable housing opportunities funded by senior levels of government and presented by non-government organizations.
8. The City may require the submission of an Affordable Housing Report as a part of a development application, demonstrating to the satisfaction of the City how the application addresses affordable housing needs including the provision of a range of affordable housing prices.
9. Affordable housing will be provided throughout all areas of the City to ensure an adequate supply, range and geographic distribution of all housing types.
10. Affordable housing is encouraged to locate where served by transit, and other services such as, shopping, parks and other community facilities. Housing proposed in Downtown and Mixed-use designations is strongly encouraged for affordable housing because of the availability of nearby services and opportunity to support an affordable lifestyle.
11. The City will undertake a review of municipal implementation tools that could be used to support and implement affordable housing.
12. The City recognizes that since social housing is not within the jurisdiction of the City's administration, co-ordination between the City and the Service Manager is necessary. This Plan promotes dialogue and informed decision making between the City and the Service Manager.

7.2.3 Retention of Existing Housing

1. The City's existing housing stock represents a significant component of affordable housing. To promote its retention, in instances where it is not required for intensification efforts, the housing should be maintained and updated to reflect current building standards and energy conservation efforts.
2. The City will use the provisions of the Property Standards By-Law under the Municipal Act and Demolition Control provisions of the Planning Act to protect and promote the continued useful life of existing housing.

7.2.4 Retention of Existing Rental Housing

1. The retention of the existing rental housing stock will be promoted as an important affordable housing source providing choice for residents who prefer to rent rather than own.
2. The following provisions will be implemented to promote the retention, maintenance and upkeep of the existing rental housing stock:
 - i) the condominium conversion policies as outlined in Section 7.2.5;
 - ii) the demolition control provisions of this Plan;
 - iii) the use of the City's Property Standards By-law for maintenance and upkeep; and
 - iv) the promotion of the use of senior government rehabilitation programs.

7.2.5 Condominium/Co-ownership Housing Conversion from Rental

1. A condominium/co-ownership conversion will refer to any change in the tenure status of an existing residential housing development from rental to condominium or co-ownership housing tenureship. Existing rental housing refers to projects containing any dwelling units occupied by residential tenants or last occupied by residential tenants and currently vacant.
2. The conversion of rental accommodation to condominium or co-ownership housing tenureship will be considered on the merits of each proposal.
3. Conversion of rental accommodation to condominium or co-ownership housing may only be permitted where a Rental Conversion Report has been submitted demonstrating to the satisfaction of the City that no adverse impacts will result on the supply or range of rental housing provided, including its geographic distribution. Applicants may include a supplementary vacancy rate survey supplementing the vacancy rates reported by the Canada Mortgage and Housing Corporation (CMHC).

4. The City will discourage the conversion of existing rental units to condominium or co-ownership housing when the vacancy rate for rental accommodation is below 3%, and will prohibit such conversions when the vacancy rate is below 1.5%. The vacancy rate shall be defined as the average vacancy rate of the latest two vacancy surveys conducted in Guelph by the Canada Mortgage and Housing Corporation. The City may conduct supplementary vacancy rate surveys and modify the vacancy rates reported by CMHC in accordance with its own findings.
5. The City will utilize agreements setting out the specific conditions and standards for a condominium or co-ownership housing conversion.
6. When considering applications for condominium or co-ownership housing conversion, Council will have regard for:
 - i) the number of units included in the conversion application;
 - ii) the number of rental units under construction at the time of application for conversion; and
 - iii) the impact of the conversion on the rental housing market (i.e., anticipated changes in vacancy rates).

7.2.6 Affordable Housing Implementation Policies

A variety of tools and techniques may be used to assist in the development of new affordable housing.

1. The City will undertake a review of municipal tools for the implementation of affordable housing to develop an appropriate approach for the City to meet identified affordable housing targets. The implementation strategy will include administration, communication and monitoring approaches.

Administration

2. In conjunction with the Service Manager, the City shall actively identify and promote affordable housing opportunities within the City to facilitate proponents of affordable housing in receiving funding from senior levels of government for the development of new affordable housing.
3. Social housing will be developed in conjunction with the Service Manager.
4. The City will support and assist the Service Manager in the preparation of a housing strategy to meet the housing needs of the most

vulnerable in the City. The City will support and facilitate the provision of affordable rental housing through the Guelph Non-Profit Housing Corporation.

5. The City will explore the feasibility of developing a 'land banking' program whereby lands may be held in public ownership until senior government affordable housing funding becomes available.

Communication

6. The City, in conjunction with the Service Manager, will continue to promote and educate the public on current federal/provincial housing and financial assistance programs.
7. The City will promote and where appropriate establish on-going partnerships with both federal/provincial governments for surplus land and/or buildings.
8. The City will continue to advocate to senior levels of government for additional funding and tax incentives for low-income households and clearer legislative authority to implement affordable housing.

Monitoring

The City will develop and maintain an affordable housing monitoring system. Monitoring will include details on the affordable housing developments planned and constructed over the year and will set the new affordable housing benchmark prices for ownership and rental housing for the upcoming year. The information collected may be used to inform the prioritization and assignment of development proposals in the City's Development Priorities Plan.

9. The affordable benchmark price for ownership and rental housing will be monitored and established annually to reflect changing market conditions.
10. The affordable housing target will be reviewed as part of the Five Year Official Plan review.
11. The City will annually monitor:
 - i) the number and types of affordable housing produced through new residential development and intensification efforts;
 - ii) the number and types of affordable housing lost through demolition and condominium conversion;
 - iii) ownership and rental house prices;
 - iv) rental vacancy rates; and
 - v) achievement of the affordable housing targets of this Plan.

12. Based on monitoring results, priorities may be set among the various affordable housing needs.

Appendix B - 2009 Affordable Housing Discussion Paper: Implementation Tools (Excerpt)

6.0 IMPLEMENTATION TOOLS

The purpose of this section of the report is to provide City Council with a preview of the existing tools planning staff consider as appropriate to stimulate the production of affordable housing. Expanding on the City's 2002 Affordable Housing Action Plan and interviews with other municipalities for their affordable housing efforts, planning staff has provided a summary of action and new recommendations and tools for Council's consideration in consultation with the public and community stakeholders.

Recommendations

These implementation tools are provided for review and input through the public engagement process.

6.1 PLANNING TOOLS

1. Include the City-wide affordable housing target for affordable ownership and affordable rental housing under low, medium and high densities as part of Official Plan policy.
2. Establish policy in the Official Plan to require the demonstration of how the affordable housing target will be met by the project.
3. Set maximum unit sizes for affordable housing units in the zoning by-law to reduce the overall construction cost and therefore increase affordability.
4. Within certain areas of the City allow a development permit system with incentives for affordable housing.
5. Revisit the recommendation of the Housing First Policy from the 1990 Municipal Housing Statement to allow any surplus City-owned lands to be offered to non-profit housing groups for rental housing construction.
6. Review the list of development standards such as (parking requirements and setbacks) to possibly reduce barriers to affordable housing construction.
7. To protect the existing rental stock, review and strengthen the existing policies for Demolition Permits and rental conversions.

8. Explore the feasibility of a density bonusing system that provides developers with additional density in exchange for providing affordable housing. For example, provide additional area provided an area equivalent to the equivalent to the increase is allocated to affordable housing.
9. Update and monitor the affordable housing target by housing type annually.

6.2 FINANCIAL TOOLS

1. Establish an annual contribution to maintain the Affordable Housing Reserve fund to support additional affordable housing construction.
2. To effectively manage the Affordable Housing Reserve Fund, the City will establish formal review criteria, eligibility and application process for the consideration of affordable and social housing projects for small scale non-profit projects.
3. Investigate if Tax Incremental Financing (TIF) is an appropriate tool to encourage the creation of affordable housing.
4. Continue to apply a lower tax rate for affordable multi-residential rental housing at the residential/farm rate.
5. To revisit the feasibility of the "Add a unit Program" which is a program where the municipality provides an up-front grant to renovate an existing upper storey or basement for affordable housing on the condition that the unit(s) are maintained as affordable housing over a fixed period of time.

6.3 COMMUNICATION TOOLS

1. Make a strong effort to promote any affordable housing programs provided by all levels of government to the public to encourage implementation, e.g., encourage Request for Proposals when senior government funding comes available.
2. Undertake social marketing to educate and communicate to the public on the benefits of affordable housing with a view to minimize NIMBYism.
3. Continue dialogue with the Service Manager and the federal and provincial government for more tools to require applicants to provide a portion of their development for affordable housing.

4. To encourage opportunities for working with the University of Guelph and Conestoga College to establish special programs that combines affordable housing and education for students in need.

Appendix C - Housing and Homelessness Plan and Relationship to Affordable Housing Strategy: Selected Recommended Actions

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
1.1	Expand the existing rent subsidy programmes that help reduce the rents of low-income tenants to an affordable level	<ul style="list-style-type: none"> • County’s Rent Supplement and Housing Allowance programmes 	<ul style="list-style-type: none"> • Increase in the number of rent subsidies allocated 	<p>City interest addressed elsewhere</p> <p>As discussed in section 2.8.2 the City funds 100% municipally funded rent supplements directed to Guelph residents. These are administered by the County and outside the CHPI framework. The City’s ongoing roll for these supplements is currently being negotiated. Negotiations are expected to conclude prior to the completion the Housing Strategy.</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
1.2	Continue to support advocacy efforts to upper levels of government for improvements to the income security system	<ul style="list-style-type: none"> • Municipal advocacy work in collaboration with the PTF, AMO, FCM, OMSSA, ROMA, and other associations that allow local political leaders to advocate to upper levels of government 	<ul style="list-style-type: none"> •Improvements to the income security system 	<p>City interest addressed elsewhere</p> <p>Although municipal advocacy regarding income support is important to advancing housing objectives, it is outside of the Strategy's scope. It is expected that the needs identified in the Strategy will be a useful tool to inform City advocacy.</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
3.8	Encourage the development of Secondary Suites; allowing client groups such as low-income seniors or adults with a disability to live independently in their community, close to family and friends (also see 4.8)	<ul style="list-style-type: none"> • In the City of Guelph, 209 accessory apartment units were created in 2012 – above the City’s affordable housing target of 90 units 	<ul style="list-style-type: none"> • Increase in the number of secondary suites created 	<p>Addressed through Housing Strategy</p> <p>The Official Plan currently encourages and permits accessory apartments, coach houses and garden suites subject to regulations regarding safety compatibility etc. In response to a comment on Official Plan update, the City informed the Ministry of Municipal Affairs and Housing that the Housing Strategy would address the revised Planning Act Requirements.</p>
4.1	Continue to support advocacy efforts to upper levels of government for the funding of new permanent affordable housing units, including options for additional subsidies to reduce rents to RGI levels	<input type="checkbox"/> Municipal advocacy work in collaboration with the PTF, AMO, FCM, OMSSA, ROMA, and other associations that allow local political leaders to advocate to upper levels of government	<ul style="list-style-type: none"> • New investments in social housing from upper levels of government • Additional allocations for rent supplements or housing allowances 	<p>City interest addressed elsewhere</p> <p>Outside of the Strategy’s scope However, it is expected that the needs identified in the Strategy will be a useful tool to inform City advocacy.</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
4.2	Consider options and incentives for municipal affordable housing reserves in order to leverage funding from upper levels of government	<input type="checkbox"/> Leveraging new federal and provincial funding (e.g. IAH,HPS, etc.) <input type="checkbox"/> Including a component for social housing support in the next development charges review as in Kingston among other cities	<input type="checkbox"/> Increase in the number of social and affordable housing units created <input type="checkbox"/> Decrease in the centralized waiting list <input type="checkbox"/> Additional allocations to local affordable housing reserves	<p>Addressed though Housing Strategy</p> <p>The Strategy should determine the best methods to provide affordable housing incentives that leverage senior government funding especially as it relates to an updated Affordable Housing Reserve policy</p>
4.3	Maintain a list of priorities and suitable properties for new affordable housing developments, in order to quickly respond to emerging funding opportunities from upper levels of government	<input type="checkbox"/> Phase 2 of Fergusson Place	<input type="checkbox"/> Development opportunities identified <input type="checkbox"/> Financial and in-kind commitments by partners identified	<p>Addressed though Housing Strategy</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
4.4	Explore social financing opportunities that could be used to increase the supply of affordable rental stock	<input type="checkbox"/> Community Forward Fund -provides working capital and bridge loans for Canadian non-profits <input type="checkbox"/> Infrastructure Ontario mortgages <input type="checkbox"/> YWCA Toronto Elm Centre -issued a \$1 million community housing bond	<input type="checkbox"/> Amount of capital generated through social financing	<p>Addressed though Housing Strategy</p> <p>The role of municipalities in social financing is not well understood by the authors. It may have value in leveraging Affordable Housing Reserve Spending. Further research is needed to determine if this is an appropriate tool.</p>
4.5	Leverage funding from other levels of government to increase home ownership opportunities for low- to moderate income households	<ul style="list-style-type: none"> • 2nd mortgage (down payment assistance) programmes offered by the County, Options for Homes, and Habitat for Humanity • Rent-to-own initiatives 	<ul style="list-style-type: none"> • Increased funding allocated to and usage of the County's Home Ownership Fund 	<p>Addressed though Housing Strategy</p> <p>The Strategy should determine the best methods to provide affordable housing incentives increase home ownership opportunities for low- to moderate income households</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
4.6	Create a comprehensive incentive toolkit which could be used by all local planning departments for education purposes, and to encourage the development of new affordable units	<ul style="list-style-type: none"> • MMAH's Municipal Tools for Affordable Housing 	<ul style="list-style-type: none"> • Toolkit developed and disseminated all local planning departments 	<p>Addressed though Housing Strategy</p> <p>Strategy will consider the use of various planning, funding and regulatory tools to encourage the development of new affordable units</p>
4.7	Provide incentives to support affordable housing in new developments	<ul style="list-style-type: none"> • Waiving/rebating of planning and building fees • Development charge exemptions or grants 	<ul style="list-style-type: none"> • Incentives made available to developers of new construction 	<p>Addressed though Housing Strategy and the Affordable Housing Reserve Fund policy review</p>
4.8	Review planning regulations and by-laws in all of the local municipalities to identify any unnecessary restrictions to the development of new affordable housing units	<ul style="list-style-type: none"> • Parking requirements • Secondary suites (see 3.3) • Gap analysis of condominium conversion and demolition control policies 	<ul style="list-style-type: none"> • Regulations and by-laws are reviewed and (if warranted) amended 	<p>Addressed though Housing Strategy</p> <p>Strategy should consider changes to planning policy, regulations and procedures or other regulatory amendments are required to meet the Strategy's objectives and make recommendations</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
4.9	Advocate to the Province to permit inclusionary zoning (i.e. require a given share of new construction to be affordable by people with low- to moderate incomes)		<ul style="list-style-type: none"> • Changes to provincial planning regulations 	<p>City interest addressed elsewhere</p> <p>Although municipal advocacy regarding housing funding is important to advancing housing objectives. It is outside of the Strategy's scope. It is expected that the needs identified in the Strategy will be a useful tool to inform City advocacy.</p>
5.4	<p>Leverage funding from other levels of government/ministries to increase the supply of transitional housing units, in</p> <p>particular for families, victims of domestic violence, youth exiting the child welfare system, and individuals leaving incarceration</p>	<ul style="list-style-type: none"> • Wyndham House's Suffolk and Bellevue Houses • Lutherwood's Family in Transition programme • Woodgreen's Homeward Bound (Toronto) 	<ul style="list-style-type: none"> • Increase in the number of transitional housing units created 	<p>Addressed through Housing Strategy</p> <p>Strategy will determine the effective affordable housing incentives that leverage senior government funding especially as it relates to an updated affordable housing reserve policy</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
7.4	Encourage landlords to adopt the FRPO's Certified Rental Building Programme, which aims to protect tenants from renting in a poorly maintained building or from a property manager that offers an inadequate quality of service to its tenants	<ul style="list-style-type: none"> • Williams McDaniel buildings in Guelph 	<ul style="list-style-type: none"> • Increase in the number and proportion of multi-residential properties designated as Certified Rental Buildings 	<p>City interest addressed elsewhere</p> <p>The City is considering implementing a shared rental housing licencing system that may address similar issues. The Affordable Housing Strategy should address any relationship between these systems if appropriate</p>
8.2	Continue to monitor research trends and identify best practices that are appropriate for adaptation to the local context	<ul style="list-style-type: none"> • Pocket housing (small residences) • Housing First • Human services integration • Social housing redevelopment and regeneration • Environmental sustainability and energy conservation 	<ul style="list-style-type: none"> • Commitment (including financial resources) to conduct research • Extent to which research meets an identified need 	<p>Addressed though Housing Strategy</p> <p>Strategy should determine review and respond to emerging and best practices and be updated regularly to capture new and emerging trends</p>

	Actions	Examples	Measures of Success	Relationship to the Affordable Housing Strategy
8.3	Monitor and communicate the outcomes of the HHP on a regular basis		<ul style="list-style-type: none"> • Annual progress report released • HHP updated every 5 years or when major programme changes occur 	<p>Addressed though Housing Strategy</p> <p>The Affordable Housing Strategy should develop a robust housing monitoring system that would assist in this monitoring outcomes</p>

ATTACHMENT 2 - PROJECT CHARTER

PROJECT NAME:	Housing Strategy 2014		
CURRENT PHASE:	Phase I	VERSION #	
PROJECT TEAM:	Melissa Aldunate, Manager of Policy Planning and Urban design Joan Jylanne, Senior Policy Planner Tim Donegani, Policy Planner Karen Kawakami, Social Services Policy and Program Liaison	DATE:	April 7, 2014
PROJECT SPONSOR:	Todd Salter, General Manager of Planning Services Barbara Powell, General Manager of Community Engagement and Social Services		

PROJECT PRIORITY	
PROJECT TYPE: (Strategic, Operational or Local)	Strategic
PROJECT PRIORITY: (High, Medium or Low)	Medium

PROJECT DEFINITION

PROJECT PURPOSE: Describe the project and the reason it is required?

The provision of a full range and mix of housing to meet the changing needs of all types of households is a fundamental component of Guelph's sustainable community vision, and is one of the key focus areas of the Guelph Wellbeing initiative. The Guelph Wellbeing initiative has the goal of providing each person the best quality of life in Guelph and has recognized housing safety, affordability, income and accessibility as an emerging theme.

The Growth Plan for the Greater Golden Horseshoe includes a requirement that:

Upper and Single Tier municipalities will develop a housing strategy in consultation with lower-tier municipalities, the Minister of Municipal Affairs and Housing and other appropriate stakeholders. The housing strategy will set out a plan, including policies for official plans, to meet the needs of all residents, including the need for *affordable* housing, - both home ownership and rental housing. The housing strategy will include planning and development of a range of housing types and densities to support the achievement of the *intensification target* and *density target*.

Through the 5-year update to the Official Plan (OPA 48), the City established an annual affordable housing target requiring that an average of 30% of new residential development be affordable housing (27% ownership and 3% rental). OPA 48 provided updated housing policies on the basis of background work completed through the Affordable Housing Discussion Paper. This replaces the current OP policy encouraging 25% of potential units in large subdivisions to be designed for moderate and lower income households. OPA 48 includes policies to support the creation of affordable housing units and acknowledges that a more detailed implementation strategy is required. OPA 48 defined Affordable Housing as:

- i) In the case of ownership housing, housing for which the purchase price is at least 10 percent below the average price of a resale unit in the City of Guelph
- ii) In the case of rental housing, a unit for which the rent is at or below the average market rent of a unit in the City of Guelph

The Affordable Housing Discussion Paper determined the 2008 benchmarks as \$237,000 for ownership and \$883/month for rental.

The Affordable Housing Strategy will provide the implementation framework for the Official Plan's affordable housing

ATTACHMENT 2 - PROJECT CHARTER

objectives and policies and may recommend revisions to policies and mechanisms to further support affordable housing and will outline a method of monitoring achievement of the target. The Strategy will also provide details as to how the City has met the other housing strategy requirements of the Growth Plan, i.e. planning for the full range and mix of housing. The Housing Strategy will include a review of the Housing and Homelessness Plan completed by the County of Wellington as the Service Manager with a focus on actions related to increase the supply and mix of affordable housing options for low-to-moderate income households. The intent is to create complementary and value-added strategies reflective of our on-going work with the Service Manager.

The Strategy will:

- define the housing continuum and what portions are within the City's jurisdiction;
- clarify the City's role in addressing issues along the continuum (principally market ownership and rental housing);
- respond to the relevant recommendations of the Housing and Homelessness Plan for Guelph Wellington (HHP) and other key documents;
- gather and analyse updated housing data (e.g. update the affordable housing benchmarks prices/rents and further specify the City's housing needs and supply)
- identify housing issues (e.g what type and size units are needed, safety and quality concerns, and lack of housing options);
- re-examine the method of developing the housing benchmarks and confirmation of the 30% target;
- develop a program for monitoring the achievement of the City's housing objectives; and
- Review the relevance of the Affordable Housing reserve fund in the context of the City's role in affordable housing. If it is determined that its should be maintained, establish an Affordable Housing Reserve Fund policy to guide the City's discretionary financial contributions to affordable housing projects and explore an on-going funding source.

PROJECT GOALS: What is the project trying to achieve, in detail?

