

COMMITTEE AGENDA



Consolidated as of October 2, 2015

TO **Infrastructure, Development & Enterprise Committee**

DATE **Tuesday, October 6, 2015**

LOCATION **Council Chambers, Guelph City Hall, 1 Carden Street**

TIME **5:00 p.m.**

DISCLOSURE OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

CONFIRMATION OF MINUTES – September 8, 2015 Open Meeting Minutes

PRESENTATIONS (Items with no accompanying report)

a) None

CONSENT AGENDA

The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with separately. The balance of the Infrastructure, Development & Enterprise Committee Consent Agenda will be approved in one resolution.

ITEM	CITY PRESENTATION	DELEGATIONS	TO BE EXTRACTED
IDE-2015.35 Affordable Housing Strategy: State of Housing Report	<ul style="list-style-type: none"> Joan Jylanne, Senior Policy Planner (presentation) 		√
IDE-2015.36 Proposed Funding Alternatives for Stormwater Infrastructure (presentation only - 30 minutes)	<ul style="list-style-type: none"> Kealy Dedman, General Manager /City Engineer Don Kudo, Deputy City Engineer Arun Hindupur, Infrastructure Engineer Ray Tufgar, AECOM Mike Gregory, Computational Hydraulics International 		√

IDE-2015.37 Water Services Operational Plan Endorsement and 2015 Annual & Summary Report Update			
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Resolution to adopt the balance of the Infrastructure, Development & Enterprise Committee Consent Agenda.

ITEMS EXTRACTED FROM CONSENT AGENDA

Once extracted items are identified, they will be dealt with in the following order:

- 1) delegations (may include presentations)
- 2) staff presentations only
- 3) all others.

STAFF UPDATES AND ANNOUNCEMENTS

ADJOURNMENT

NEXT MEETING – November 3, 2015

Affordable Housing Strategy: State of Housing

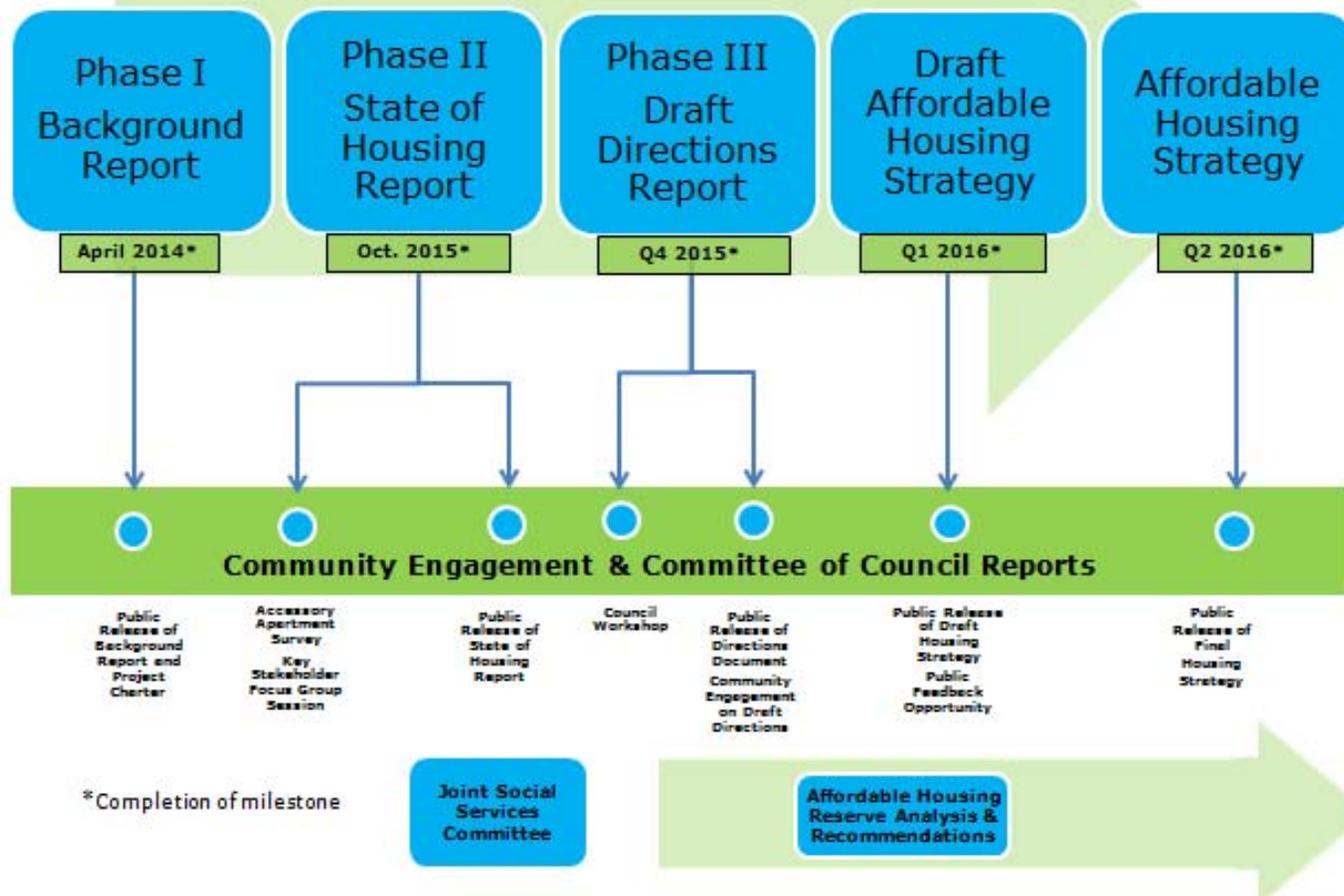
A stylized city skyline graphic. The foreground is a solid green area. Above it is a white outline of a city skyline. The sky area is filled with a blue gradient. The skyline includes various shapes representing buildings, a cloud, and a tree.