- To understand the demand and supply for housing and determine housing needs
- To identify affordable housing issues that should be addressed by the City
- To determine municipal best practices to address the housing issues
- To recommend land use planning and other tools to address the identified housing issues including those that increase the supply of affordable housing. Tools may include amendments to the planning policies, regulations and/or procedures such as the Zoning By-law, development review process, and other corporate policies and practices.
- To determine if there is an on-going role for an Affordable Housing reserve fund. If so:
 - establish a policy, and potentially program(s), to guide effective use of the Affordable Housing Reserve Fund
 - identify an on-going funding mechanism for the Affordable Housing Reserve Fund
- To outline a monitoring framework for the achievement of housing objectives and policies

CRITICAL SUCCESS FACTORS: What factors will have to be achieved for the project to be successful?

- Support from internal departments including Community and Social Services, Development Planning, Legal and Realty Services and Finance.
- Stakeholder support of work and building consensus on scope
- Access to resources and data
- Communication and on-going dialogue with Wellington County staff

PROJECT STRATEGY: At a high level, how are you going to achieve your project goals?

- Build consensus among Council and stakeholders on the appropriate scope for the Housing Strategy and for the City's responsibilities and involvement along the housing continuum
- Research and summarize relevant components of key background documents
- Collect and analyse housing data to identify housing needs and supply
- Research municipal best practices for achieving housing objectives

ATTACHMENT 2 - PROJECT CHARTER

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| <ul style="list-style-type: none"> • Consult with the public on findings and key directions – e.g. open houses, focus groups • Staged approach to reporting to Council and stakeholders |
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| <p>PROJECT BENEFITS: What are the tangible and intangible benefits of the project?</p> <ul style="list-style-type: none"> • Effective monitoring of housing targets allows better management and policy responses to emerging issues • A framework of policies, procedures and programs that help achieve the targets and respond to housing issues that arise • Clear work plan for on-going housing issues • Clarify City roles and responsibilities in affordable housing and the City’s capacity to affect change • Provide clarity to the development industry regarding their role in achieving targets • Provide Council with guidance on the potential benefits of an Affordable Housing Reserve Fund and explore an on-going funding source with links to other funding initiatives • Enhance connection of housing to other Departmental initiatives/strategies, eg. Development approval process, Development Priorities Plan, Annual Building Monitoring Report, Guelph Wellbeing initiative and the Older Adult Strategy • Enhanced relationships with Wellington County, Guelph & Wellington Developers Association (GWDA), and Guelph and District Homebuilders’ Association (Homebuilders) • Increased corporate and community attention on affordable housing issues |
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PRODUCT DEFINITION

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| <p>END PRODUCTS: At the end of the project, what products will the project deliver?</p> <ul style="list-style-type: none"> • Housing Strategy • Implementation plan • Recommendations for updates to OP policy and Zoning regulations • Recommendations regarding a potential Affordable Housing Reserve Fund policy and funding model • Template for an annual Housing Report including potential modifications to existing monitoring and reporting protocols |
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| <p>KEY INTERIM PRODUCTS: During the project what are the key interim products to be delivered?</p> <ul style="list-style-type: none"> • Background Report – Context for the Strategy • Community Engagement and Communications Plan • Discussion Paper - data analysis, housing issue identification and best practices review • Directions Report – analysis of tools and proposed recommendations |
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| <p>DATA REQUIREMENTS:</p> <ul style="list-style-type: none"> • 1991-2011 Census Data at City level • 2011 National Household Survey Data at City level • Housing Sales Data at City Level, Resale and New (MPAC data mining) • Other Estimates of Rental Housing Stock • New supply information (Building Department Reports, CMHC reports, Development Priorities Plan) • Rental Prices and Vacancy Rates (CMHC reports) • Social housing waiting list analysis (County of Wellington) • Guelph Wellington Need and Demand Study (2012) • CMHC Secondary Rental Market information (if possible) • Housing Needs Survey (optional primary data collection) |
|--|

PROJECT SCOPE

<p>It is expected that data collection, issue identification, and consultation with staff and other stakeholders may lead to refinements to the proposed project scope.</p>	
<p>PROJECT SCOPE IS (INCLUDES):</p>	<p>PROJECT SCOPE IS NOT (DOES NOT INCLUDE):</p>

ATTACHMENT 2 - PROJECT CHARTER

<ul style="list-style-type: none"> • A framework for supporting the achievement of the affordable housing target • Updated Affordable Housing Reserve Fund policy • Confirmation of the affordable housing benchmarks • Recommended approach to ongoing updates to the benchmarks • Development of a monitoring program • Clarification of City's role across the housing continuum • Recommended Official Plan and Zoning regulations 	<ul style="list-style-type: none"> • Addressing Housing managed and funded by other levels of government including the Service Manager (although Affordable Housing Reserve Fund policy may consider out of scope elements of the housing continuum) • Roles, relationships and funding arrangements between the City and County. However, the housing strategy may provide direction to inform decisions regarding the discretionary funding the City provides to the County on social housing
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PROJECT PARAMETERS

SCHEDULE: A high level outline of key dates		
April	2014	Council to receive Background report and Staff Report and approve project charter
Winter	2015	Report to Council on discussion paper including data analysis, community engagement approach and detailed work plan
Spring	2015	Release Housing Strategy Directions Document and Continue Community Engagement
Fall	2015	Public Release of Draft Housing Strategy
Winter	2016	Council Approval of Final Housing Strategy

BUDGET: The total estimated budget, broken down into key product and dates, when possible.
Council has approved a Capital Budget of \$40,000 for completion of the Housing Strategy.

RISK ASSESSMENT:

BEGINNING ASSUMPTIONS:
<ul style="list-style-type: none"> • It is assumed that the City's Local Growth Management Strategy, OPA 39 and OPA 48 meet the Growth Plan's requirement for a Housing Strategy that plans for "a range of housing types and densities to support the achievement of the intensification target and density target." • Many households have incomes that don't allow them to be housed in market housing no matter how successful the City is in achieving its housing objectives. Furthermore many people have special needs beyond economic needs, which present other housing issues. The County of Wellington as Service Manager has responsibility for providing housing services from the centre to the left end of the housing continuum including homelessness, emergency shelters, transitional housing and social housing. City Official Plan policy supports the development and retention of special needs housing (emergency shelter, transitional housing and supportive housing) in conjunction with the County, Provincial and Federal governments. While recognizing that many of the initiatives identified through the Housing Strategy may provide benefits across the continuum, the Housing Strategy will focus on increasing the supply of affordable market housing, a clear area of City jurisdiction as the land use planning authority. • The City will continue to fund the County as Service Manager that administers many housing services, both discretionary and nondiscretionary. However, as evidenced by Council's response to recent funding requests from affordable housing providers, there may be political will to spend tax dollars, staff resources and political capital, beyond the mandated contributions, to support the development of affordable housing through the Affordable Housing Reserve Fund. • That the strategy will be developed primarily in house and with limited outside consulting support. City staff will look to Wellington County staff to provide some data, knowledge and expertise and to dovetail with County initiatives where appropriate. • Provincial and Federal Funding for new affordable housing supply is limited and not predictable.

KNOWN CONSTRAINTS: Resource, Schedule, Budget or other constraints
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ATTACHMENT 2 - PROJECT CHARTER

- Staff time – various departments involved with other high-priority projects
- Stakeholders' availability and commitment to provide feedback throughout a multi-year project
- Former areas of Provincial responsibility are increasingly devolving to the Service Managers and municipalities; there is limited provincial support available for policy development
- Data availability, timing to acquire and cost



LONG-TERM AFFORDABLE HOUSING STRATEGY UPDATE CONSULTATION DISCUSSION GUIDE

April 2015

ontario.ca/affordablehousing

LONG-TERM AFFORDABLE HOUSING STRATEGY UPDATE

CONSULTATION DISCUSSION GUIDE

A MESSAGE FROM THE MINISTER

Every Ontarian deserves to have a stable, affordable home. Stable and secure housing is a key factor that determines social well-being and health, along with access to education, employment, and the resources and supports people need to thrive.

Affordable housing is an issue that's very important to me personally. As I travel around the province and visit people who live in affordable housing, I am constantly reminded of the need, and impressed by the resiliency and tenacity I see from people I meet.

When the Province launched its Long-Term Affordable Housing Strategy in 2010, it began to transform the housing system in Ontario. It was the first strategy of its kind for Ontario, and I'm proud of the real impact it's had.

After five years, it's time for an update. We want to ensure that we continue to make progress in meeting the housing needs of Ontarians, and that housing policies are relevant to current realities, reflect new research and best practices, and support the Province's goal to end homelessness.

It's time to look at how we can innovate and use creative approaches that increase access to affordable housing for those in need.

It's time to reach out to our partners and the people impacted by homelessness. We know that there is a lot more that needs to be done, and we can't do it on our own.

That's why I'd like to invite all of you to help us move Ontario's Long-Term Affordable Housing Strategy forward. I want to hear your views on how we can make Ontario's housing system work better for you, your family, and your community.

This discussion guide outlines our progress, future goals, and key themes where we'd like your input. Your feedback will help to ensure that we reflect the housing needs of Ontarians as we update our strategy.

I look forward to hearing from you and building a stronger Ontario together.



A handwritten signature in black ink, appearing to read 'Ted McMeekin', written in a cursive style.

Ted McMeekin,
Minister, Municipal Affairs and Housing

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TOWARDS STRONG COMMUNITIES

UPDATING ONTARIO'S LONG-TERM AFFORDABLE HOUSING STRATEGY

Our government envisions an Ontario where every person has an affordable, suitable, and adequate home. In 2010, the Province launched the **Long-Term Affordable Housing Strategy**. The strategy began a process of transforming Ontario's housing system into one that is people-centred, partnership-based, locally driven, and fiscally responsible.

Now, in 2015, we are updating the strategy to ensure that we continue to make progress in meeting the housing needs of Ontarians and supporting social and economic inclusion. This update will ensure that housing policies are relevant to current realities, reflect new research and best practices, and support the Province's goal to end homelessness.

Since the introduction of the Long-Term Affordable Housing Strategy, communities across Ontario have developed 10-year local housing and homelessness plans. These plans were developed as a requirement of the Housing Services Act, 2011 — new legislation introduced as a result of the 2010 strategy. Designed to address local needs and priorities, these plans are based on what was heard in a range of local consultations. These plans provide important local context that will inform the update of the strategy.

Building on this engagement, we continue to seek input from the public, our partners, and stakeholders — including those in the broader human services field — to learn more.



LONG-TERM AFFORDABLE HOUSING STRATEGY, 2010

THE FIRST OF ITS KIND IN ONTARIO

In the **2008 Poverty Reduction Strategy**, the government committed to develop a Long-Term Affordable Housing Strategy. This strategy, the first of its kind in Ontario, was launched in 2010.

The 2010 strategy set out a roadmap to address Ontario's housing needs, creating a flexible, community-centred approach to housing and service delivery. Based on provincewide consultations, the strategy recognized that local flexibility offers the best path towards building strong communities.

The 2010 strategy led to many accomplishments, including the following.

New Legislation

In January 2012, the **Housing Services Act** was introduced to promote flexible, local decision making, and to clarify the roles of the Province and local managers of social housing (called Service Managers).

A New Homelessness Prevention Initiative

In January 2013, the new **Community Homelessness Prevention Initiative** consolidated five formerly separate programs into one flexible, locally-driven program. Today, this program provides \$293.7 million each year to local communities.

Local Housing and Homelessness Plans

As of 2014, Ontario's Service Managers have prepared 10-year comprehensive **local housing and homelessness plans**. Based on community consultations, these plans assess current and future needs, and set local objectives to guide decision making.

The Province has also invested more than \$240 million into the federal-provincial **Investment in Affordable Housing program**, and in 2014 committed to a five-year, \$400 million extension of this program to further expand affordable housing in Ontario.



Building Foundations: Building Futures
Ontario's Long-Term Affordable Housing Strategy

Ontario.ca/HousingStrategy



Key Pillars

- Putting People First
- Creating Strong Partnerships
- Supporting Affordable Options
- Accountability

The Province is also committed to a **Housing First** approach for addressing homelessness. Widely recognized as a best practice, a Housing First approach provides people who are homeless with access to permanent housing, and links them to flexible and appropriate support services.

While progress has been made towards Ontario's affordable housing goals, significant challenges remain, and innovation will be required to meet growing and changing demands for affordable housing options over the long term.



Results

- **33,100 families and individuals¹** have obtained housing and **83,800 remain in their homes**
- **More than 11,400 affordable units are being built or repaired** across the province for low- and medium-income Ontarians, and 12,300 families and individuals are being provided with rent or down payment assistance
- **173 Aboriginal families and individuals** have received loans to purchase homes, **118 have benefited from a repair program**, and 145 new affordable units have been approved for funding

¹ Throughout this document, the phrase “families and individuals” is being used to describe all kinds of households and living arrangements across the province. “Household” is a term used to describe a person or group of people who occupy the same housing unit. A family might consist of one individual, several families, or several unrelated people.

UPDATING ONTARIO'S LONG-TERM AFFORDABLE HOUSING STRATEGY

BUILDING ON PROGRESS, BUILDING STRONG COMMUNITIES

In September 2014, the government released **Realizing Our Potential**, a new Poverty Reduction Strategy, which committed to update the Long-Term Affordable Housing Strategy to reflect lessons learned and to incorporate new research on best practices for housing and homelessness.

The updated Long-Term Affordable Housing Strategy will continue to improve Ontario's housing system, leading to better outcomes in health, poverty reduction, education, and employment for all Ontarians.

In **Realizing Our Potential**, the government set a bold, long-term commitment to end homelessness. As a first step towards this commitment, an **expert advisory panel** has been established, composed of 14 members with a wide range of homelessness-related experience and expertise. To inform a plan to end homelessness, the panel will meet from January to July 2015 and make evidence-based recommendations on how to define and measure homelessness, and how to set a target in support of ending it. The Long-Term Affordable Housing Strategy Update will build on the work of this panel.

Updating the strategy involves partnership across government, municipalities and the broader community. This collaboration reflects the foundational nature of housing as key to social inclusion and prosperity.

We also recognize the importance of seeking the input of Indigenous peoples and organizations in Ontario for our strategy update. We will engage these partners to identify ways to improve housing outcomes for Aboriginal Ontarians.

The update will also draw on recommendations from the Minister's Forum on Affordable Housing. Held in November 2014, the forum brought together key leaders from the public and private sectors to discuss private sector involvement in expanding affordable housing.

We are engaging with the public and other stakeholders for this update.

We are building on the extensive, provincewide consultations that helped shape the 2010 strategy and the local community consultations that followed it to develop local housing and homelessness plans.

AN UPDATED VISION

To reflect our government's bold, long term goal to end homelessness, we are updating our vision for the Long-Term Affordable Housing Strategy:

Every person has an affordable, suitable, and adequate home to provide the foundation to secure employment, raise a family, and build strong communities.



ACHIEVING OUR VISION

To achieve our vision we will build a strategy that brings together government with the private and non-profit sectors. Informed by evidence and best practices, it will tackle themes related to sustainable housing supply, co-ordinated support services, and a fair system of housing assistance. To achieve this vision, there are many challenges to overcome and opportunities to harness.

GOALS AND KEY THEMES

Achieving our vision means setting ambitious goals to reflect the housing needs of Ontarians.

Goals

- 1 **Achieve better housing outcomes for more people** by exploring changes to housing legislation, policy, and programs across government.
- 2 **Create more affordable housing opportunities** by using current and future investments (such as \$400 million in new funding made available to extend the Investment in Affordable Housing Program until 2019), and by creating conditions for more affordable housing investment by the private, co-operative, and non-profit housing sectors.
- 3 **End and prevent homelessness** by aligning with the 2014 Poverty Reduction Strategy's goals to increase social and economic inclusion, and continuing to provide a range of supports to help people find and keep affordable housing.

Our government believes the best way to achieve these goals is by addressing the challenges many Ontarians face by targeting four key themes.

► **Theme 1: A Sustainable Supply of Affordable Housing**

► **Theme 2: A Fair System of Housing Assistance**

► **Theme 3: Co-ordinated, Accessible Support Services**

► **Theme 4: A System Based on Evidence and Best Practices**

The following pages provide greater details about the opportunities and challenges associated with these key themes.

Housing in Ontario: Key Facts

- There are **4,887,510** families and individuals living in housing in Ontario
- 71 per cent of families and individuals **own their homes**, while 29 per cent **rent**
- 260,000 families and individuals (5 per cent) live in **social housing**
- Ontario's housing and homelessness services are managed locally by 47 **Service Managers**

OPPORTUNITIES AND CHALLENGES

Demand for Social and Affordable Housing Exceeds Supply

There is high demand for affordable housing in Ontario, in both the private market and the social and affordable housing sectors. Statistics Canada data indicates that more than seven per cent of home owners in Ontario and 30 per cent of renters are in core housing need, largely due to problems with affordability. People are said to be in **core housing need** if their homes are inadequate, unsuitable, or unaffordable; and if they would need to spend more than 30 per cent of their income to access other housing at the median local rent.

The Need for a Federal Partner

Traditionally, all three levels of government have played a role in funding affordable housing, which includes social housing, in Ontario.

In 2014, Ontario and the federal government renewed the jointly funded Investment in Affordable Housing Program for another five years. This program continues to build new affordable housing and repair existing units for Ontarians with housing needs. Ontario and the federal government are each contributing \$80.1 million annually to the program.

In addition, in 2013, municipalities contributed around \$940 million while the federal government contributed around \$480 million to maintain existing social housing units in Ontario. However, the amount of this federal contribution continues to decline each year and will reach zero by 2033. Some social housing units have already lost their funding, and many more will in the next few years.

Without sustained federal funding, many housing providers may face difficulties in continuing to provide affordable housing. Ontario and municipal partners know that we cannot make up this shortfall without federal participation. Therefore, the Province calls on the federal government to provide long term, flexible funding for affordable housing.

A System with Opportunities for Co-ordination

The housing system in Ontario is complex, with program and funding responsibilities spread out across four provincial ministries and 47 Service Managers. Any updates to the Long-Term Affordable Housing Strategy should seek to untangle the complexity and make the system easier to navigate so it works better for Ontarians.

A Need for Data to Measure our Progress

The Province is committed to making policy decisions based on evidence. At present, there are gaps in the available data on housing and homelessness in the province. In order to fully comprehend the housing issues Ontarians face, we need high quality information.

Supporting the Diverse Needs of Ontarians

Housing insecurity and homelessness affect some groups more than others. First Nation, Métis, and Inuit Ontarians are more likely to be in core housing need and face a greater risk of homelessness than non-Aboriginal Ontarians. Unique housing and support needs are also required for survivors of domestic violence, youth leaving care, seniors, and persons with mental health needs, addictions, physical disabilities, or developmental disabilities. We recognize the unique challenges facing vulnerable groups, and the need for tailored approaches that meet people where they are.

WE WANT YOUR VIEWS

Updating the Long-Term Affordable Housing Strategy requires input from key stakeholders, partners, and the public. We want to hear views on the current realities of Ontario's housing system, and how it can be improved to better meet the needs of Ontarians.

Up until July 2015, we encourage the public, our partners, and stakeholders to assist in the building of this plan by providing input related to the four key themes that are shaping the review and update.

This document provides background, context, and key questions related to these themes to inform the consultation process. Details on how to get involved can be found on the final page of this document.

To shape the discussion, we have highlighted four key themes that will guide our update of the Long-Term Affordable Housing Strategy.

▶ **Theme 1: A Sustainable Supply of Affordable Housing**

▶ **Theme 2: A Fair System of Housing Assistance**

▶ **Theme 3: Co-ordinated, Accessible Support Services**

▶ **Theme 4: A System Based on Evidence and Best Practices**



A SUSTAINABLE SUPPLY OF AFFORDABLE HOUSING

ONTARIO NEEDS A SUSTAINABLE SUPPLY OF AFFORDABLE HOUSING, IN BOTH THE PUBLIC SECTOR AND THE PRIVATE MARKET

Ontario faces challenges related to affordable housing supply, in both the private rental market and the non-profit and social housing sectors.

Most renters in Ontario live in private market housing, and 30 per cent of renters are in core housing need, largely due to problems with affordability. In many parts of the province, private rental housing supply is insufficient, and prices are high. Security of tenure – the ability to “stay put” in one’s home – is an issue for renters facing affordability issues.

Social housing supply is not meeting demand, and as federal funding declines, social housing providers face problems related to housing repair, and may not be able to continue to provide social housing rent subsidies. Ontario, in partnership with the federal government, has committed \$1.28 billion for new affordable housing opportunities through the Investment in Affordable Housing Program. Despite this, much more work needs to be done.

Key Terms

In general, **affordable housing** refers to housing for low- to moderate-income Ontarians².

Social housing was built through federal and provincial programs from the 1950s to 1995. Typically, social housing tenants pay a rent-g geared-to-income, set at 30 per cent of gross income.

For homes built through the federal-provincial **Investment in Affordable Housing** program, tenants pay an average rent of no more than 80 per cent of local average market rent.

Topics to Consider

- Land use planning, innovative financing tools and options
- Incentives for private rental construction
- Sustaining the supply of aging social housing
- Increasing and protecting non-profit and public housing supply

Questions for Discussion

- How can we encourage private investment in affordable housing through planning, financial, regulatory and other tools?
- How can we better support the non-profit sector (including co-ops, private, and municipal non-profits) in maintaining, replacing, and expanding social and affordable housing?
- How can we improve regulatory and legislative tools to enhance housing affordability?
- What steps should the federal government take to support housing supply, including social housing?

² The **Provincial Policy Statement** defines low- to moderate-income households as those with incomes in the lowest 60 per cent of the overall income distribution.

A FAIR SYSTEM OF HOUSING ASSISTANCE

ONTARIANS NEED FAIR ACCESS TO FINANCIAL AND NON-FINANCIAL SUPPORTS

Ontarians have access to many forms of financial assistance to support their housing needs. Eligible families and individuals can receive rent-geared-to-income assistance, and pay a rent equal to 30 per cent of their income. Other people are assisted through housing allowance and rent supplement programs. Currently, the limited number of available subsidies means that not all people in need receive assistance, and people in similar situations may receive different levels of support. In addition, the system can be confusing and complex for both Ontarians and housing providers.

Many Ontarians benefit from supports beyond financial assistance, including housing help services, emergency shelters, and eviction prevention assistance. As part of the Long-Term Affordable Housing Strategy update, non-financial supports are being explored, including efforts to improve access to affordable housing, and to improve the waiting list system. People can also be supported through improved access to counselling services and eviction prevention supports.

Topics to Consider

- Financial Assistance (rent-geared-to-income subsidies, rent supplements, housing allowances)
- Systems for accessing housing (e.g. waiting lists, “choice based” systems)
- Supports such as eviction prevention or counselling services
- Housing First³ supports to move homeless Ontarians into permanent housing

Questions for Discussion

- How can we improve access to housing assistance and reduce wait times?
- How can the systems of housing assistance be improved – for clients and service providers?
- What non-financial programs and supports help to maintain successful tenancies?
- How can we better support people who are homeless to become stably housed?

³Housing First is a term used to describe approaches that assist people who are homeless, or at-risk of homelessness, to obtain and maintain permanent, affordable housing linked to flexible, appropriate support services.

CO-ORDINATED, ACCESSIBLE SUPPORT SERVICES

PROVIDING HOUSING WITH SUPPORTS TO MEET A RANGE OF DIVERSE NEEDS

Some people require supports – whether temporary or ongoing – to live stably in their homes. Supportive housing refers to a combination of a housing subsidy and support services that enable people to live as independently as possible in the community. A wide range of Ontarians are assisted, including seniors and the frail elderly, persons experiencing homelessness, survivors of domestic violence, youth at risk, and persons with mental health needs, addictions, physical disability, developmental disabilities, acquired brain injuries, or terminal illness.

Supportive housing is administratively complex – involving many programs and organizations. Programs have also been developed separately over 50 years, and do not always reflect the unique and evolving support needs of Ontarians.

There are many challenges facing the system. There are long waiting lists to access supportive housing, and clients do not always receive housing or supports that match their needs. It can be difficult for providers to co-ordinate affordable housing with support services. In addition, there is a lack of data, limiting our understanding and ability to track progress. For clients, access can be complicated, requiring people to tell their story numerous times, and to numerous agencies.

As a first step towards addressing some of these challenges, the Ontario government is creating 1,000 units of supportive housing for people with mental health and addictions issues, under Phase 2 of its **Mental Health and Addictions Strategy**.

Topics to Consider

- Reducing complexity in Ontario’s supportive housing system
- Improving experiences and outcomes for Ontarians who need supportive housing

Questions for Discussion

- How can the Province, Service Managers, community agencies, and housing providers work to improve Ontario’s supportive housing system?
- What changes would make the system easier to navigate for people? What access and intake systems work best for people with complex needs?
- Are there opportunities to encourage innovation and reduce administrative burdens?
- How can we better co-ordinate housing and supportive services?

EVIDENCE AND BEST PRACTICES

POLICY AND PROGRAMS BASED ON RESEARCH AND PERFORMANCE DATA

As part of the 2014 Poverty Reduction Strategy, the Province committed to making government decisions based on the best available evidence. This means consulting with up-to-date research, collecting our own data, setting targets for performance, and evaluating progress to see how we measure up. The strategy will draw on recommendations from the **Expert Advisory Panel on Homelessness** on how to define, measure, and set targets related to homelessness.

Challenges to data collection exist in the present system. There are varied and fragmented systems for collecting, managing, and using data related to housing and homelessness across Ontario. Tracking performance is also a challenge. Many of our programs lack outcome-based performance measures, limiting the ability of government to know what works and what doesn't, and to then make decisions based on evidence.

There are many great examples of innovative work in the sector, and lots of existing research and best practices to draw upon. The updated strategy will explore how government and service providers can access this knowledge to inform innovative policy making and program design.

Topics to Consider

- Developing performance measures for social and affordable housing
- Homelessness-related targets, performance measures, and data collection
- Provincial data sharing and reporting on progress
- Capacity building, education, and continuous improvement

Questions for Discussion

- What outcomes should social and affordable housing programs focus on achieving?
- How can we support Service Managers and housing providers to achieve outcomes?
- What opportunities exist for sharing housing data with partners and the public?
- How do we enhance service provider capacity to access evidence on best practices?

HOW TO PARTICIPATE AND NEXT STEPS

We invite you to participate in the consultations that are taking place to support the Long-Term Affordable Housing Strategy update. We are moving quickly to make progress – please get in touch with us by July 3, 2015.

Send us your feedback and responses on the discussion questions included throughout this guide. You can provide your input through our website, by post, telephone, or email.

Visit our Website: ontario.ca/affordablehousing

Contact us by mail:

Ministry of Municipal Affairs and Housing, Housing Policy Branch
777 Bay Street, 14th Floor, Toronto ON M5G 2E5

Give us a call:

Local Telephone Number: **416-585-6377**

Toll-Free Telephone Number: **1-844-308-7296**

TTY: **1-844-403-5903**

Send us an Email: housingstrategy.mah@ontario.ca

Thank You for your Feedback!

We will use your feedback to inform our update to Ontario's Long-Term Affordable Housing Strategy. Your insights will help us reflect the housing needs of Ontarians. Together we can achieve our vision of an Ontario in which every person has an affordable, suitable, and adequate home to provide the foundation for secure employment, to raise a family, and to build strong communities.



Ministry of Municipal Affairs and Housing

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ISBN 978-1-4606-5634-1 (Print)

ISBN 978-1-4606-5635-8 (PDF)

14/04/15

Disponible en français

A Place to Call Home



A 10-year Housing and Homelessness Plan for Guelph Wellington





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This paper presents a **10-year Housing and Homelessness Plan (HHP) for Guelph Wellington**. This strategy has been developed in accordance with the Housing Services Act, 2011 and the Ontario Housing Policy Statement, 2011.

The HHP builds on the work of the County of Wellington's first Affordable Housing Strategy, which was released in 2005. The process for updating the strategy occurred in three phases:

- a) Need and Demand Study completed by the County (October 2012)
- b) Research and Consultations facilitated by JPMC Services Inc. See Discussion Paper (February 2013) for results.
- c) Strategy Development, also prepared by JPMC Services Inc.

Throughout each phase, hundreds of individuals and organizations were engaged through a variety of public meetings, interviews, targeted focus groups, and surveys.

This report presents the results of Phase 3. It outlines eight goals and 38 actions, which provide a roadmap for achieving the desired vision:

“Everyone in Guelph Wellington can find and maintain an appropriate, safe and affordable place to call home.”

Goals:

1. To help low-income households close the gap between their incomes and housing expenses
2. To provide a range of supports to assist people at risk of homelessness to remain housed
3. To offer a comprehensive range of supportive housing options for residents with complex needs due to aging, disabilities, mental health issues and addictions
4. To increase the supply and mix of affordable housing options for low- to moderate-income households
5. To reduce the length of time and number of people that experience homelessness
6. To promote practices that make the housing and homelessness support system more accessible and welcoming
7. To preserve the existing social and affordable rental housing stock
8. To seize opportunities to turn research knowledge into action

The number of goals and actions demonstrates the breadth and complexity of issues relating to affordable housing and homelessness, and the need for a multi-pronged solution. Increasing the supply of affordable housing alone will not fully address the issues and needs facing the housing and homelessness support system in Guelph Wellington. And while the number of issues to be addressed may seem daunting, the intention behind the HHP is to tackle the issues piece-by-piece and from multiple directions over an extended period of time.

The plan includes examples for each of the actions, and performance measures by which progress towards the goals can be assessed. The list of examples is not intended to be exhaustive, but rather to highlight best practices and models that could be adapted to the local context. It should be noted that, in many cases, the ability to set specific targets or achieve certain goals is highly dependent upon the availability of funding from other levels of government or community partners. As funding becomes available, more specific targets and implementation plans will be developed. These detailed implementation strategies will take into account different approaches required to address the various urban and rural communities of Guelph Wellington.

As the CMSM for Guelph Wellington, the County has an important leadership role related to system planning, coordination of services and the development of partnerships in the area of housing and homelessness. The HHP is a starting point for the community; it identifies needs and gaps across Guelph Wellington and proposes a range of strategies to achieve the community vision of ensuring that everyone has a place to call home. As a community, continued success will depend upon strong and trusting partnerships. The County will work to develop the goals and actions of the HHP into more detailed implementation plans in close cooperation with all community partners. This collaborative approach to meeting housing challenges will cultivate innovative solutions and will allow the County to maximize the available resources and assets of everyone.

LIST OF ABBREVIATIONS



AMO	Association of Municipalities of Ontario
CCAC	Community Care Access Centre
CMHA	Canadian Mental Health Association Waterloo Wellington Dufferin
CMHC	Canada Mortgage and Housing Corporation
CMSM	Consolidated Municipal Service Manager
CRC	Community Resource Centre of North and Centre Wellington
FCM	Federation of Canadian Municipalities
FRPO	Federation of Rental-Housing Providers of Ontario
HHP	Housing and Homelessness Plan
HPS	Homelessness Partnering Strategy
IAH	Investment in Affordable Housing for Ontario Program
LTAHS	Long Term Affordable Housing Strategy
MHCC	Mental Health Commission of Canada
MMAH	Ministry of Municipal Affairs and Housing
MOHLTC	Ministry of Health and Long Term Care
OCISO	Ottawa Community Immigrant Services Organization
ODSP	Ontario Disability Support Program
OMSSA	Ontario Municipal Social Services Association
OPA	Ontario Power Authority
OW	Ontario Works
PTF	Guelph & Wellington Task Force for Poverty Elimination
ROMA	Rural Ontario Municipal Association
UofG	University of Guelph
WWLHIN	Waterloo Wellington Local Health Integration Network



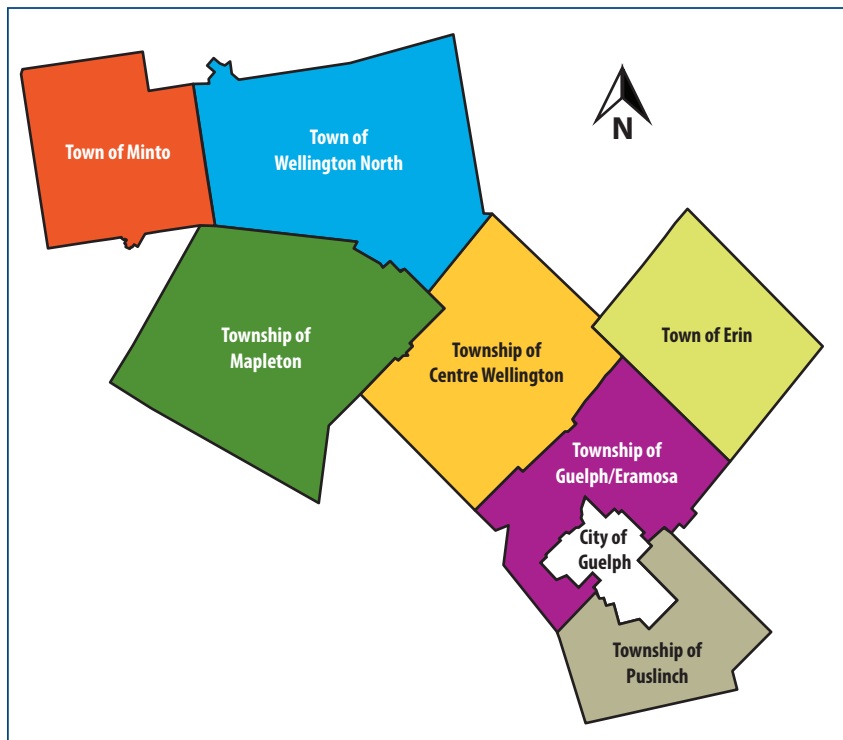
This paper presents a **10-year Housing and Homelessness Plan (HHP) for Guelph Wellington**.

This strategy has been developed in accordance with the Housing Services Act, 2011 and the Ontario Housing Policy Statement, 2011.

Under the Act, and as part of its role as the Consolidated Municipal Service Manager (CMSM) for housing and homelessness, the County of Wellington (the “County”) is responsible for developing, approving and overseeing the implementation of a 10-year strategy that:

- a) “Demonstrates a system of coordinated housing and homelessness services to assist families and individuals to move toward a level of self-sufficiency;
- b) Includes services, supported by housing and homelessness research and forecasts, that are designed to improve outcomes for individuals and families;
- c) Is coordinated and integrated with all municipalities in the service area;
- d) Contains strategies to increase awareness of, and improve access to, affordable and safe housing that is linked to supports, homelessness prevention and social programmes and services;
- e) Contains strategies to identify and reduce gaps in programmes, services and supports and focus on achieving positive outcomes for individuals and families;
- f) Contains local housing policies and short and long-term housing targets;
- g) Provides for public consultation, progress measurement, and reporting.”¹

Figure 1

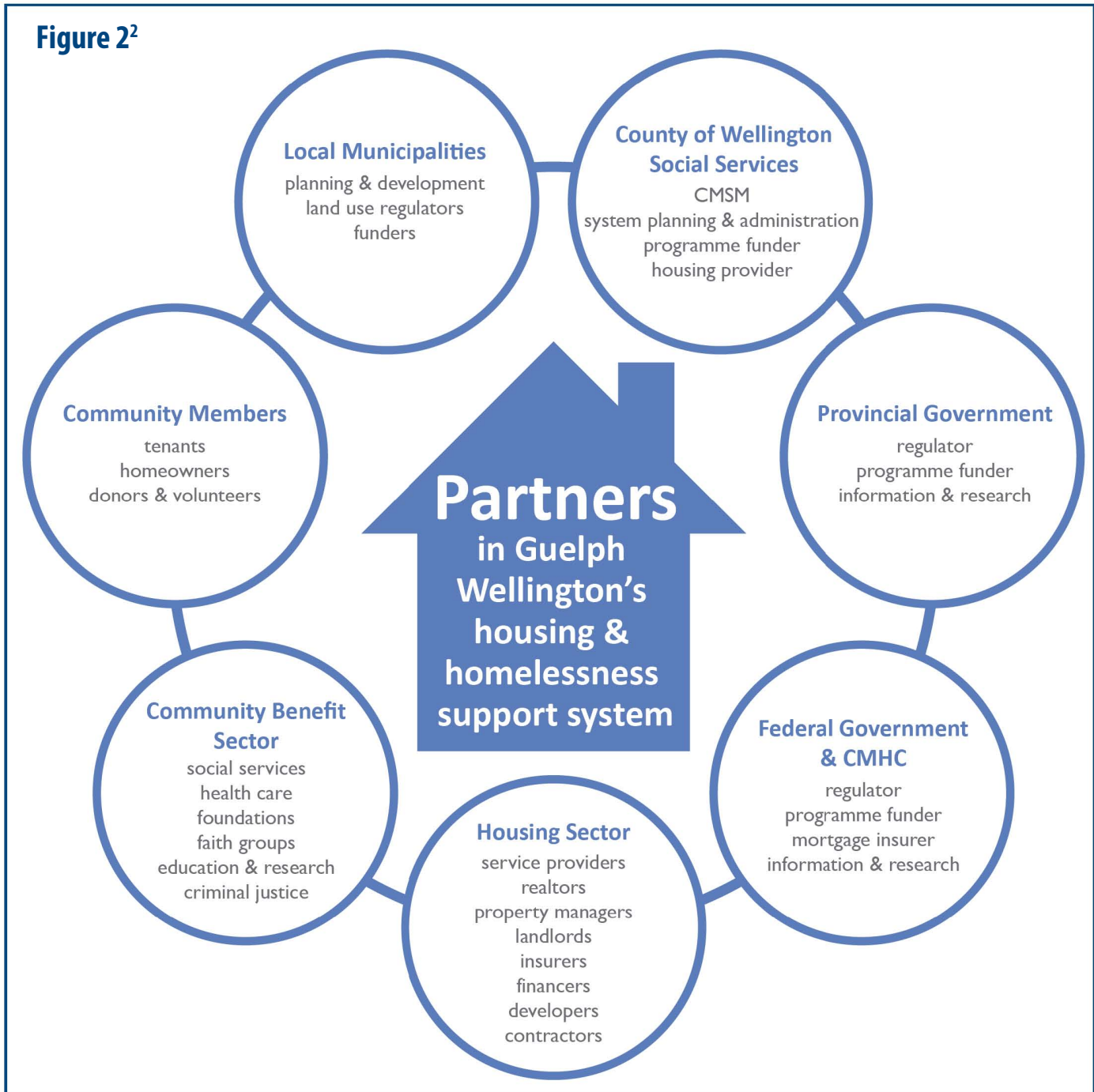


The Province has identified the County of Wellington as the CMSM for the geographic area that includes the County of Wellington and the City of Guelph. The City of Guelph is a separated municipality, and the County of Wellington is comprised of seven lower tier municipalities: Minto, Wellington North, Mapleton, Centre Wellington, Erin, Guelph/Eramosa and Puslinch. In this report, this geographic service area is referred to as “Guelph Wellington”.

¹ MMAH (2012). Ontario Housing Policy Statement, page 3.



Housing and homelessness are complex issues, involving shared accountabilities among all levels of government, the private sector, the non-profit sector, as well as community residents. Strong partnerships and collaborations with the Province, the County and its seven member municipalities, the City of Guelph, and other community stakeholders will be essential to ensuring the successful implementation of this plan.



² Figure 1 is adapted from Bruce County's Long Term Housing Strategy, 2010 - 2020



This HHP builds on the work of the County's first **Affordable Housing Strategy**, which was released in 2005. This new plan takes into account the progress, consultations, and research that have transpired since the first strategy was released.

The process for developing this HHP has been participatory, and has greatly benefited from the input of hundreds of community members who have shared their experiences of housing and homelessness, and their hopes for the future. Key among these voices was the input of 12 members of a Community Reference Group, which met regularly to provide community input, guidance and advice to the HHP project (see Acknowledgements). The strategic planning process itself occurred in three phases:

- 1. Need and Demand Study** - The purpose of the first step was to gain a better understanding of the current and anticipated future demand for housing in Guelph Wellington. A summary of the findings from this analysis can be found in the Need and Demand Study completed by the County (October 2012). This report highlights key trends in the demographic make-up of the community, the availability of and demand for social and affordable housing, as well as usage of local homeless shelters and eviction prevention services.
- 2. Research and Consultations** - The focus of phase two was on obtaining community input from individuals with lived experiences (i.e. homeless, social housing tenants, living in poverty, etc.), as well as community service providers, volunteers, landlords and developers, government representatives (both staff and elected officials), and other interested citizens. All told, about 210 individuals participated in a range of interviews, focus groups and town hall meetings, which took place between October 2012 and January 2013. The results of these discussions, as well as the findings of a review of promising practices related to housing and homelessness, were released in a Discussion Paper (February 2013). In addition, a detailed Inventory of existing affordable housing options in Guelph Wellington that are funded by the federal, provincial and/or municipal governments has been compiled.
- 3. Strategy Development** - The final phase of the process involved articulating the vision and goals/actions that will guide housing and homelessness planning over the next 10 years. To begin with, 272 community members responded to a validation survey, providing feedback on the draft vision statement and strategic priorities outlined in the Discussion Paper. Another 23 individuals participated in three facilitated sessions where specific goals and actions were explored.

This report presents the results of Phase 3. It contains an overarching vision statement, eight goals and 38 actions to address the issues, needs and gaps in the housing and homelessness system in Guelph Wellington, as well as a series of targets and performance measures by which progress towards the goals will be assessed.