IDE Committee – October 6, 2015

Background

- City's Official Plan Update (OPA 48)
 - City-wide **30% affordable housing target for new residential development** - 27% Ownership and 3% Rental
 - Separate target for accessory apartments of 90 units per year
- Affordable Housing Strategy looks at **how we are performing** and **recommends strategies to support achieving the target** and housing policies
- Scope is on affordable ownership and rental **market housing** within the City of Guelph
- Complement Ten-Year Housing and Homelessness Plan

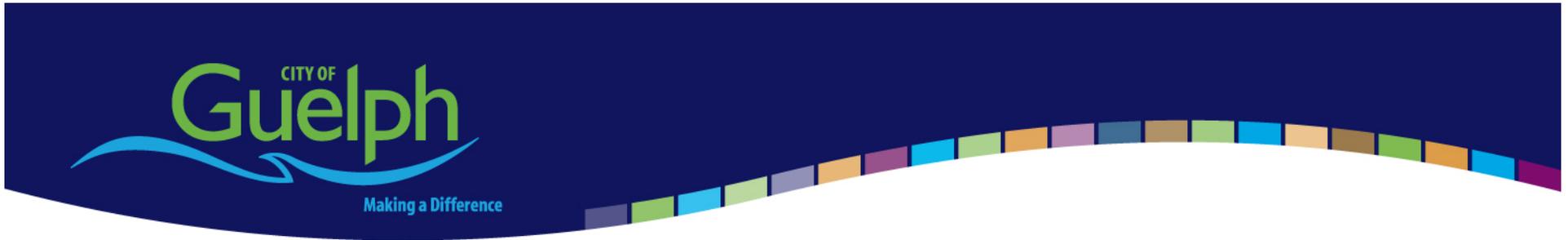
Affordable Housing Strategy Process



What is Affordable Housing?



2013	Ownership	Rental
Market Based	\$294,000	\$944
Income Based	\$316,000	\$1,153



Summary of Highlights

- Affordability is the main housing problem in Guelph
 - Overcrowding and state of repair are not significant problems
- Demographic change will influence housing demand
 - Aging population and smaller households
- New construction shifting towards more multi unit housing types
 - Rental household needs not met
- Renters experiencing greater affordability and supply challenges than homeowners
- Secondary rental market is a significant part of the rental market housing stock

Problem Statement

The range of housing options available in Guelph is not fully meeting the affordability needs of low and moderate income households.