Artwork: Wayne Forest

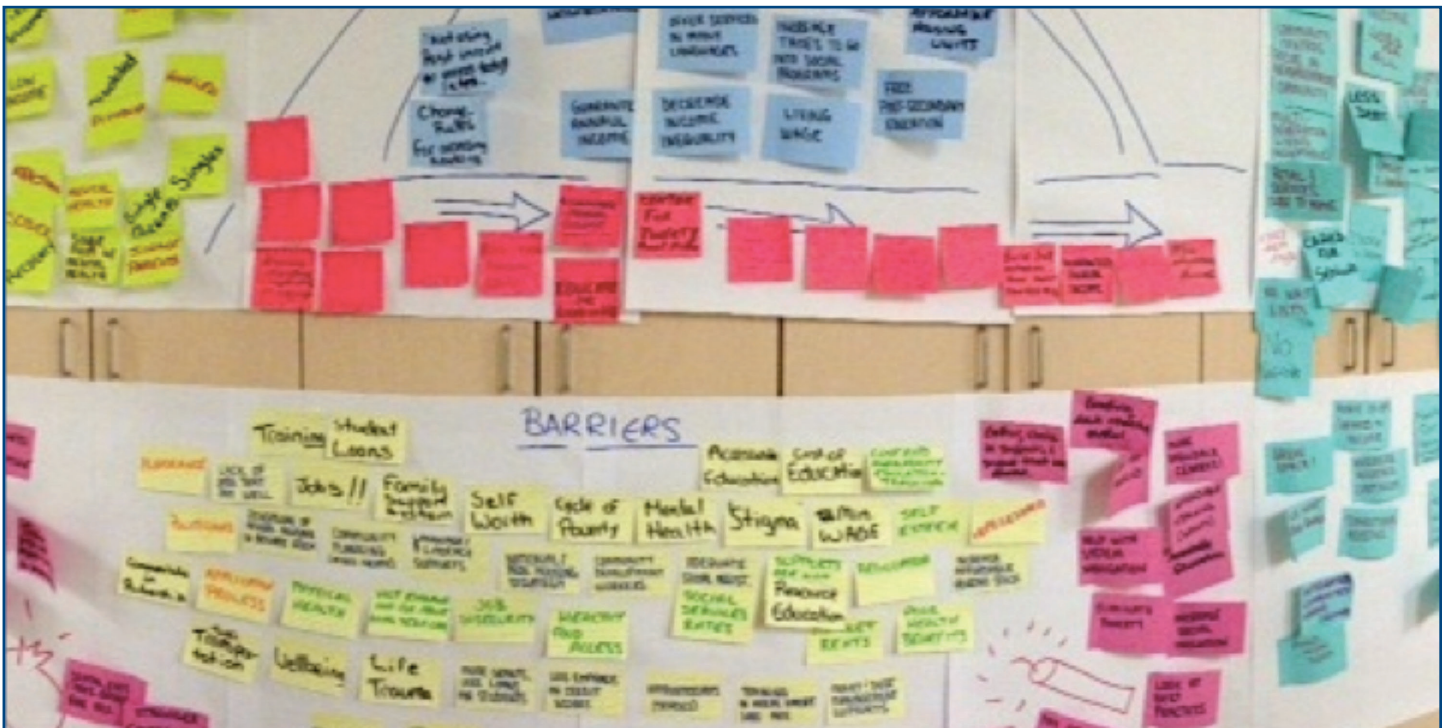


Wall of art, Welcome In Drop-in Centre, downtown Guelph



“ Everyone in Guelph Wellington can find and maintain an appropriate, safe and affordable place to call home. ”

The above vision statement was developed based on feedback from 272 community stakeholders to a validation survey, and then tested with members of the Community Reference Group. It reflects the community’s desire for a vision that is simple, bold and direct. It is intended to be inclusive of all population groups and housing options along the continuum, and to provide a sense of welcoming and warmth. It recognizes that not only is it important for people to be able to find suitable housing, but that they must also be able to keep their housing long-term, with or without supports.



HHP Consultation with the Community Voices of the Poverty Task Force (October 18, 2012).



The **Discussion Paper** details numerous housing and homelessness challenges facing Guelph Wellington. These issues were grouped into six themes for discussion purposes: preventing and eliminating homelessness; supportive housing and housing with supports; income and affordability; housing supply; system navigation; and research, monitoring, and evaluation. Based on community feedback, these themes have been further refined into eight strategic goals and 38 actions, which provide a roadmap for achieving the desired vision: “Everyone in Guelph Wellington can find and maintain an appropriate, safe and affordable place to call home.”

The number of proposed goals/actions demonstrates the breadth and complexity of issues relating to affordable housing and homelessness, and the need for a multi-pronged solution. Increasing the supply of social housing alone is insufficient to improve access to affordable and sustainable housing. And while the number of issues to be addressed may seem daunting, the intention behind the HHP is to tackle the issues piece-by-piece and from multiple directions over an extended period of time.

The following are definitions of the strategic planning terms used in the HHP:

- **Vision** - the desired future state
- **Goals** - the result we are trying to achieve
- **Actions** - what we will do to achieve the goal
- **Targets** - how we will know if we have been successful
- **Measures of Success** - the indicators we will use to measure

Setting and Quantifying Targets

The Housing Services Act, 2011 requires that HHPs contain short and long-term housing targets. These measurements will ultimately allow Service Managers and communities to demonstrate the extent to which each initiative is meeting its desired impact.

In developing this HHP, there was significant discussion about setting and quantifying more specific targets. One option explored was setting targets in accordance with community needs, for example:

Community Need	Ultimate Target
<ul style="list-style-type: none"> • On average, 108 individuals access the emergency shelters in Guelph per night (2012) 	<ul style="list-style-type: none"> • Zero “absolute” homelessness
<ul style="list-style-type: none"> • 1,300 households are on the centralized waiting list for social housing in Guelph Wellington (Dec 2012) 	<ul style="list-style-type: none"> • Creation of new permanent social housing and/or rent supplement units to fully meet the demand of the waiting list
<ul style="list-style-type: none"> • 12.2% of all households in Guelph and 7.2% in Wellington are living in core housing need (2006) 	<ul style="list-style-type: none"> • 100% reduction in the proportion of households living in “core housing need”

It is recognized that ideal targets should be: specific, measurable, assignable, realistic and time-related. The challenge with basing targets on community need is that they do not follow the “SMART” principle; in so much as achievability is highly dependent upon a range of socio-economic factors that extend well beyond the scope and control of the Service Manager and in many cases local communities (i.e. population growth, economic conditions, housing starts, vacancy rates, etc.). In addition, the ability to meet specific housing targets is highly dependent upon the availability of funding from other levels of government, which, at the time of writing this plan, is not fully known.

Furthermore, it is recognized that the development of housing indicators and measures is a new and evolving area. The Province is currently working with Service Managers to develop a set of common indicators to be used province-wide in the future. Once developed, the County will work with community partners to apply these indicators and measures locally.

As an important first step, a number of short and long-term target areas have been identified for this HHP. As more information becomes available related to programme targets and funding from federal and provincial governments, more measurable targets and implementation plans will be developed in consultation with community partners. These detailed implementation plans will take into account the different approaches required to address the various urban and rural communities of Guelph Wellington.

Summary of Goals and Targets

Listed on the following page is a summary of the goals and targets for Guelph Wellington's HHP. The criteria used in selecting and prioritizing these goals and targets were as follows:

- Mentioned often throughout consultations
- Supported by Guelph Wellington data
- Supported by best practice research
- Strategic value (ability to leverage something else)
- Achievability
- Affordability

More details, including rationales, examples, and potential indicators that can be used to measure progress are provided in the following pages. The list of examples is not intended to be exhaustive, but rather to highlight best practices and models that could be adapted to the local context.



Artwork: Wayne Forest



1. To **help low-income households close the gap** between their incomes and housing expenses
2. To provide **a range of supports** to assist people at risk of homelessness to remain housed
3. To **offer a comprehensive range of supportive housing options** for residents with complex needs due to aging, disabilities, mental health issues and addictions
4. To **increase the supply and mix of affordable housing options** for low- to moderate-income households
5. To **reduce** the length of time and number of people that experience **homelessness**
6. To promote practices that make the housing and homelessness support system **more accessible and welcoming**
7. To **preserve** the existing social and affordable rental **housing stock**
8. To **seize opportunities** to turn research knowledge into action



Short-term Targets (2014-2017)



- Additional allocations for rent supplements or housing allowances
- Increase in the availability of housing outreach/support services
- Shift in funding from emergency shelter beds to eviction prevention and outreach/support programmes and services
- New funding leveraged and partnerships established to increase the supply and mix of affordable housing options for low-income residents

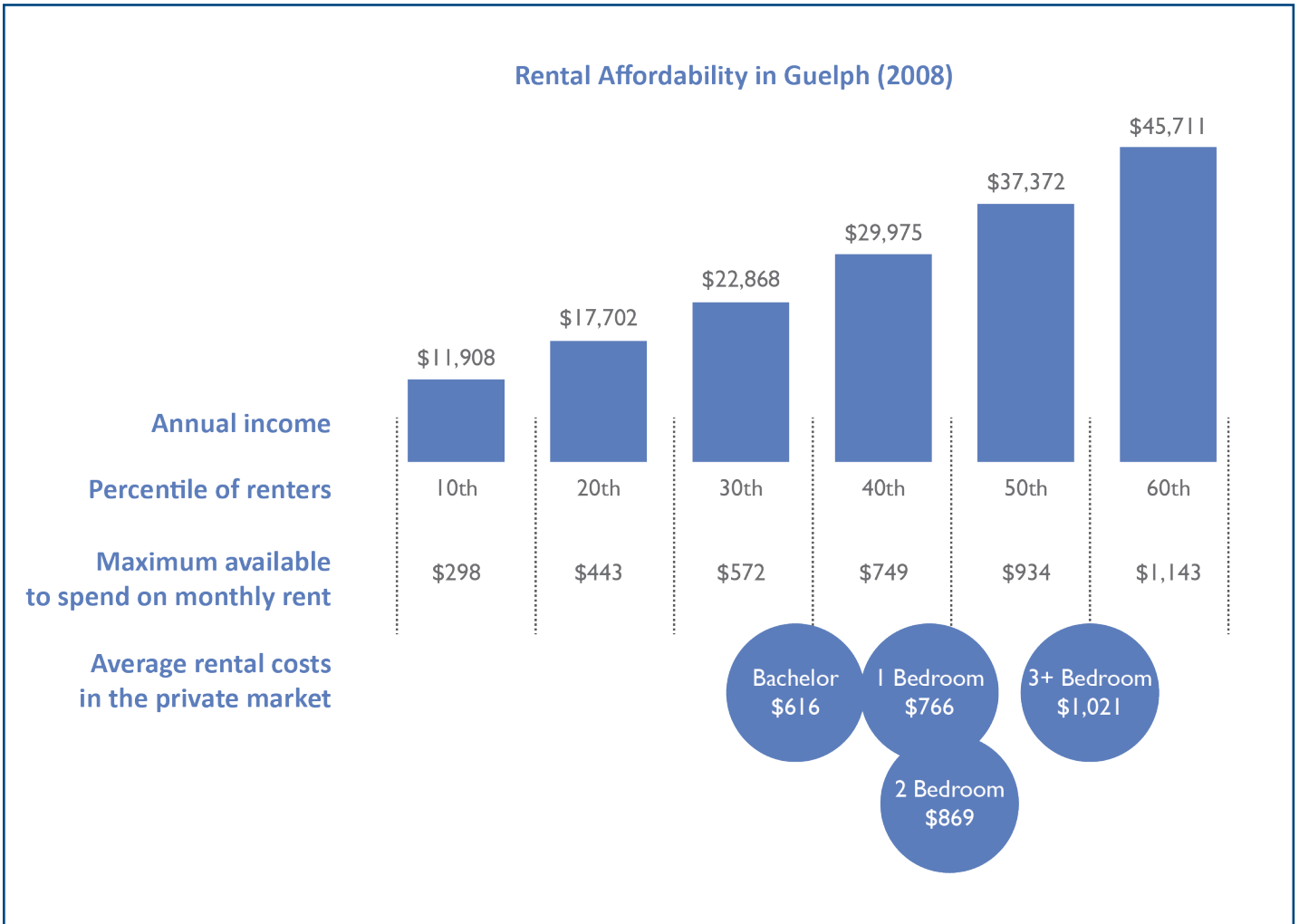
Long-term Targets (by 2024)

- Reduction in the proportion of Guelph Wellington's population who are homeless
- Increase in the number, proportion and availability of affordable housing units across Guelph Wellington
- Reduction in the proportion of the population on the centralized waiting list
- Reduction in the proportion of households in Guelph Wellington living in "core housing need"

GOAL #1: To help low-income households close the gap between their incomes and housing expenses

One of the root causes of homelessness and housing affordability problems is low income. It's simple math – people need a living wage in order to maintain their housing and pay for other necessities of daily life. The most common causes of housing affordability mentioned during this study were low paying jobs, inadequate social assistance rates, and the expense of raising children as a lone parent. Good employment opportunities, particularly for people with limited education and/or disabilities, are scarce, and temporary jobs, although more plentiful, typically lack sufficient wages and/or benefits. Furthermore, many of the existing social policies and financial programmes intended to assist people living in poverty are inadequate, and some of these financial aids are currently only available to OW/ODSP recipients.

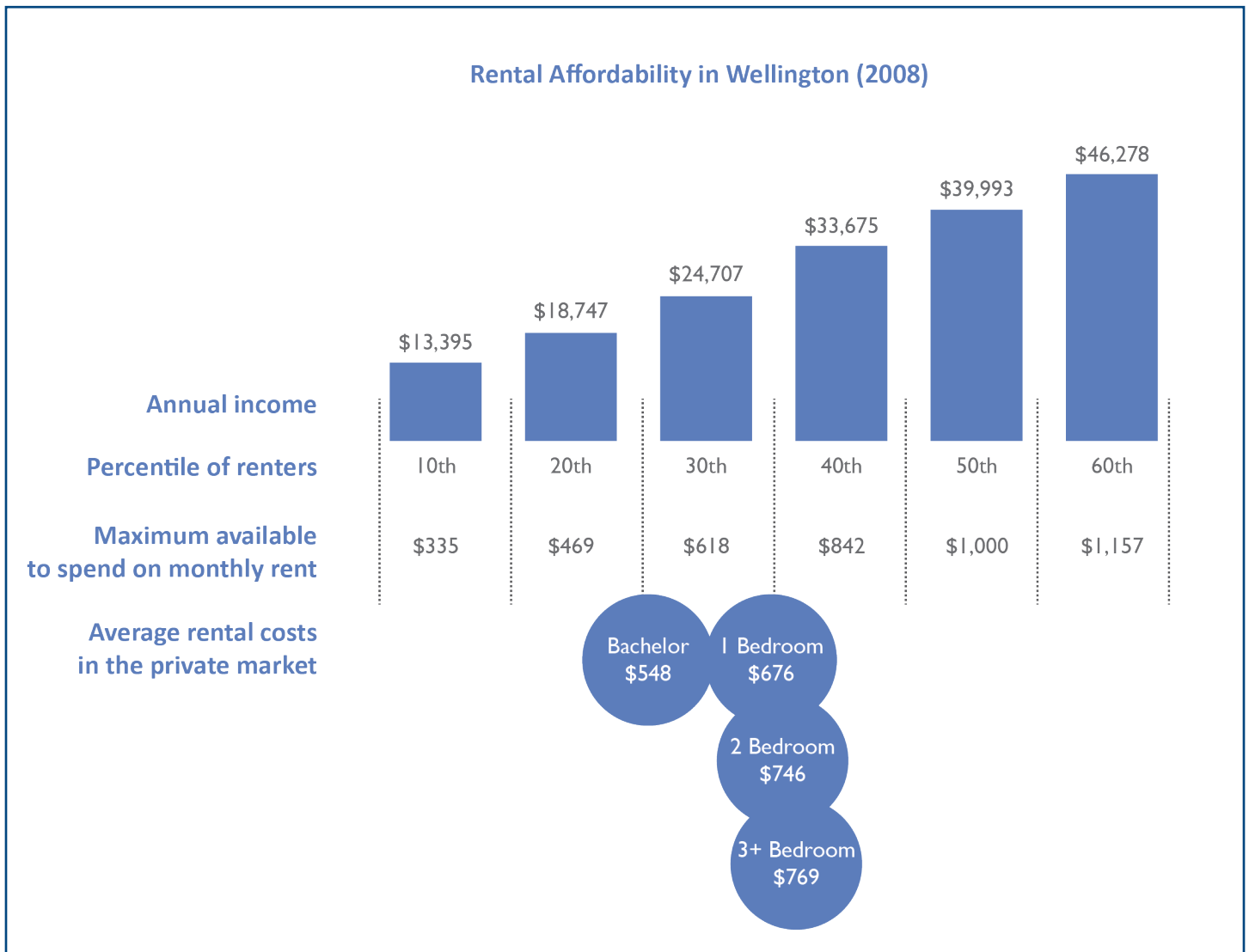
Figure 3³



³ Data notes for Figures 3 and 4

- Income source: Statistics Canada, 2006 Custom Order, 2005 income percentiles have been inflated by Ontario Consumer Price Index of 6% to the 2008 level
- Maximum available to spend on monthly rent = 30% of gross income
- Average market rent source: County of Wellington, Housing Services, Average Market Rent Survey, 2009

Figure 4⁴



Social (RGI) housing is intended for households at or below the 30th income percentile, while affordable housing (rental or ownership) is generally for households earning between the 30th to 60th income percentiles. Given the long waiting list for social housing in Guelph Wellington⁴, many households at or below the 30th income percentile - \$22,268 in Guelph and \$24,707 in Wellington - are forced to turn to the private market for accommodation. As illustrated in Figures 3 and 4 above, there are limited affordable rental housing options for low-income households in Guelph Wellington.

This goal and the four actions outlined in the table below are intended to help alleviate the gap between income and housing affordability, beginning with the need for more “housing benefits” – monthly allowances that help low-income tenants close the gap between their incomes and the cost of rent. Where feasible, these benefits should be portable and tied to individuals (not units).

⁴ As of December 2012, there were 1,294 households on the centralized waiting list. Average wait times vary from two to nine years, depending on household size and location.

Actions	Examples ⁵	Measures of Success
1.1 Expand the existing rent subsidy programmes that help reduce the rents of low-income tenants to an affordable level	<ul style="list-style-type: none"> County's Rent Supplement and Housing Allowance programmes 	<ul style="list-style-type: none"> Increase in the number of rent subsidies allocated
1.2 Continue to support advocacy efforts to upper levels of government for improvements to the income security system	<ul style="list-style-type: none"> Municipal advocacy work in collaboration with the PTF, AMO, FCM, OMSSA, ROMA, and other associations that allow local political leaders to advocate to upper levels of government 	<ul style="list-style-type: none"> Improvements to the income security system
1.3 Explore options to assist people with arrears/credit issues to access housing	<ul style="list-style-type: none"> Landlords willing to accept monthly payments toward last month's rent 	<ul style="list-style-type: none"> Extent to which options meet an identified need
1.4 Continue to work with local utility corporations to reduce the burden of rising utility costs on low-income tenants and homeowners	<ul style="list-style-type: none"> OPA's saveONenergy Home Assistance Programme Collaborations between Centre Wellington Hydro and CRC 	<ul style="list-style-type: none"> Increased uptake in community energy programs Decreased usage of local utility banks



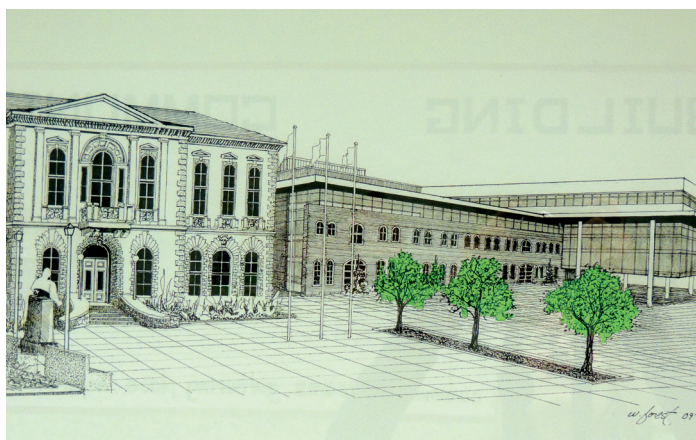
Artist Wayne Forest in front of a wall of his works in his studio at the downtown Guelph Welcome In Drop-in Centre.

⁵ The list of examples is not intended to be exhaustive, but rather to highlight best practices and models that could be adapted to the local context.

GOAL #2 - To provide a range of supports to assist people at risk of homelessness to remain housed

From a cost/benefit perspective, the most effective way to end homelessness is to stop it before it begins. Some residents lack the necessary “life skills” in financial management, household maintenance, and conflict resolution to successfully maintain their housing. Complaints of tenants being in rent and utility arrears and/or behaving disruptively are frequent, and therefore it is important that the HHP includes an emphasis on eviction prevention. This goal and the actions outlined below speak to the need for early detection activities that proactively identify individuals/families living in precarious situations that could benefit from outreach and support services, including emergency financial aid. It also involves reaching out to at-risk youth who are dealing with family crises that could potentially lead to household breakdowns (e.g. youth leaving homes).

Actions	Examples	Measures of Success
2.1 Continue to offer temporary emergency financial assistance to low-income households in need	<ul style="list-style-type: none"> Rent/utility banks offered by the County, CRC, Drop In Centre, and Salvation Army 	<ul style="list-style-type: none"> Extent to which the number of clients assisted meets demand
2.2 Expand housing outreach and support services (i.e. counselling, mediation, budgeting, and life skills training) that help people keep their housing, including early identification of family crisis issues	<ul style="list-style-type: none"> CRC’s Outreach and Support services GWSA’s Seniors Offering Support Neighbourhood support workers Aftercare support programmes (Michael House, Wyndham House) 	<ul style="list-style-type: none"> Increase in the number of clients being appropriately referred to and accessing housing outreach and support services
2.3 Work proactively and collaboratively with both landlords and tenants to resolve housing issues and prevent evictions	<ul style="list-style-type: none"> Tenant/landlord mediation Workshops regarding tenant rights and responsibilities Publication of an on-line landlord-tenant resource toolkit 	<ul style="list-style-type: none"> Improvements in social housing tenant satisfaction rates Decreased eviction rates (social and private sector housing) Improved landlord/tenant relationships
2.4 Work with school boards and youth service agencies to identify children and youth at risk of homelessness, advocate/broker services on their behalf, and assist them to connect with community services	<ul style="list-style-type: none"> The RAFT – a youth shelter alternative in Niagara Give Yourself Credit Wyndham House’s Outreach and Support Services Mobilizing Local Capacity to End Youth Homelessness 	<ul style="list-style-type: none"> Decreased usage of the Youth Emergency Shelter (YES) Increase in the number of youth being referred to homelessness prevention services



Artwork (both): Wayne Forest

GOAL #3 - To offer a comprehensive range of supportive housing options for residents with complex needs due to aging, disabilities, mental health issues and addictions

Individuals struggling with complex needs due to aging, developmental disabilities, mental health issues, addictions, etc. require housing coupled with supportive services to help them live as successfully as possible in the community. At present, the supply of supportive housing options located in Guelph Wellington is simply too limited. Although highly desirable, given the current economic environment, it is unlikely that new purpose-built permanent supportive housing units will be constructed in the immediate future. It is therefore recommended that local outreach and support services provided by multi-disciplinary teams be enhanced, and that these services be offered in subsidized and private market rental units. Central to this goal is the need for housing providers to establish partnerships with WWLHIN-funded programmes and services, given the intersection between the health and housing sectors on this issue. Examples of successful models are already in place in the community (see table below). As well, it will be important to ensure that new housing developments take into account the future needs of an aging and increasingly medically complex population.