- In 2011, 20% of owners and 41% of renters spent more than 30% of their income on housing
- In 2011, 11% (5,150) of all households were in core housing need
 - 26% of renter households
 - 5% of owner households

Achieving the Target

- 30% target:
 - 3% primary rental
 - 27% ownership
- 3% primary rental target not met
 - No new affordable primary rental built from 2009-2013
- Ownership target exceeded every year from 2009-2013
- Separate target for 90 accessory apartments per year
 - Average of 145 registered per year from 2009-2013

Achieving the Target

Percentage of New Units Sold Below the Ownership Benchmark in Guelph, 2009-2013



Source: MPAC (Dec. 2013)

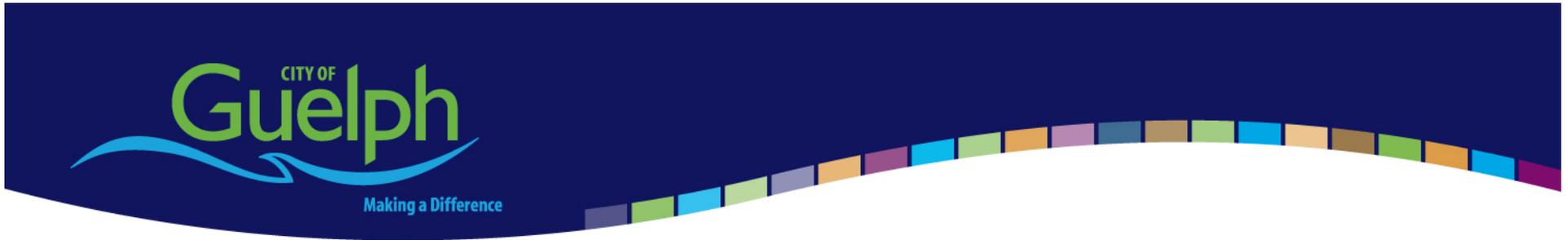
Rental Affordability

- Low and moderate rental household income range
 - \$23,000 - \$46,000 (30th – 60th percentile)
- Average market rent range
 - \$585 - \$1153 (bachelor – three bedroom)
- Overall benchmark rent of \$944
- Need rental household income of \$37,760
- Median rental household income can afford benchmark rent
- Average market rent for bachelor and one bedroom units are below the benchmark rent
- One person renter households in the 50th income percentile cannot afford to rent a bachelor unit
- A couple with no children in the 20th income percentile can afford to rent a one bedroom unit

Ownership Affordability

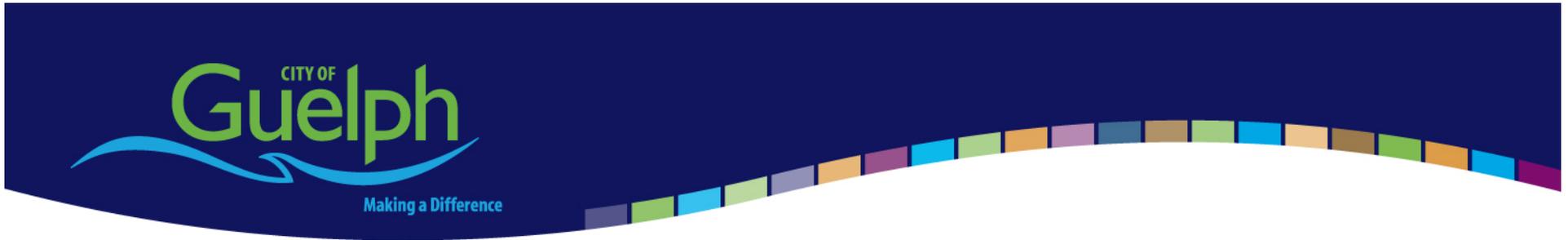
Low and moderate household income range

- \$45,000 - \$89,000 (30th – 60th percentile)
- Average ownership unit price
 - \$102,000 - \$767,000 (Apartment – Single Detached)
- Overall benchmark house price of \$294,000
- Need household income of \$83,300
- 50th – 60th household income percentile can afford benchmark price
- Apartments, most townhouses, over half of semi-detached and 25% single detached units are below benchmark price
- One person household in the 70th income percentile cannot afford to purchase a bachelor unit
- A couple with no children household in the 30th income percentile can afford to purchase a one bedroom unit