Actions	Examples	Measures of Success
<p>3.1 Establish a formal working relationship with the WWLHIN to support the MOHLTC's "Home First" philosophy that would include:</p> <ul style="list-style-type: none"> Supporting community agencies to increase the supply of outreach and housing support services provided to individuals with complex needs due to aging, disabilities, mental health issues and addictions Increasing the supply of supportive housing units in Guelph Wellington Hospital discharge planning and community care offered through the CCAC 	<ul style="list-style-type: none"> County's partnership with CMHA and Traverse Independence to deliver support services at Fergusson Place County's funding agreements with Retirement Homes under the Domiciliary Hostel Program Assisted Living for At Risk Elderly, Guelph Independent Living 	<ul style="list-style-type: none"> Increase in the number of supportive housing units created Increase in the number of clients being appropriately referred to and accessing community support services
<p>3.2 Establish a Housing First Network composed of multi-disciplinary staff providing housing outreach and support services in a variety of settings, in order to improve service coordination and information sharing (also see 5.2)</p>	<ul style="list-style-type: none"> Model upon Seniors' Services Network and Hoarding Network 	<ul style="list-style-type: none"> Better coordination and integration of housing support services
<p>3.3 Encourage the development of Secondary Suites; allowing client groups such as low-income seniors or adults with a disability to live independently in their community, close to family and friends (also see 4.8)</p>	<ul style="list-style-type: none"> In the City of Guelph, 209 accessory apartment units were created in 2012 – above the City's affordable housing target of 90 units 	<ul style="list-style-type: none"> Increase in the number of secondary suites created

3.4 Promote financial programmes from other levels of government that can help homeowners improve the safety and accessibility of their homes	<ul style="list-style-type: none"> • CMHC’s former Homeowner Residential Rehabilitation Assistance Programme (RRAP) • IAH Ontario Renovates Program • Ontario’s Healthy Homes Renovation Tax Credit 	<ul style="list-style-type: none"> • Increased uptake of residential renovation programmes
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GOAL #4 - To increase the supply and mix of affordable housing options for low- to moderate-income households

Not surprisingly, a fundamental need expressed through the community consultations and the validation survey is for more affordable housing options. The centralized waiting list for social housing is too long; the rental vacancy rate is very low; and the limited affordable options that do exist often fall below tenants’ expectations in terms of quality, size and maintenance. Recent grants that have been allocated for developers to build new affordable rental units are appreciated, but viewed as “just a drop in the bucket” as they have not addressed the needs of households on the centralized waiting list. Additional investments from the federal and provincial governments are required in order to increase the supply and mix of affordable housing options across the continuum and within the geographic area.

“Affordable Housing” is a broad term that refers to any type of housing option along the housing continuum.

It applies to rental units and home ownership, as well as transitional, supportive and social housing. With respect to private market housing, both the City and County’s Official Plans define affordable as the following:

- Affordable rental housing - a unit for which the rent is at or below the average market rent in the regional market area (In 2008, the average market rent for all unit sizes was \$833 per month in Guelph and \$714 in Wellington)
- Affordable ownership housing - the purchase price is at least 10% below the average house price of a resale unit in the regional market area (In 2008, the average house price was \$237,000 in Guelph and \$269,000 in Wellington)

The focus of the nine actions listed below is on removing any impediments at the local level that could potentially delay developments, should new funding emerge. They also speak to the need for the County and concerned community partners to advocate for policy reforms that could encourage the development of additional affordable housing units.

Actions	Examples	Measures of Success
4.1 Continue to support advocacy efforts to upper levels of government for the funding of new permanent affordable housing units, including options for additional subsidies to reduce rents to RGI levels	<ul style="list-style-type: none"> • Municipal advocacy work in collaboration with the PTF, AMO, FCM, OMSSA, ROMA, and other associations that allow local political leaders to advocate to upper levels of government 	<ul style="list-style-type: none"> • New investments in social housing from upper levels of government • Additional allocations for rent supplements or housing allowances
4.2 Consider options and incentives for municipal affordable housing reserves in order to leverage funding from upper levels of government	<ul style="list-style-type: none"> • Leveraging new federal and provincial funding (e.g. IAH, HPS, etc.) • Including a component for social housing support in the next development charges review as in Kingston among other cities 	<ul style="list-style-type: none"> • Increase in the number of social and affordable housing units created • Decrease in the centralized waiting list • Additional allocations to local affordable housing reserves

4.3 Maintain a list of priorities and suitable properties for new affordable housing developments, in order to quickly respond to emerging funding opportunities from upper levels of government	<ul style="list-style-type: none"> • Phase 2 of Fergusson Place 	<ul style="list-style-type: none"> • Development opportunities identified • Financial and in-kind commitments by partners identified
4.4 Explore social financing ⁶ opportunities that could be used to increase the supply of affordable rental stock	<ul style="list-style-type: none"> • Community Forward Fund - provides working capital and bridge loans for Canadian non-profits • Infrastructure Ontario mortgages • YWCA Toronto Elm Centre - issued a \$1 million community housing bond 	<ul style="list-style-type: none"> • Amount of capital generated through social financing
4.5 Leverage funding from other levels of government to increase home ownership opportunities for low- to moderate-income households	<ul style="list-style-type: none"> • 2nd mortgage (down payment assistance) programmes offered by the County, Options for Homes, and Habitat for Humanity • Rent-to-own initiatives 	<ul style="list-style-type: none"> • Increased funding allocated to and usage of the County's Home Ownership Fund
4.6 Create a comprehensive incentive toolkit which could be used by all local planning departments for education purposes, and to encourage the development of new affordable units	<ul style="list-style-type: none"> • MMAH's Municipal Tools for Affordable Housing 	<ul style="list-style-type: none"> • Toolkit developed and disseminated all local planning departments
4.7 Provide incentives to support affordable housing in new developments	<ul style="list-style-type: none"> • Waiving/rebating of planning and building fees • Development charge exemptions or grants 	<ul style="list-style-type: none"> • Incentives made available to developers of new construction
4.8 Review planning regulations and by-laws in all of the local municipalities to identify any unnecessary restrictions to the development of new affordable housing units	<ul style="list-style-type: none"> • Parking requirements • Secondary suites (see 3.3) • Gap analysis of condominium conversion and demolition control policies 	<ul style="list-style-type: none"> • Regulations and by-laws are reviewed and (if warranted) amended
4.9 Advocate to the Province to permit inclusionary zoning (i.e. require a given share of new construction to be affordable by people with low- to moderate-incomes)		<ul style="list-style-type: none"> • Changes to provincial planning regulations

⁶ **Social finance** is an approach to managing money that delivers a social dividend and an economic return. It includes community investing, micro-lending, social impact bonds, and sustainable business and social enterprise lending (Wikipedia, 2013).

GOAL #5 - To reduce the length of time and number of people that experience homelessness

During the community consultations, there was considerable debate about setting a goal of “zero homelessness.” Participants recognized that this is an ideal state, but noted that in reality, due to the complexity of factors that contribute to homelessness, there will always be a segment of the population that finds itself without a roof. The consensus locally is to ensure that any homeless experience is short-lived and that there is suitable shelter accommodation and support services to help people get “back on their feet” quickly.

At present, there are no emergency shelter beds situated in the County; most individuals or families (particularly youth) prefer to stay local and make do, but those who choose to access the shelter system need to travel to neighbouring cities. Furthermore, the current shelters cannot accommodate families (e.g. couples or single fathers with children), and so families often spend their shelter stays in one of the local motels, which have agreements with the Welcome In Drop-In Centre. The use of motels for shelter accommodations presents many challenges, and is of growing concern given the recent trend showing a rise in the number of families and complexity of clients accessing the shelter system.

The following actions are intended to address the existing pressures on the emergency shelter system, and to change the focus of service delivery from emergency housing to Housing First. They are predicated on the assumption that there will be a shift in funding from per diems to eviction prevention, outreach and support services.

Actions	Examples	Measures of Success
5.1 Promote a Housing First philosophy, whereby homeless individuals/ families would be placed directly into affordable rental units with on-site supports	<ul style="list-style-type: none"> MHCC’s At Home/Chez Soi project Pathways to Housing (US) 	<ul style="list-style-type: none"> Increased awareness and understanding of Housing First among local service providers Decreased usage of emergency shelters Improved placement and tenure rate of homeless
5.2 Create a Housing First team that is trained in providing assessments and referrals for complex clients (i.e. youth, adults and families dealing with mental health, addiction and trauma issues)	<ul style="list-style-type: none"> MHCC’s At Home/Chez Soi project 	<ul style="list-style-type: none"> Improvements in the way homeless individuals are triaged and linked with community support services
5.3 Support community agencies to create emergency shelter options that better meet the community needs of the local homeless population	<ul style="list-style-type: none"> Family-friendly emergency housing units Bridging the Gap – rural shelter options for youth in Halton The RAFT – a youth shelter alternative in Niagara 	<ul style="list-style-type: none"> Decreased usage of motels for shelter accommodation Increase in the number of family shelter spaces established
5.4 Leverage funding from other levels of government/ministries to increase the supply of transitional housing units, in particular for families, victims of domestic violence, youth exiting the child welfare system, and individuals leaving incarceration	<ul style="list-style-type: none"> Wyndham House’s Suffolk and Bellevue Houses Lutherwood’s Family in Transition programme Woodgreen’s Homeward Bound (Toronto) 	<ul style="list-style-type: none"> Increase in the number of transitional housing units created

GOAL #6 - To promote practices that make the housing and homelessness support system more accessible and welcoming

Housing First is based on the belief that housing is a basic human right, and that people should not have to prove that they are “housing ready” by first participating in treatment or by being clean and sober before obtaining somewhere to live. Evidence from other communities that have implemented Housing First indicates that it is a new service philosophy as much as a service delivery model. It often requires a change in existing agency cultures, with emphasis being placed on relationship building and practices that make intake services more user-friendly and welcoming⁷. This includes helping to support people entering and navigating the housing system; for example, accompanying individuals when they inspect units, helping them to negotiate agreements with landlords, and connecting them with local neighbourhood groups and faith communities. This is especially important for newcomers who face considerable challenges finding adequate and affordable housing in neighbourhoods where they feel safe.

In addition, this goal and the actions outlined below speak to the need to ensure social services are better integrated, and where possible, to reduce transportation barriers in rural areas where the lack of public transportation and travel distances make it extremely difficult for individuals to attend appointments.

Actions	Examples	Measures of Success
6.1 Support community groups to establish “housing specialist” functions that help people navigate the housing system and connect them with community groups and services	<ul style="list-style-type: none"> • County’s Tenant Placement Service • Wyndham House’s Youth Resource Centre • CRC • 211 Service 	<ul style="list-style-type: none"> • Improved placement rate and tenures of clients • Positive client feedback
6.2 Continue efforts to provide multi-service access points at locations in rural communities	<ul style="list-style-type: none"> • County satellite OW office in Fergus 	<ul style="list-style-type: none"> • Number of access points where services are offered in the County • Positive client feedback
6.3 Foster inclusion and housing options for new immigrants and refugees	<ul style="list-style-type: none"> • OCISO – in Ottawa municipal housing case managers provide on-site services at settlement agencies • Designated temporary housing accommodations for new immigrants in partnership with employers 	<ul style="list-style-type: none"> • Better coordination between housing and settlement programmes • Positive client feedback
6.4 Continue to explore options for improving transit solutions available to Wellington residents	<ul style="list-style-type: none"> • CRC’s Volunteer Transportation Program funded by the County • Rural public transit routes and services for people with disabilities 	<ul style="list-style-type: none"> • Increased transportation options for rural residents
6.5 Foster integration of housing, income support and other relevant community programmes and services	<ul style="list-style-type: none"> • Common intake processes • Human services integration 	<ul style="list-style-type: none"> • Housing and income support services are streamlined • Positive feedback from clients and staff
6.6 Continue to address the needs of applicants on the centralized waiting list, as well as to support tenants experiencing transfers due to over/under-housing situations		<ul style="list-style-type: none"> • Number of social housing applicants being appropriately referred to and accessing community support services • Improved social housing tenant satisfaction rates

⁷ Tsemberis, S. (2013, May 2). Presentation at the 2nd National Meeting of Community Advisory Boards and Community Entities. , Ottawa, Ontario.

GOAL #7 - To preserve the existing social and affordable rental housing stock

No new permanent social housing has been built in Guelph Wellington since 1995, and much of the existing stock is aging and requires major life-cycle replacements. Consequently, this goal speaks to the need to preserve and upgrade the existing social and affordable rental housing stock.

For example, the County is currently in the process of completing a County-wide Asset Management Plan, which will identify and quantify these needs for all County owned housing. In order to finance necessary capital improvements, it will be necessary to continue to allocate funds to capital reserves, to leverage any upper level government funding available, and to investigate energy efficiency and other renovations that could result in operating cost savings.

In the coming years federal operating agreements and the mortgages of several non-profit buildings are coming to an end. In addition to safeguarding the ongoing operation of these units as affordable options for low-income households, consideration will be given to refinancing these buildings to fund renovations and new units.

Actions	Examples	Measures of Success
7.1 Continue to work with housing providers to safeguard the ongoing operation of units (with federal agreements set to expire) as affordable options for low-income households		<ul style="list-style-type: none"> • Proportion of 246 federally funded units maintained as affordable housing options for low-income households
7.2 Explore opportunities for non-profit housing providers to leverage their existing capital assets in order to finance renovations and new units	<ul style="list-style-type: none"> • Ottawa's refinancing of existing social housing to build new units and do renovations 	<ul style="list-style-type: none"> • Amount of assets re-financed
7.3 Implement the County-wide Asset Management Plan (expected to be completed by December 2013)		<ul style="list-style-type: none"> • Improvements made to social housing stock
7.4 Encourage landlords to adopt the FRPO's Certified Rental Building Programme, which aims to protect tenants from renting in a poorly maintained building or from a property manager that offers an inadequate quality of service to its tenants	<ul style="list-style-type: none"> • Williams McDaniel buildings in Guelph 	<ul style="list-style-type: none"> • Increase in the number and proportion of multi-residential properties designated as Certified Rental Buildings

GOAL #8 – To seize opportunities to turn research knowledge into action

The current housing and homelessness service environment is changing. New approaches such as Housing First have been piloted across Canada, and are currently being evaluated. A recent Provincial Commission has recommended major changes to the social assistance system. And new technologies for energy conservation are emerging. This goal is about building local research capacity, in order to ensure that the outcomes of local housing and homelessness services are monitored, and that “best practices” appropriate for adaptation to the local context are explored and shared with local stakeholders.

It is recommended that the HHP be approached with a learning and evolving orientation, as an opportunity to engage community stakeholders in celebrating what’s been achieved, and for making ongoing improvements to the strategy.

Actions	Examples	Measures of Success
8.1 Continue to promote efforts that improve community awareness and understanding of affordable housing and homelessness	<ul style="list-style-type: none"> • UofG/CMHC Housing Forums • Poverty Task Force 	<ul style="list-style-type: none"> • Number of housing events/forums held
8.2 Continue to monitor research trends and identify best practices that are appropriate for adaptation to the local context	<ul style="list-style-type: none"> • Pocket housing (small residences) • Housing First • Human services integration • Social housing redevelopment and regeneration • Environmental sustainability and energy conservation 	<ul style="list-style-type: none"> • Commitment (including financial resources) to conduct research • Extent to which research meets an identified need
8.3 Monitor and communicate the outcomes of the HHP on a regular basis		<ul style="list-style-type: none"> • Annual progress report released • HHP updated every 5 years or when major programme changes occur

PROVINCIAL PRIORITY POPULATIONS

The HHP has been intentionally designed to ensure that the needs of vulnerable populations have been taken into account, in particular Aboriginal Peoples living off-reserve, victims of domestic violence, and persons with disabilities.

The Aboriginal population of Guelph Wellington is low (0.9% according to the 2006 Census); however efforts were made throughout the development of the HHP to reach out to local Aboriginal organizations and invite them to participate in community meetings and direct discussions. As we work to implement the HHP and develop more specific implementation strategies, it will be important to continue our efforts to reach out to the local Aboriginal population and consider their housing needs in decisions that are made.

Membership of the Community Reference Group, which provided guidance and leadership to the development of the HHP, was designed to be inclusive of key priority groups. It specifically included a representative from the local women’s shelter, in order to ensure that the needs of victims of domestic violence were considered in the development of the HHP.

As part of the development of the HHP, a full Inventory of Housing Resources that received capital and/or operating funds from one or more levels of government was prepared. This Inventory includes a listing of all “accessible” shelter beds and social housing units available in Guelph Wellington.

During the consultation process, the needs of both provincial and local priority populations were explored. Breakout discussions were held at town hall meetings, in order to probe the specific needs of vulnerable populations, including youth, individuals with physical disabilities, mental health problems and addictions, as well as victims of domestic violence. In addition, staff of Women in Crisis conducted several client interviews on behalf of the consulting team, and targeted focus groups were held for newcomers to Canada and for those working with clients experiencing concurrent mental health disorders and addictions. The theme of targeted transitional and supportive housing for provincial priority populations was repeatedly mentioned in the consultations, and informs the final HHP. For more detail, please refer to the Discussion Paper.

Listed below is a summary of the goals and actions that have specific relevance to individuals with disabilities and victims of domestic violence.

Persons with Disabilities

Goal/Action	Further Explanation
Action 1.2	This action speaks to advocating for better income support programs, although no programmes are referenced by name, this work will include advocacy for better support for clients in receipt of ODSP.
Action 2.2	This action speaks to expanding outreach and support services in order to prevent homelessness. The language used in this action is designed to be open and inclusive of clients dealing with many issues, including those who may be struggling to maintain housing due to a disability.
Action 3.1	This action specifically calls for a stronger relationship with the LHIN to increase the supports and supply of housing available to persons with disabilities. Examples are provided of work that has been successful such as the County's relationship with Traverse Independence.
Action 3.2	The Housing First Network proposed in this action would be inclusive of agencies and services supporting persons with disabilities.
Action 3.3	This action calls for an increased number of secondary suites, and one of the main groups that is noted as benefiting from this approach are persons with a disability.
Action 3.4	This action speaks to the promotion of financial programmes that allow homeowners and landlords to improve the accessibility of their homes.
Action 5.2	The Housing First Team proposed in this action would be inclusive of agencies and services supporting persons with a disability.
Action 6.4	Improvements to transit services are mentioned for clients in the County of Wellington. The action specifically comments on the need to include services for people with a disability.
Action 6.6	This action calls on the County to continue to meet the needs of applicants on the centralized waiting list. As such, the County will need to continue to work closely with persons with disabilities to access appropriate social housing units.

Victims of Domestic Violence

Goal/Action	Further Explanation
Action 2.2	This action speaks to expanding outreach and support services, including the identification of family crisis issues in order to prevent homelessness. The language used in this action is designed to be open and inclusive of potential victims of domestic violence.
Action 3.2	The Housing First Network proposed in this action would be inclusive of agencies and services supporting victims of domestic violence.
Action 5.2	The Housing First Team proposed in this action would be inclusive of agencies and services supporting victims of domestic violence.
Action 5.3	The County will continue to collaborate with Women in Crisis as the operator of the shelter programmes for victims of domestic violence to ensure that they are supported in meeting community needs.
Action 5.4	This action specifically speaks to leveraging funding to increase transitional housing supply for victims of domestic violence.
Action 6.6	This action calls on the County to continue to meet the needs of applicants on the centralized waiting list. Victims of domestic violence are currently given special priority on the centralized waiting list, and represent about one-third of all social housing placements. Special priority status will continue to be part of the ongoing support that the County provides to these clients.



Artwork: Wayne Forest

NEXT STEPS



As the CMSM for Guelph Wellington, the County has an important leadership role related to system planning, coordination of services and the development of partnerships in the area of housing and homelessness. The HHP is a starting point for the community; it identifies needs and gaps across Guelph Wellington and proposes a range of strategies to achieve the community vision of ensuring that everyone has a place to call home.

As a community, continued success will depend upon strong and trusting partnerships. The County will work to develop specific targets and more detailed implementation plans, in close cooperation with all community partners. This collaborative approach to meeting housing challenges will cultivate innovative solutions and will allow the County to maximize the available resources and assets of everyone.



ACKNOWLEDGEMENTS



We would like to thank all the individuals and organizations that have contributed to the development of the HHP. We are extremely grateful for the contributions of over 200 individuals who participated in various in-person consultations, and to the 272 community members who responded to the validation survey. In particular, we would like to recognize Eddie Alton, Heather Burke, Stuart Beumer and Ryan Pettipiere, and the members of the Community Reference Group for their ongoing support, guidance and leadership.

Community Reference Group

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Our thanks to Sister Christine Leyser of the Welcome In Drop In Centre for allowing us to photograph the work of some of the talented artists of the Drop In community that is on display in the Centre. Special thanks to artist Wayne Forest whose work is featured throughout this document.



Affordable Rental Housing - a unit for which the rent is at or below the average market rent of a unit in the regional market area.

Affordable Ownership Housing - the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area.

Core Housing Need - an indicator of housing security (calculated for both rental and home ownership) that takes into account three factors:

- Adequacy - Is the dwelling in need of major repair?
- Suitability – Are there enough bedrooms for the size and make-up of the household?
- Affordability – Do the households spend 30% or more of their before-tax income on accommodation?

Domiciliary Hostels - provide permanent housing with supports for vulnerable adults who require limited supervision and support with daily activities (e.g. retirement homes).

Emergency Shelter - provide short-term lodging and a temporary personal needs allowance until an emergency situation is resolved. Services may also include meals, access to showers and laundry, as well as assistance with linking to other services required.

Housing First - an approach that involves providing homeless people with immediate access to subsidized housing, along with support services. No pre-conditions, such as bringing a substance abuse under control or being stabilized on medications, are imposed.

Housing Outreach and Support Services - help people to live as independently as possible in the community. Services are either provided by workers visiting a resident living in market rental housing, or within specific government funded accommodations like emergency shelters, transitional housing, or supportive housing units. Housing support services provide a range of different tasks to help someone maintain their housing, such as assistance to claim welfare benefits, fill-in forms, manage a household budget, obtain furniture and furnishings, help with shopping and housework, as well as connecting with other specialist services.

Homelessness - a broad term that encompasses the following:

- Absolute - living on the street (roofless) or in emergency shelters
- Hidden or concealed – staying with relatives or friends (couch surfing), or living in a car, barn, etc.
- Relative - living in sub-standard conditions or at-risk of losing their homes (i.e. living in “core housing need”)

Market Housing - refers to private (rental or home ownership) where prices are set in the open market.

Social Housing - permanent housing financed at least partly through government funding and mortgage guarantees. A portion of units is rent-geared-to income (RGI), and the remainder may be rented at market rents. For these RGI units tenants pay no more than 30% of their household income in rent and the remainder is subsidized through government contributions. Social housing includes: public housing (which is 100% RGI), municipal and private non-profit rentals, and co-operatives where residents contribute to the management of the property to increase the sense of community and reduce operating costs. In Guelph Wellington, social housing is accessed through the Centralized Waiting List and from specific Housing Providers.

Subsidized Rental - subsidies provided to offset private market rents in private rental units for low-income households. Subsidies are generally provided by the CMSM or Service Provider (e.g. CMHA) for qualifying households in two ways:

- Rent Supplement - market rent less RGI calculation (may average \$500 per unit per month); this involves an agreement with a landlord for a particular unit(s) to be allocated to a household(s) on the centralized waiting list
- Housing Allowance - fixed housing subsidy (may average \$250 per unit per month) which is attached to the household rather than a specific housing unit

Supportive Housing - permanent accommodation that offers an alternative to institutional care. There is no length of stay duration. A range of support services is provided in order to help residents maintain independence. Supportive housing is geared for individuals with special needs, including long-term mental health problems, physical disabilities, developmental delays and the frail elderly. Supportive housing is accessed through specific Housing Providers.

Transitional Housing - facilities that are targeted to those in need of structure, support and/or skill building, in order to move from homelessness to housing stability and ultimately prevent a return to homelessness. They provide support services such as counselling, job training and placement, community activities, and help with life skills. Accommodation is temporary (time limited). Residents can typically stay up to a maximum of three years; the maximum stay is specified in the service agreement with the CMSM or Service Provider (e.g. CMHA).

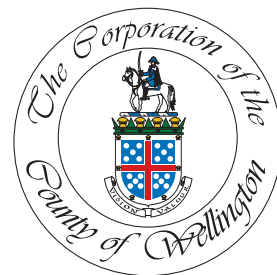


ALTERNATE FORMATS AVAILABLE UPON REQUEST.

**Prepared for: County of Wellington,
Consolidated Municipal Service Manager**

Prepared by: JPMC Services Inc. (www.jpmmc.ca)

**Authors: Eden Grodzinski, Jane Londerville and
Rebecca Sutherns (November 2013)**



BUILT TO LAST:
STRENGTHENING
THE FOUNDATIONS OF
HOUSING IN CANADA

FCM FEDERATION OF CANADIAN MUNICIPALITIES FÉDÉRATION CANADIENNE DES MUNICIPALITÉS



Prepared for the Federation of Canadian Municipalities
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May 2015

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PRESIDENT'S MESSAGE

A strong Canada begins with strong hometowns and housing is the backbone of healthy and thriving communities. Housing is for families, young and old; for businesses and their workers, and for communities and their citizens. A strong and effective housing system is the foundation of vibrant communities, and a true aspiration for every Canadian.

As a country, we are not keeping up with demand for housing options and Canadians from coast to coast to coast feel the housing crunch. Household debt, most of it mortgage debt, is at a historic high of 163 per cent and is one of the greatest threats to our economy, according to the Bank of Canada. Homeownership is increasingly out of reach for many Canadians as prices have outstripped incomes.

With 850,000 lower-rent units lost in the last decade, our rental sector is ill prepared for any downturn in the housing market. One in five renters pays more than 50 per cent of their income on housing. As a result of the federal government's accelerating exit from the social housing sector, one third of Canada's social housing stock is at risk. Meanwhile, across the country, waiting lists for affordable rental housing continue to grow.

According to public opinion research commissioned by FCM, 63 per cent of Canadians from all political stripes believe new affordable housing will make life better in their communities. The same research showed that building affordable housing was seen as an important concern for all cities and communities, large and small.

Investments in housing pay off and pay forward. If we can increase vacancy rates, communities can attract workers and students. More social and affordable rental units will open doors to opportunities for low-income Canadians, newcomers, seniors and families. It will help address some of the homelessness issues facing Canada which cost us an estimated \$7 billion annually. A strong social and affordable rental housing system makes for more affordable homeownership, and everyone benefits.

This report lays out an action plan for more resilient and prosperous housing in Canada. The scope and range of problems are too complex for any one order of government to solve alone. It requires collaboration and leadership to implement an effective housing action plan where all Canadians can access adequate housing.

Municipal leaders from across the country are ready to partner with our provincial and federal counterparts and work toward a housing system that is built to last.

Brad Woodside,
FCM President

INTRODUCTION



2

Access to affordable housing is critical to the health, well-being, and economic prosperity of every community in Canada.

Availability of housing translates into the economic and social benefits of being able to support labour mobility and student populations, increase affordable homeownership, and meet the needs of the aging population as well as middle and low income earners. The housing sector, including rental and construction, makes up 20 per cent of Canada's Gross Domestic Product (GDP).

Achieving affordability is inextricably linked to all aspects of the housing system — from homeownership, to renting, to social housing, to homelessness. All orders of government must provide purposeful stewardship through economic, social and fiscal pol-

icy, to both facilitate an effective system and, in the case of system failure, to help manage any undesirable consequences.

In recent years, studies of Canada's housing sector have explored various aspects of the housing system in isolation. This report ties together recent trends, and considers their impact on an integrated Canadian housing system. It further identifies a number of weaknesses in Canada's housing system including the fragility of the homeownership segment, an anticipated shift in demand back to an ill-prepared rental sector, the erosion of existing lower-rent options, and reduced availability of lower-rent social units as federal subsidies expire and makes policy recommendations aimed at improving affordability across the housing system.



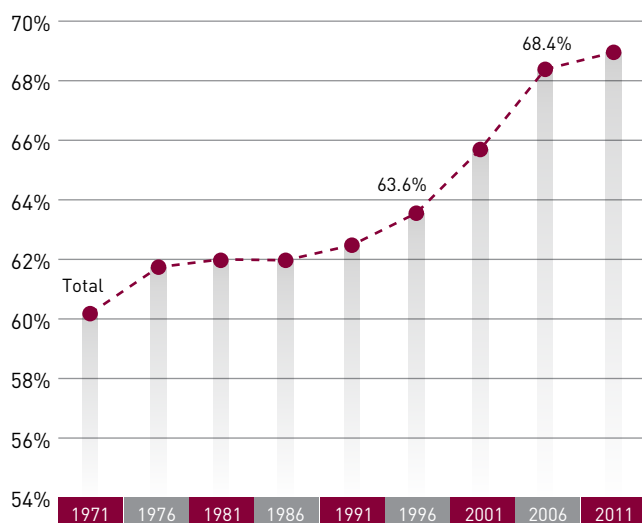
ANALYSIS



Cracks in the foundation

Over the past two decades, Canada has enjoyed relatively strong economic growth, with only two minor slowdowns. This economic strength has both contributed to and been supported by a strong housing market.

FIGURE 1:
THE RISING RATE OF HOMEOWNERSHIP



Source: Statistics Canada Census to 2006;
from NHS Statistics Canada

The proportion of Canadian families who own their homes has increased substantially: after 20 years (1971–1996) of hovering within a narrow range of 62–64 per cent, the rate of homeownership rose to 68.4 per cent between 1996 and 2006. During the following five years (2006–2011) growth slowed, while still nudging up to an all-time high of 68.8 per cent (National Household Survey 2011).

For more than two thirds of Canadians, a rising rate of ownership, along with gains in the value of their homes, has created a sound financial asset, enabling many to build their net wealth. Not all have shared in these gains, of course. There is evidence to suggest that access to ownership is now being constrained, and that Canadian homes are, in general, overvalued (TD Economics, Bank of Canada). Many leading economists, as well as the Bank of Canada, continue to identify imbalance in the housing sector as the number one domestic risk to the economy.¹

A healthy housing system is essential to community and economic growth. However, recent trends have placed Canada's housing system at risk:

- Ownership costs have risen dramatically and, in many cities, young families, people newly entering the workforce and other would be first-time buyers can no longer afford to buy.
- Rental housing options are limited by very low levels of new rental construction.

¹ Bank of Canada. "Bank of Canada Says Household Imbalances Remain Most Important Risk to Financial Stability." Bank of Canada (online), n.p., December 10, 2014. Accessed on January 17, 2015.



- The stock of lower-rent dwellings is shrinking as properties are demolished for new condominium development, and as rents rise beyond levels affordable to lower and moderate-income households.
- Canada's small but vital social housing sector is being put at risk by the termination of long-term federal subsidies.

As a result of these trends, Canada is experiencing greater affordability issues and higher levels of stress among both renters and owners.

These issues manifest themselves in Canada's cities and communities, and become a major challenge for local governments. These are not just local issues, however. While housing markets are inherently local, the impact of a fragile housing system has a significant impact on the national economy and requires a coordinated and shared response.

Investments in a healthy housing sector make sense to all orders of government. As an industry, the housing sector comprises 20 per cent of Canada's GDP. Because of its importance to the national economy, housing was a central focus of the federal government's stimulus package in 2009–2011. This funding, however, was only temporary.

The federal government has historically been an important partner in supporting the development of affordable housing. In the 1970s and 1980s, federal policies also had a major influence on the creation of incentives for private investment in the development of apartment buildings with moderate rents. This helped to ensure balance across various parts of the housing system.

The withdrawal of the federal government in the mid-1990s, both from an ongoing funding role and from establishing an enabling policy framework (e.g. tax treatment of rental investment) has left a policy and funding void. Despite the modest efforts of local and provincial/territorial (P/T) governments, housing markets have failed to generate an appropriate range of housing to meet the needs of all Canadians.

The consequences of inadequate and fractured policies — and, more to the point, a lack of policy coordination at the federal and provincial levels — plays out at a local level. And these are not just big city issues. They affect all communities, large and small, rural and urban, northern, remote and central.

The time has come for a course correction within Canada's housing system. Historically, all orders of government have worked closely to manage these issues and correct for market failure. This proactive partnership must be renewed.

The outcomes that we have witnessed, along with current and emerging trends in the housing system, highlight the need for careful review and development of a more proactive, long-term and purposeful policy framework, supported by ongoing monitoring and adjustment.

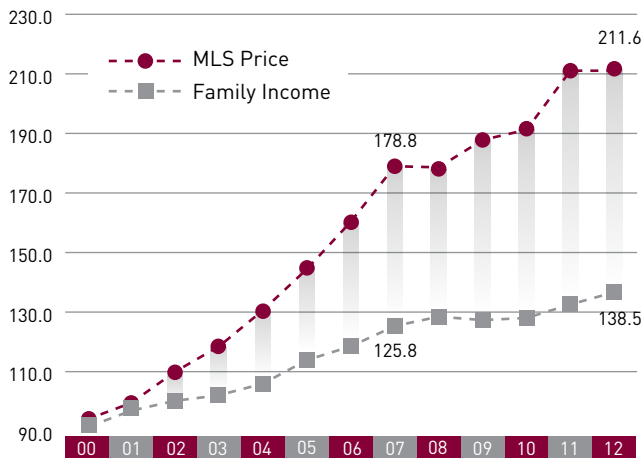




The rising cost of homeownership

Since the late 1990s, there has been a steady increase in home prices, often far outstripping the rate at which income concurrently rises (see Figure 2). As noted by the Bank of Canada, this has been an important factor in the growth of per capita debt, which is currently at an all-time high of 163 per cent of average income.

FIGURE 2:
INDEX OF HOUSE PRICES AND INCOME LEVELS (NATIONAL AVERAGES)



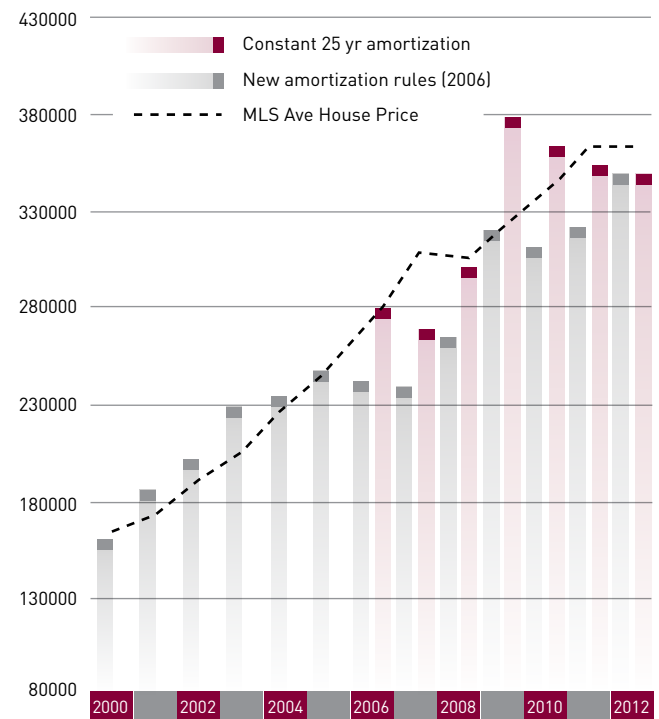
Source: MLS price from CMHC Can Hsg Observer Table A-10
Income from Cansim Table 111-0017 family incomes

To some extent, the impact of house prices has been offset by a steady downward trend in mortgage rates since the 1990s. In fact, lower mortgage rates have improved the ability of Canadians to buy homes, and had contributed significantly to rising prices. Lower rates, combined with a period of strong economic

growth and higher incomes, have improved the purchasing power of Canadians, causing house prices to rise.

Figure 3 shows the maximum price (dotted line) an average-income household could afford at the prevailing five-year mortgage rate and prevailing annual average income.² Initially, prices remained within reach of the average family. However, since 2011, this has no longer been the case: the average price is now well above the average ability to buy. Figure 3 also shows the impact of a federal policy change that extended the maximum amortization period from 25 to 40 years in 2006, followed with a subsequent reduction to 25 years by 2012.

FIGURE 3:
ABILITY TO BUY A HOME



Source: Statistics Canada Census to 2006;
from NHS Statistics Canada

² Sources for Figure 3: Price is the national MLS average from CREA, as published in the CMHC *Canadian Housing Observer* (annual); income data are average household incomes drawn from Statistics Canada Cansim series 111-0017, with ability to buy calculated by the author.



This federal policy initially had the unintended effect of over-stimulating house prices. The extension of the maximum amortization period to 40 years in 2006 increased the potential mortgage an average Canadian household could get, at a time when the economy's fundamentals were already positive and house prices were already increasing — at double-digit rates in some cities.

As this policy was gradually reversed, the amount an average household could afford also declined. By 2011, buying power was below the average house price, where it has remained. This means that, for an average household, ownership is less achievable, despite persisting low interest rates.

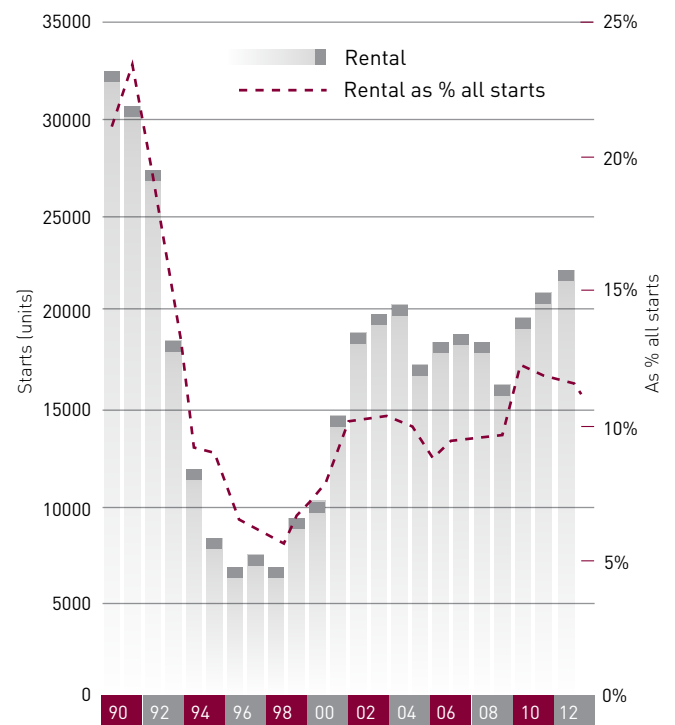
Canada's Department of Finance has accordingly made it harder for first-time buyers — who represented more than half of new buyers in 2012 — to enter the housing market. Although a downward price correction may help hopeful buyers, it will also have a broader negative impact on existing and recent buyers who have borrowed against higher values. Access will remain challenging for marginal and first-time buyers, who are also constrained by the tighter credit conditions imposed by the Department of Finance in recent years.

One of the key consequences of constraints on ownership is that demand will shift back to the rental sector — which is ill prepared to accommodate new demand.

The strain on Canada's rental market

Juxtaposed against the ownership gains of the past decade, construction of purpose-built rental apartments remains minimal. While almost one third of households are renters, only 11 per cent of housing starts since 1996 have been intended as rental units (see Figure 4).

FIGURE 4:
THE LOW VOLUME OF
PURPOSE-BUILT RENTAL



Source: CMHC Housing Observer, data tables



Rental housing, and especially options offering moderate rents, has been widely recognized as an important contributor to the labour market, and to economic productivity.³ Rental housing is critical to a mobile labour force, as it enables households to more easily relocate to areas with stronger employment prospects. It is also important to new Canadians, as they commence new lives in Canada, renting until they find employment and have accumulated a large enough down payment to purchase homes of their own.⁴

Past rental conditions contributed to a rise in the rate of homeownership from under 64 per cent in 1996, to almost 69 per cent in 2011. They also served as an important economic release valve, and drove demand away from the rental sector.

From 2001 to 2011, the number of households in Canada grew by 1.75 million. Between 2001 and 2006, all of these were in the ownership sector. While there was some growth in rentals between 2006 and 2011, most growth in the number of households (77%) was again in the ownership sector: on average, 160,000 new households became owners each year.

However, after an unprecedented rise in homeownership from 63.6 per cent in 1996 to 68.4 per cent in 2006, the homeownership rate increased only marginally to 68.8 per cent in 2011 (Statistics Canada Census and National Household Survey).

The homeownership “release valve” is closing (or has already closed). Interest rates have likely bottomed out, and will slowly begin shifting upward. Income gains are more modest (compared to pre-2009) and favourable mortgage amortization of up to 40 years was withdrawn by the federal government in 2012. The fundamentals that drove increases in both ownership rates and home prices are eroding.

Pressure on the rental sector is already evident. While vacancy rates are not rock-bottom, they remain low: 18 of 34 census metropolitan areas (CMAs) have vacancy rates below the three per cent benchmark considered healthy, and 10 of these are below two per cent. In addition, average rents in a number of cities are increasing between four and seven per cent, well above the rate of inflation (CMHC Fall 2014 Rent Survey).

Low rates of purpose-built rental construction are partially offset by the new phenomenon of investor-owned condominiums. But these are not affordable for lower and moderate-income households. Condominiums have become the primary source of new rental supply (see Figure 5), primarily through individual investors who are buying to rent. These buyers are largely motivated by rising prices, and expect to generate a return from selling in future at a higher price, while the renter subsidizes much of the mortgage cost.

In 2011, condominiums made up 11 per cent of the rental market in Canada.⁵ In the 11 larger cities surveyed, rented condominiums are now one-quarter of all condo units (CMHC 2014 Fall Rental Market Report). In Edmonton, Calgary and Toronto, as many as 30 per cent of units built as condominiums are now occupied by renters, and across mid-sized cities such as Ottawa, Saskatoon and Victoria, one-fifth are investor-owned units (see Figure 5).

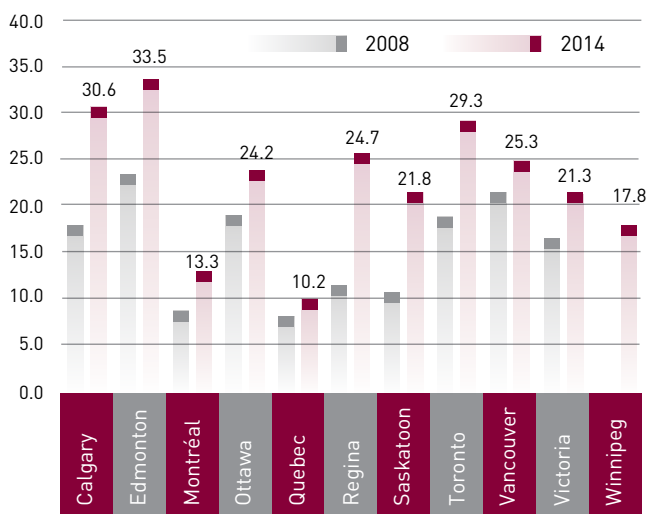
³ See discussion in MacLennan (2008), “Housing in the Toronto Economy,” University of Toronto, Cities Centre Research Paper 212; and FCM (2012) *The Housing Market and Canada’s Economic Recovery*.

⁴ See FCM (2011) *Starting On Solid Ground: The Municipal Role in Immigrant Settlement*.

⁵ CMHC *Canadian Housing Observer*, 2014.



FIGURE 5:
PERCENTAGE OF INVESTOR-OWNED
CONDOMINIUM UNITS OCCUPIED
BY RENTERS



Source: CMHC Fall Rental Market Report 2008, 2014

This new type of rental supply, however, is not creating affordable rentals. In general, these rents are 20 to 30 per cent above the rates for new purpose-built rental units. According to the 2011 National Household Survey, one in five renters pay more than 50 per cent of their income on housing. Security of tenure in condominiums is also not as strong as it would be for purpose-built stock, as investors can evict tenants at any time, to use the unit for themselves.

While condominium investor-buyers have added indirect rental supply in some of the larger metropolitan areas, their enthusiasm may wane as the rate of price appreciation slows well below the double-digit rates seen in the 1998–2009 period.

Why affordable rent options matter

With pressure shifting back to renting, the declining rate of rental construction has left insufficient stock, especially when it comes to lower-rent units. Most significantly, the existing stock of lower-rent units is dramatically diminishing. In some cases, rental buildings are being demolished for redevelopment, and others have already been converted to condominiums for owner occupancy or investment purchase.

Apartments in detached homes have also been lost; as such properties have similarly been purchased for owner occupancy. In most cases, however, the unit is not lost; it simply becomes more expensive. The end result is fewer lower-rent homes, creating serious challenges for lower-income tenants, as well as for individuals seeking to exit homelessness under Housing First strategies.

For young families starting out in higher-cost centres, renting is an important option. This allows them to remain in the towns in which they grew up, where they may still have strong family ties and other social networks.

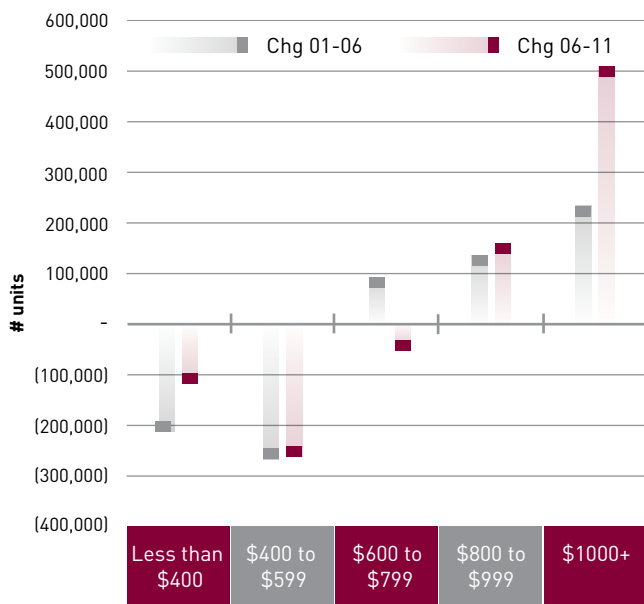
Young workers, recent graduates and others in entry-level employment and at the beginning of their earning careers have also depended on the rental sector as an affordable option.

In regions with strong economies that are actively creating jobs and attracting new employment, an influx of migrants — inter-provincial as well as international — is placing pressure on already tight markets.



Many higher-cost communities also require rental units in which to house key workers such as nurses, first responders, teachers and others. This is especially true in smaller municipalities with limited rental sectors, as well as in resource communities where prices and rents are high. As noted above, rental demand pushes up the cost of renting, and has the most significant impact on lower-income renters, increasing the percentage of households spending more than 50 per cent of their income on housing.

FIGURE 6:
THE DRAMATIC DECLINE IN
LOWER-RENT UNITS

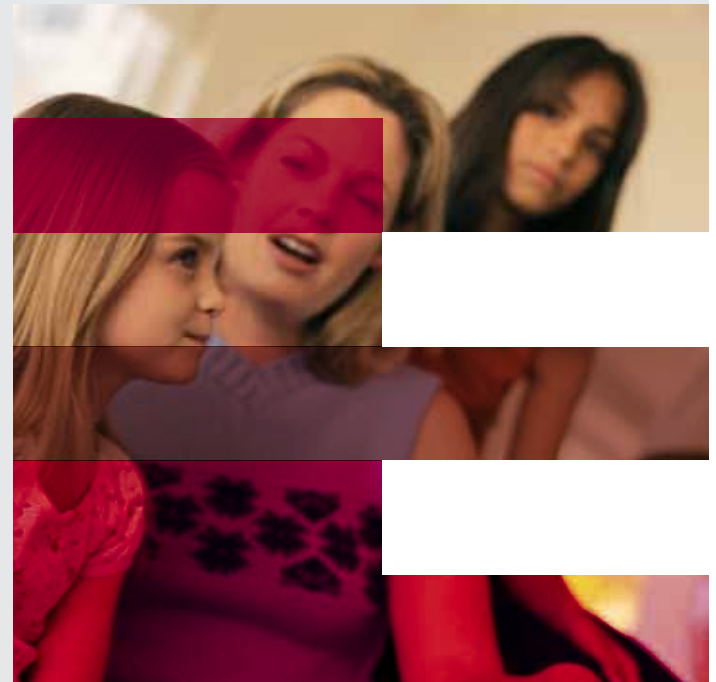


Source: Census 2001, 2006 and NHS 2011

Demand for a limited and diminishing supply of lower-rent units is causing rents to rise, pushing many units into a higher rent bracket. The net effect is that, between 2001 and 2011, the volume of lower-rent units declined dramatically. The number of units with rents below \$600 per month has fallen by 327,000 (9% of all rental units), while those between \$600 and \$800 have fallen by over 525,000 in the decade since 2001 (see Figure 6).

By 2011, there were 850,000 fewer units available for less than \$800 per month in Canadian municipalities than in 2001. This means that, although there has been some improvement in income levels, many lower and moderate-income households continue to struggle to find housing that they can reasonably afford.

According to the 2011 Canadian National Household Survey (NHS), 42.3 per cent of young adults ages 20 to 29 lived with their parents, up from 26 per cent in 1980.⁶



⁶ 2011 Census in Brief. Ottawa: Statistics Canada, 2012 (Cat. No. 98-312-X2011003).



More households at risk

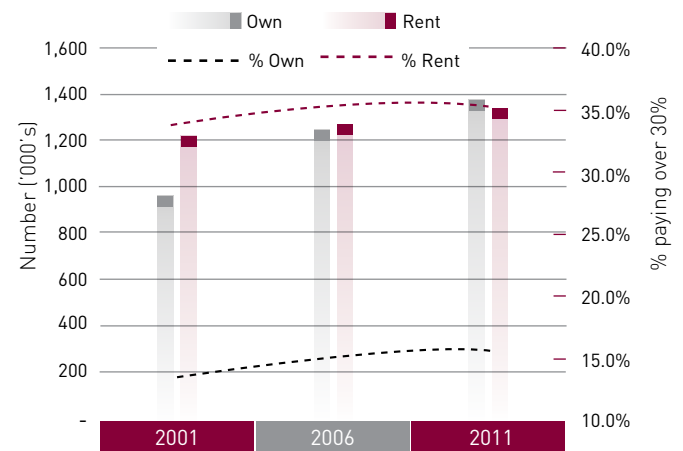
In late 2014, the CMHC released updated estimates of core housing need — the official measure of housing need since the mid-1980s.

The CMHC reported a marginal improvement in core housing need (the proportion of all households deemed in need) between 2006 and 2011, with the overall incidence of need falling from 12.7 to 12.5 per cent. However, while the incidence of core housing need fell, the absolute number of households in need continued to rise, from 1.49 million to 1.55 million (an increase of almost 60,000 households).

The minor improvement in the incidence of core housing need is attributed to a continued strong economy and rising incomes. These two factors effectively pulled households out of core need, as incomes rose above the income threshold used to define need. It was not the result of any improvements in housing. Indeed, the lack of intervention beyond minimal funding for affordable housing, under the federal-provincial Affordable Housing Framework, has offset the benefits of rising incomes, as rents and house prices worked against these gains.

While the narrower, income-adjusted rate of core housing need fell, the incidence and absolute number of households paying more than the 30 per cent benchmark for shelter continued to increase. The number of households in marginal situations — that is, just above core need — grew substantially, especially among homeowners (see Figure 7).

FIGURE 7:
INCREASING AFFORDABILITY BURDENS
(PAYING →30%)



Source: CMHC Fall Rental Market Report 2008, 2014

Despite lower mortgage rates, which should ease housing costs, more households took on greater levels of mortgage debt in order to acquire homes. The desire for homeownership is a significant contributor to record levels of household debt in relation to income, and leaves these households vulnerable to a weakening economy (income loss) and future increases in interest rates.

While the burden of shelter costs for renters eased slightly (a small decline in the percentage of those paying more than 30%), the number of renters above this threshold remains high, with more than one in every three renters exceeding the benchmark figure.

More significantly, many renters, who typically have incomes much lower than owners, are spending over 50 per cent of their gross incomes on rent.



In 2011, one in every five (19%) renter households was spending over 50 per cent of its income on rent. This had risen from 18.2 per cent in 2006, meaning that acute affordability has regressed (Statistics Canada — NHS).

Among those who continued to rent, despite increased income, the percentage spending more than 50 per cent of their income on rent increased, both in relative and absolute terms. Figure 8 shows that the incidence of renters spending more than 50 per cent (dashed line) is approximately 20 per cent (one in every five renters).

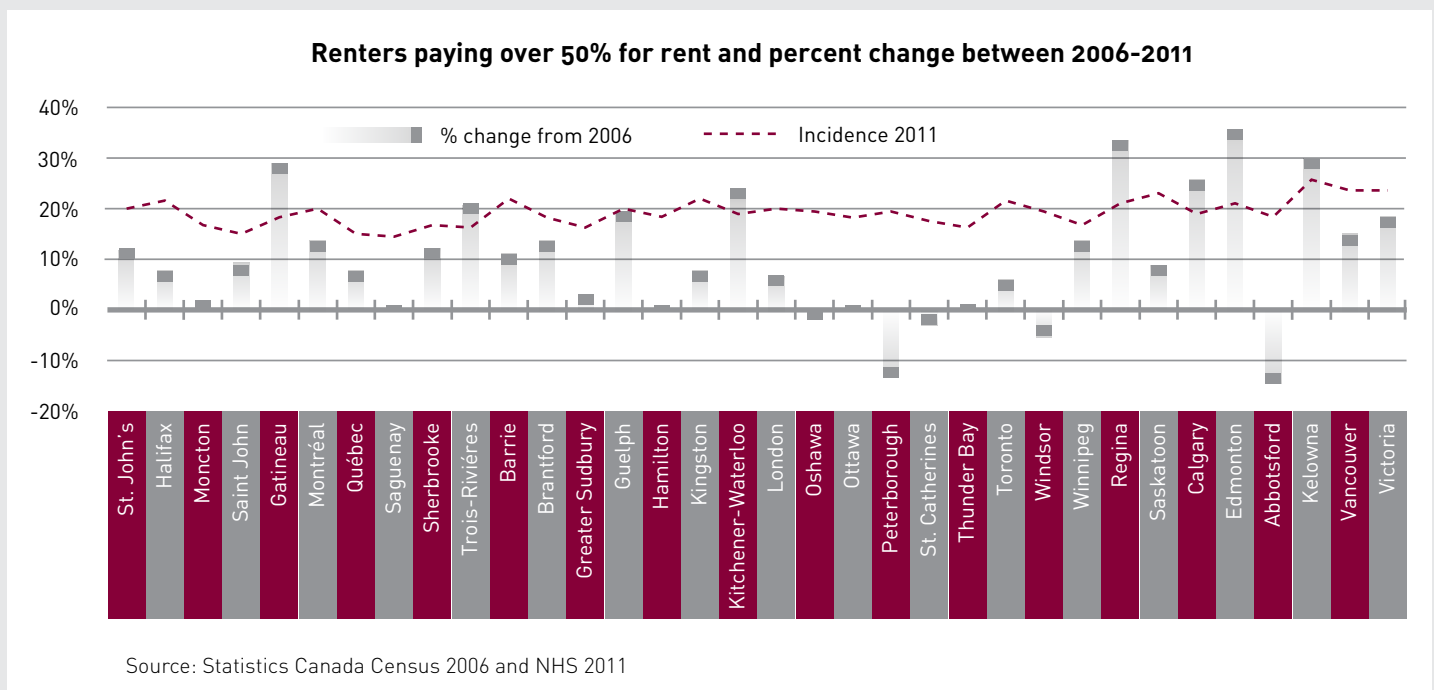
When examined at the municipal level using Statistics Canada's CMAAs, it is clear that the impact of housing affordability varies across the country. Figure 8 shows

the change in the percentage of renters paying over 50 per cent from 2006 to 2011, across all CMAAs.

It is clear that there has been a significant increase in acute affordability issues (see Figure 8). Even traditionally lower-rent communities — Gatineau, Trois-Rivières, Regina — have seen high increases in the percentage of people paying more than half their income for rent. In a few communities — Peterborough, Windsor, Abbotsford — the rate has declined, suggesting some improvement in acute issues; however, this is rare.

In general, affordability challenges — affecting those paying more than 50 per cent of their income on housing — have become more acute since 2006.

FIGURE 8:
INCIDENCE AND CHANGE (2006–2011) AMONG RENTERS WITH ACUTE AFFORDABILITY CHALLENGES (THOSE PAYING →50%)



Source: Statistics Canada Census 2006 and NHS 2011



Declining federal funding and market failure

Issues of affordability and the loss of lower-priced stock in the rental and homeownership markets will be exacerbated as federal spending to support lower-rent housing in the social housing sector begins an accelerated decline, and critical rent-g geared-to-income (RGI) units are placed at risk or lost.

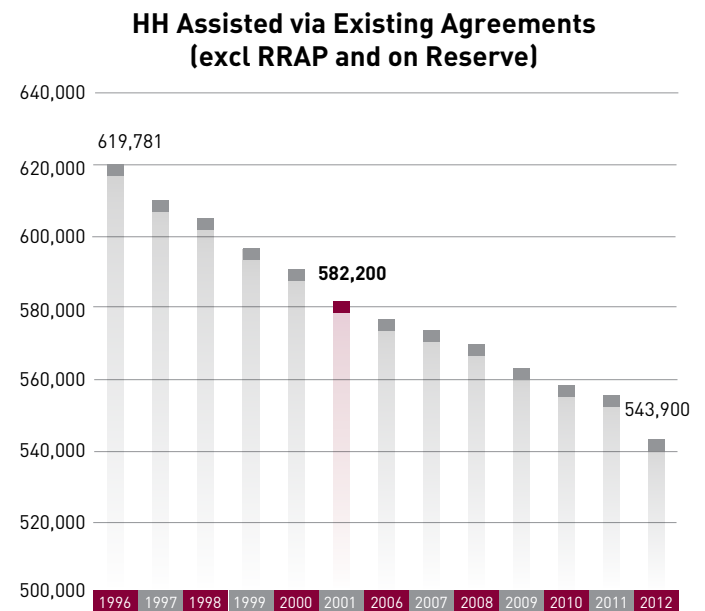
It is estimated (see Figure 9) that federal subsidies in long-term operating agreements have already ended for more than 70,000 federally assisted units — or 10 per cent of all existing social housing.

Other key federal affordable housing and homelessness programs totaling \$372 million annually are set to expire in 2019. As a percentage of GDP, the Government of Canada spends 40 per cent less on housing than it did in 1989.

By 2023, less than a decade from now, federal subsidies, which peaked at \$1.8 billion in 1995, will have ended for more than 50 per cent of federally assisted social housing. In addition, by 2023, associated federal spending will have declined by almost \$1 billion annually: a cumulative reduction of more than \$6 billion in federal spending on social housing since 1996 (see Figure 10 and Appendix A).

As federal subsidies begin to wind down at an increasing rate, it is estimated that as many as 30,000 homes that receive only federal assistance are at high risk of being lost. Without subsidies, these properties are not viable (unable to cover their costs), so rents will have to increase, leading either to abandonment of the units, or their sale as non-rental properties.

FIGURE 9:
THE DECLINING NUMBER OF FAMILIES
HELPED BY FEDERAL SUBSIDIES



Source: CMHC CHS various years table 55

A further large subset (370,000), also affected by the ending of federal subsidies, involves P/T cost sharing.

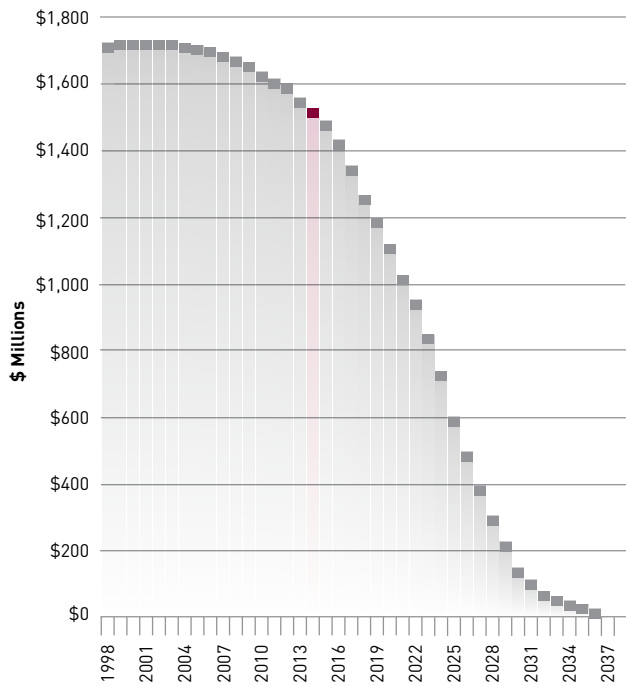
It is expected that most of the provinces and territories, as well as municipalities in Ontario, will be forced to absorb ongoing subsidy costs, or risk losing more than half of Canada's social housing stock.

This will impose a significant financial burden especially in the Territories, where the per unit subsidy is high due to high capital and operating costs, as well as greater dependence on federal cost sharing, and in Ontario, where municipalities carry this funding obligation.



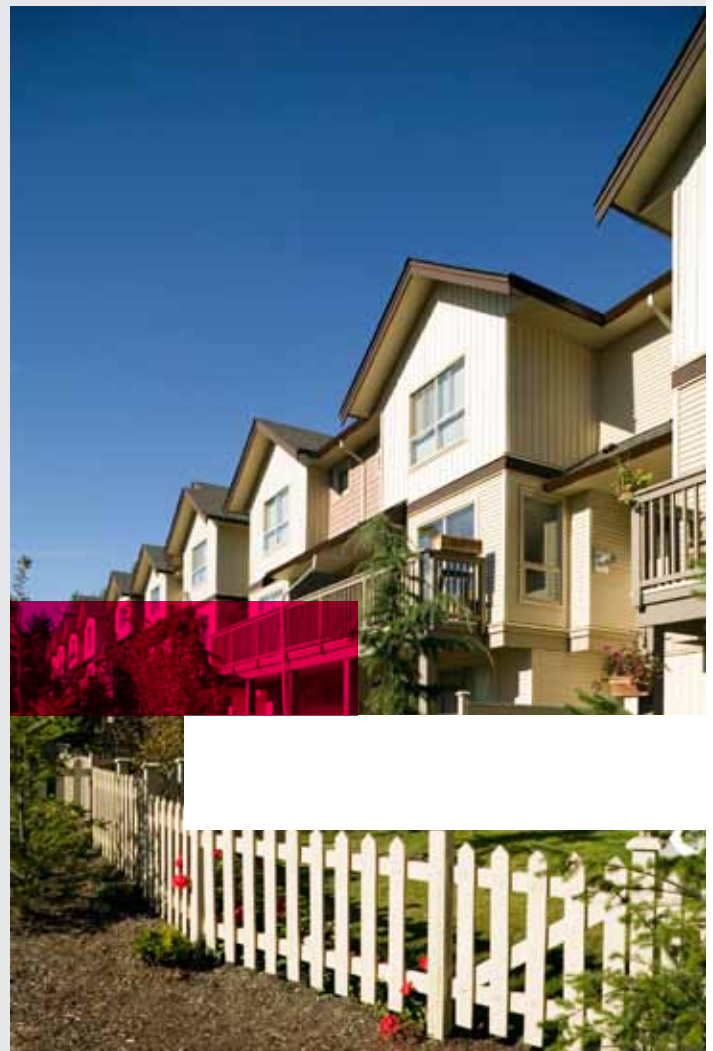
Canada's provinces and territories (and Ontario municipalities) are already shouldering a heavy burden, absorbing 56 per cent of the expenses related to existing cost-shared portfolios.⁷ These contributions are projected to rise by \$500 million, to over \$2 billion by 2023, by which time the P/T share will be 76 per cent.

FIGURE 10:
THE DRAMATIC DECLINE IN FEDERAL
FUNDING FOR EXISTING SOCIAL
HOUSING (\$ MILLIONS)



Source: Compiled from Sch E to PT agreements

The risk is not that RGI units will immediately be lost; it is whether provinces and territories (and municipalities in Ontario) have the fiscal capacity and political will to sustain increasing expenditures. It does, however, represent a significant shift in funding responsibilities, with a substantial decline in federal support, with lower orders of government, despite less fiscal capacity, expected to take on a greater burden.



⁷ Estimates based on unpublished analysis undertaken for P/T Housing Ministers Working Group, 2013.



Regeneration and repair of aging assets

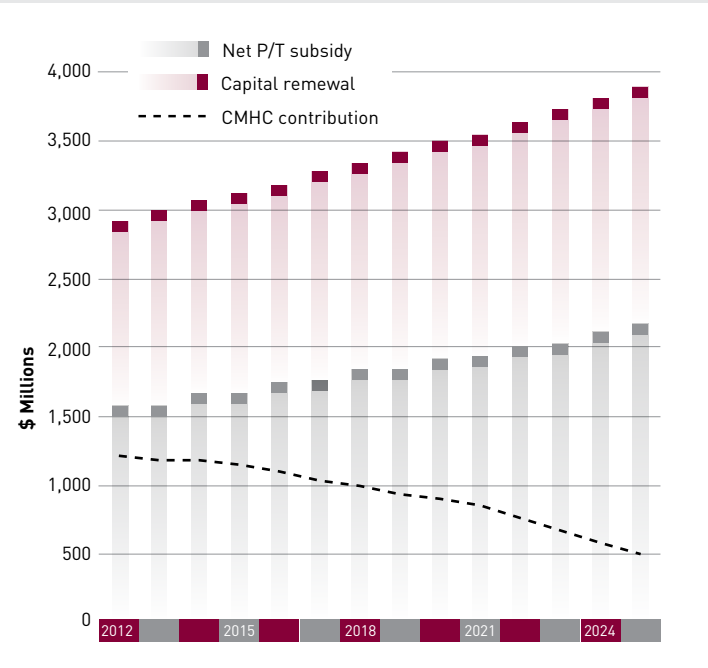
Provincial and territorial capacity will be further challenged by additional requirements to unilaterally fund the necessary capital renewal of these aging but important assets.

Because the properties will be 35 to 50 years old when federal subsidies expire, they will be in need of significant capital renewal (roofs, elevators, parking garages, appliances, boilers, etc.). While some non-profit and co-op properties have capital reserves, in most cases these reserves are insufficient, and will need to be augmented by substantial new capital subsidies, or ongoing assistance with refinancing.

If housing operators are unable to keep up repairs and maintenance, including capital replacement of aging components, these units will no longer be habitable, and there will be greater risk of loss of lower-rent (RGI) housing. As with Canada's roads and bridges, the longer investments in repairs are put off, the more expensive they will be to fix in the long run.

Estimates of necessary capital investments are premised on the industry standard of spending an amount equal to two per cent of the asset value each year for capital renewal and modernization. Based on aggregate asset values, as provided by the provinces and territories, total capital investment in the amount of \$1.35 billion is required in 2014–2015, which inflates to \$1.7 billion over the period to 2023. This entire amount falls upon the shoulders of the provinces and territories, and in some cases municipalities, because federal transfers are fixed.

FIGURE 11:
THE SHIFTING BURDEN OF SUBSIDIES
(OPERATING AND CAPITAL)



This annual amount is close to the current total value of expiring federal subsidies.

Figure 11 presents both the impact of ongoing operating subsidies, and the estimated level of capital funding needed to support total provincial and territorial (and in Ontario, municipal) spending requirements.⁸

The combined burden of inflating operating costs and investment in capital renewal imposed annual aggregate costs in 2012–2013 of almost \$3 billion, which is expected to rise to \$3.7 billion by 2023.

⁸ Amounts in Figure 11 use only the portion of federal operating subsidy linked to P/T cost-sharing agreements, which is slightly lower than the total federal subsidy amount.



This upward trajectory in P/T costs is contrasted against rapidly declining federal spending (falling to only \$540 million by 2024). At that time, Canada's provinces and territories will need to spend, in aggregate, \$6 for every federal dollar of subsidy.

The CMHC has asserted that existing operating agreements are contracts, and that the federal government has fully met its obligations. The Minister of State for Social Development commented, following a meeting of Big City Mayors in February 2014, that "The federal government has fulfilled their end of the agreement. [. . .] It's not a cut."⁹

However, FCM notes that the existing housing stock was created under a partnership between all orders of government. As a result, it is not reasonable for one of the partners to unilaterally extricate itself; leaving the burden, in this case, to provinces, territories and municipalities that lack the fiscal capacity, on their own, to preserve RGI homes and to maintain these assets in sound condition.

Limited funding to expand affordable housing

A further concern is that these subsidies relate only to existing portfolios (i.e. historical commitments made prior to 1995). In addition, there is a need to increase the supply of affordable housing options.

Across Canada, numbers on affordable housing wait lists grow, and homelessness persists. The City of Calgary has over 3,000¹⁰ applicants waiting for affordable housing; in Metro Vancouver, that number is 4,100. In the City of Toronto the waiting list for social housing currently stands at 97,000 households.¹¹

The Federal-Provincial-Territorial (F/P/T) framework for Investments in Affordable Housing (IAH) — which was initiated in 2001, after an eight-year absence of federal funding for new affordable social housing — provides limited funding. The Metro Vancouver region estimates the need for 6,000 new rental units per year to meet demand. In contrast, in the decade from 2001 to 2011, the IAH generated fewer than 5,000 new affordable units a year.¹²

This is a much lower volume than the number being lost as a result of declining federal subsidies (70,000 since 1996). In addition, post-2001 funding programs have used one-time capital grants, rather than ongoing operating subsidies, and target modest "affordable" rents (at or below average market rents) rather than the more targeted pre-1995 social housing system, with rents geared to income.

Moreover, as a cost-shared initiative requiring P/T matched spending, the cost-shared IAH initiative further exacerbates P/T spending pressures, especially since the current level of funding is insufficient. As a result, many provinces are unilaterally funding a higher volume of investments. Municipalities have also contributed in other ways, providing municipal land, waiving development fees, and in some cases offering reduced property taxes.

This is not a balanced or sustainable distribution of costs. It does not reflect the principle of partnership endorsed in numerous F/P/T agreements, and it does not reflect the respective fiscal capacities of the different orders of government.

Provinces and territories face mounting financial pressures. Despite constrained fiscal capacity, they are providing their share of subsidies, where required, to ensure that expiring federal subsidies do not put people on the street, or cause the absolute loss of RGI housing.

⁹ Curry, B. "With Ottawa spending less on social housing, provinces will be forced to foot the bill Globe and Mail", March 4, 2014.

¹⁰ <http://www.calgary.ca/CS/OLSH/Pages/Calgary-Housing-Company/Applicant%20information/Waiting-list-for-housing.aspx>

¹¹ Canadian Centre for Economic Analysis Socio-economic Analysis of TCHC, 2015

¹² The CMHC reports that, for the period of funding covering 2001–2011, the total number of households assisted under the Affordable Housing Program framework was 52,000. Some portion of these were assisted with rental allowances, and others through affordable-ownership assistance. This suggests that the estimated average of 5,000 new rental units is likely on the high side.



FCM believes that the federal government can rebalance a recent shift in spending. This can be achieved by reinvesting some portion of declining expenditures to partner with provinces, territories and cities in preserving limited but important housing assets.

The federal government stated in its 2013 Budget, and reaffirmed in 2014, that it would extend funding for both the IAH and the Homelessness Partnering Strategy (HPS) to 2019. This statement is welcomed by the affordable housing and homelessness sectors, and by municipalities, many of which have developed housing and homelessness strategies.

However, the planned level of spending is very low (\$253 million for IAH and \$119 million for HPS, annually). This is likely insufficient when it comes to enabling municipalities to effectively implement Housing First strategies.



Housing First strategies and affordable housing

Housing First initiatives are predicated on assisting individuals in transitioning from the street or shelter system into self-contained accommodation or rooming houses.

Recent efforts in a number of cities, including Vancouver, Calgary, Edmonton and Toronto — as well as associated research under the At Home/Chez Soi initiative — have shown that this approach can help significantly reduce homelessness. It is predicated, however, on the availability of housing with very low rents for formerly homeless individuals (CMHA 2014).

The potential success of this approach is severely weakened by a lack of units that rent at affordable levels. Most formerly homeless persons are initially, and sometimes persistently, dependent on income assistance programs that provide only a small housing allowance that is well below average market rents.

It is important to address the increasing shortage of lower-rent options within the context of a new federal focus on homelessness programs, such as the Homelessness Partnering Strategy.

As noted earlier (see Figure 6), the existing stock of lower-rent “affordable” housing is eroding dramatically. Between 2001 and 2011 alone, 850,000 units renting below \$800 were lost. So the options and availability of lower-rent housing to facilitate housing first is contracting.

BUILDING A STRONGER FOUNDATION



Canada's social and affordable housing system was built through decades of collaboration between all orders of government. Now, however, federal investment is scheduled to decline substantially, leaving a significant and unmanageable burden to provinces, territories and municipalities, while placing a small but important social housing sector at risk.

It is critical that these historically joint efforts are reinvigorated to rebalance respective levels of funding and policies to better align with fiscal capacity. It is equally important to develop a balanced framework to sustain a healthy and complete housing system.

Consultation and coordination across all orders of government is essential to developing, funding and implementing effective and comprehensive policy and funding solutions to emerging housing challenges. Officials from all orders of government have extensive understanding of and expertise with these issues. Professional and industry associations across the sector are also well informed, capable, and able to assist governments in developing an appropriate and comprehensive suite of policies designed to restore balance while sustaining a healthy housing system.

At a minimum, a framework for improved housing affordability should include policies in each of the following areas.

1. Stimulate market and affordable rental construction

A stronger rental sector can ease pressure on both the homeownership and social housing systems, while also improving labour mobility to ensure that the housing sector is supporting the overall economy.

Adding new supply is critical to avoid declining vacancy rates, which will place upward pressure on rents. Private investment in the rental sector is needed to generate new supply as demand shifts back from the ownership sector to rentals. This will not only address the significant demand for lower-rent options, it will create construction jobs.

FCM is calling for federal tax incentives aimed at removing barriers to new affordable and market-rental housing, including a Rental Incentive Tax Credit. To stop the serious erosion — through demolition and conversion to condominiums — of existing lower-rent properties, this incentive would credit property owners for selling affordable assets to eligible non-profit providers (including a municipality), thereby preserving assets and promoting long-term affordability. The credit would target small investors that face large tax liabilities when they sell properties.



2. Preserve and renew federal investments in social housing to rebalance the fiscal burden between the federal government and provincial/territorial governments

Perhaps the most serious issue in the affordable housing sector is the accelerating withdrawal of federal subsidies, as past operating agreements mature. This is creating significant spending reductions at the federal level, while adding a new burden to P/T governments and municipalities that are struggling to fill gaps left by declining federal funding.

The single greatest challenge is the capacity of provinces and territories, and in some cases municipalities, to fund necessary capital renewal in these aging assets. This cannot be overlooked if these assets are to remain in sound condition and continue to house lower-income families and individuals.

Without ongoing federal investments in social housing, more than 200,000 households are at high risk of losing homes from Canada's already small pool of social housing. This is a particular concern when it comes to seniors, lower-income singles, single-parent households, and urban Aboriginal families living off reserve.

Expiring federal operating agreements and their associated subsidies leave growing fiscal room at the federal level to invest in critical capital repair and regeneration projects. Federal funds could also be used to preserve ongoing rent subsidies, where needed, to stabilize at-risk social housing units in partnership with P/T governments and municipalities.

The recent experience under the Social Housing Retrofit component of Canadian Economic Action Plan (CEAP) stimulus funding suggests that federal investments targeting this specific need can help to preserve and extend the useful life of these assets. The estimated cost to fund capital renewal is roughly \$1.3 billion (2013), inflated to \$1.7 billion over the next decade — coincidentally a similar amount to the expiring federal subsidy (\$1.6 billion in 2014–2015).

FCM is calling for the federal government to recommit to its current level of investment as a fixed contribution to the F/P/T partnership, to sustain and preserve Canada's existing social housing stock of 600,000 lower-rent homes reserved for households in need.



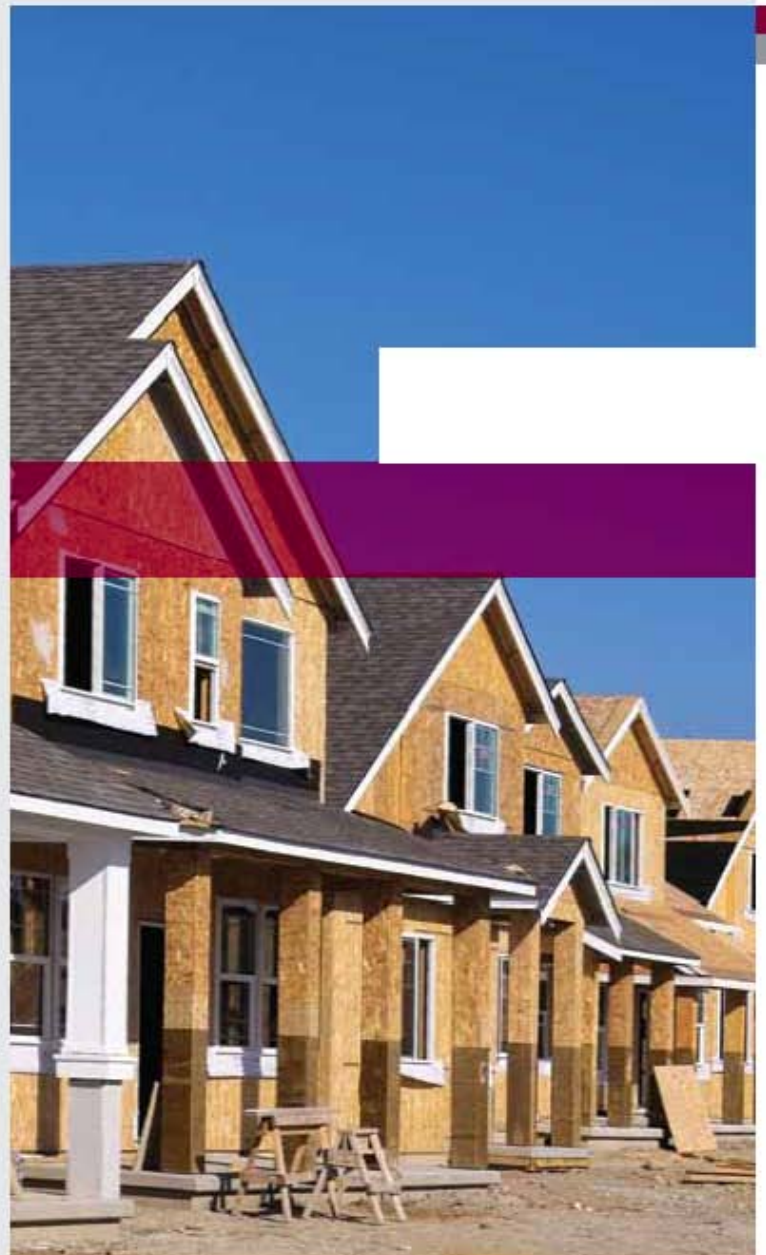
3. Develop a supporting framework for homeless strategies

There has been significant effort to address persistent issues of homelessness, especially chronic homelessness. Financial analyses by federally funded organizations — such as the Mental Health Commission of Canada, and the former National Welfare Council of Canada, among others — have demonstrated that a proactive housing approach can cost much less than reactive emergency responses to homelessness (Pomeroy 2005, 2007).

Housing First strategies provide positive evidence that chronic homelessness (and its associated costs) can be significantly reduced. Canada's Minister of State for Social Development has highlighted this fiscally responsible approach.¹³

What is often overlooked, however, is that the ongoing success of the Housing First model depends upon the ready availability of lower-rent options for formerly homeless persons. As this report has demonstrated, there are fewer and fewer options in the market.

FCM is calling for current allotments of \$253 million annually to the federal investment in the Affordable Housing (IAH) program and the \$119 million annually for the Homelessness Partnering Strategy (HPS) to be renewed and made permanent when they expire in 2019. FCM is also calling for further collaborations across governments for appropriate funding to ensure that rental subsidies are made available, to ensure that persons and families exiting from homelessness can be affordably stabilized in permanent housing.



¹³ Speaking Notes for the Honorable Candice Bergen to the Housing First Partners Conference." Housing First Partners Conference. Chicago, Illinois, USA. March 13, 2014. <http://news.gc.ca/web/article-en.do?nid=824829>

APPENDIX A: REDUCTION IN FEDERAL OFF-RESERVE SOCIAL HOUSING SPENDING



	Annual Spending (\$ Millions)	As % Fiscal 95/96	Reduction from Prior Year	Reduction from Base Year (95/96)	Cumulative Federal Reductions
1996/97	\$1,691.5	100%	\$0.0	\$0.0	\$0.0
1997/98	\$1,691.5	100%	\$0.0	\$0.0	\$0.0
1998/99	\$1,691.4	100%	\$0.1	\$0.1	\$0.2
1999/00	\$1,691.2	100%	\$0.2	\$0.3	\$0.5
2000/01	\$1,690.3	100%	\$0.9	\$1.2	\$1.7
2001/02	\$1,687.1	100%	\$3.2	\$4.4	\$6.2
2002/03	\$1,682.5	99%	\$4.5	\$9.0	\$15.1
2003/04	\$1,676.8	99%	\$5.7	\$14.7	\$29.8
2004/05	\$1,667.4	99%	\$9.4	\$24.1	\$54.0
2005/06	\$1,656.1	98%	\$11.2	\$35.4	\$89.3
2006/07	\$1,640.6	97%	\$15.6	\$50.9	\$140.3
2007/08	\$1,625.7	96%	\$14.8	\$65.8	\$206.1
2008/09	\$1,605.2	95%	\$20.5	\$86.3	\$292.3
2009/10	\$1,582.9	94%	\$22.3	\$108.6	\$400.9
2010/11	\$1,558.3	92%	\$24.6	\$133.2	\$534.1
2011/12	\$1,529.5	90%	\$28.8	\$162.0	\$696.1
2012/13	\$1,497.5	89%	\$32.0	\$194.0	\$890.1
2013/14	\$1,457.0	86%	\$40.4	\$234.5	\$1,124.6



	Annual Spending (\$ Millions)	As % Fiscal 95/96	Reduction from Prior Year	Reduction from Base Year (95/96)	Cumulative Federal Reductions
2014/15	\$1,408.4	83%	\$48.6	\$283.1	\$1,407.7
2015/16	\$1,347.1	80%	\$61.3	\$344.4	\$1,752.1
2016/17	\$1,272.0	75%	\$75.1	\$419.5	\$2,171.5
2017/18	\$1,202.3	71%	\$69.7	\$489.2	\$2,660.7
2018/19	\$1,126.4	67%	\$76.0	\$565.1	\$3,225.8
2019/20	\$1,055.1	62%	\$71.2	\$636.4	\$3,862.2
2020/21	\$979.0	58%	\$76.2	\$712.5	\$4,574.7
2021/22	\$898.2	53%	\$80.8	\$793.3	\$5,368.1
2022/23	\$773.4	46%	\$124.8	\$918.1	\$6,286.2
2023/24	\$645.5	38%	\$127.9	\$1,046.0	\$7,332.1
2024/25	\$530.3	31%	\$115.2	\$1,161.2	\$8,493.3
2025/26	\$423.9	25%	\$106.5	\$1,267.6	\$9,760.9
2026/27	\$329.2	19%	\$94.7	\$1,362.3	\$11,123.2
2027/28	\$238.9	14%	\$90.3	\$1,452.6	\$12,575.8
2028/29	\$162.5	10%	\$76.4	\$1,529.0	\$14,104.7
2029/30	\$112.1	7%	\$50.4	\$1,579.4	\$15,684.1
2030/31	\$81.4	5%	\$30.8	\$1,610.1	\$17,294.2
2031/32	\$63.9	4%	\$17.4	\$1,627.6	\$18,921.8
2032/33	\$50.5	3%	\$13.4	\$1,641.0	\$20,562.8
2033/34	\$37.8	2%	\$12.7	\$1,653.7	\$22,216.5
2034/35	\$21.4	1%	\$16.5	\$1,670.1	\$23,886.6
2035/36	\$7.1	0%	\$14.2	\$1,684.4	\$25,571.0
2036/37	\$0.4	0%	\$6.7	\$1,691.1	\$27,262.1

Source: Schedule "E" to Provincial-Territorial Social Housing Agreements (as provided under an FOI request to CMHC); and CMHC Canadian Housing Statistics 1998, Table 57 (Public Funds Authorized under the *National Housing Act*). Data compiled by Steve Pomeroy, Focus Consulting Inc. Ottawa.