Summary of Issues

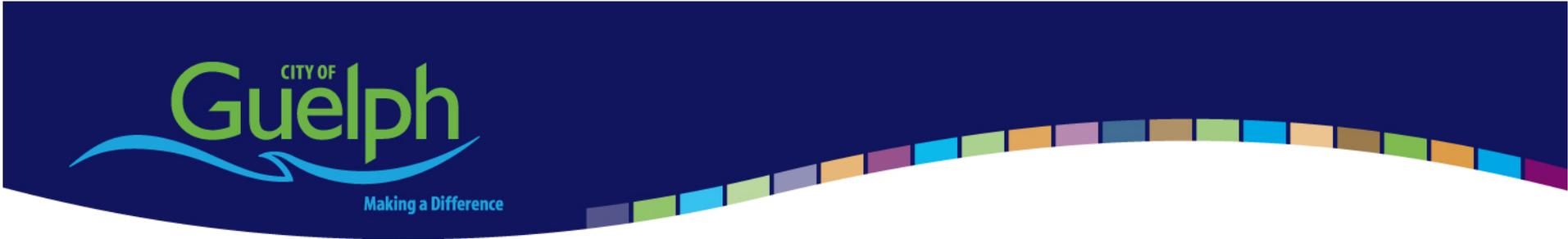
1. There are not enough small units to rent or buy to meet the affordability needs of all smaller households.
2. A lack of available primary rental supply makes it difficult for people to find affordable rental housing.
3. The secondary rental market provides choice of affordable dwelling types but the supply is not as secure as the primary rental market.



Issue 1:

There are not enough small units to rent or buy to meet the affordability needs of all smaller households.

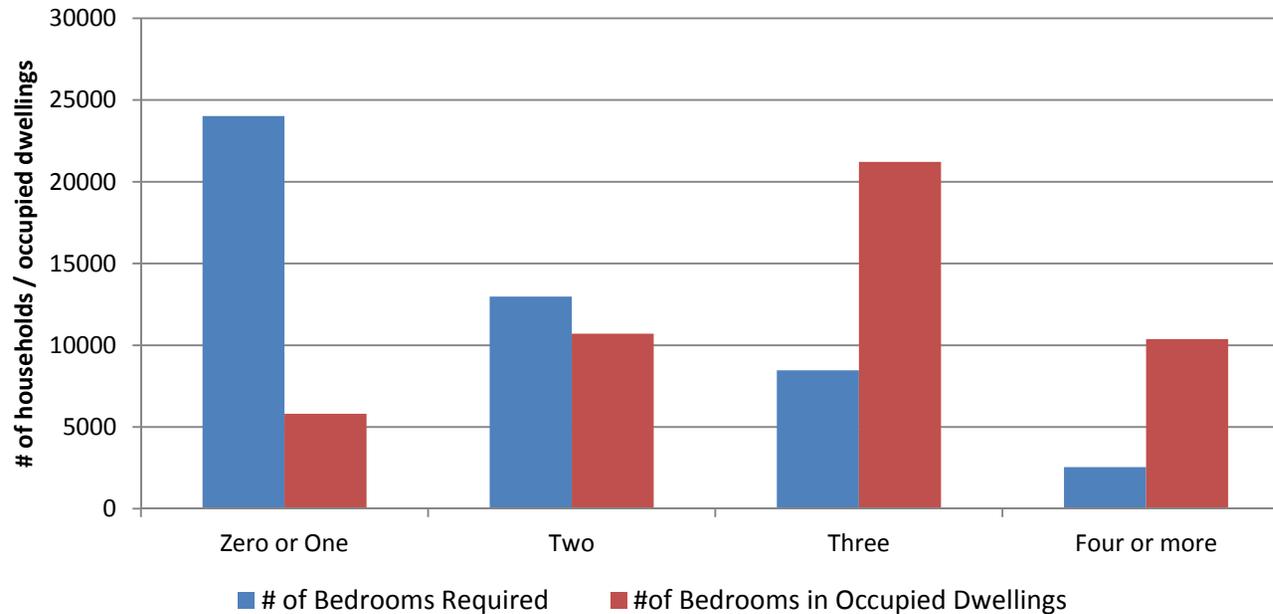
- Number of households requiring a one bedroom unit well exceeds supply
- One person households have the fastest growth rate and lowest incomes
- One person households and lone parent households have highest level of core housing need



Issue 1:

There are not enough small units to rent or buy to meet the affordability needs of all smaller households.

Housing Stock by Unit Size and Number of Bedrooms Required by Guelph Households (2011)



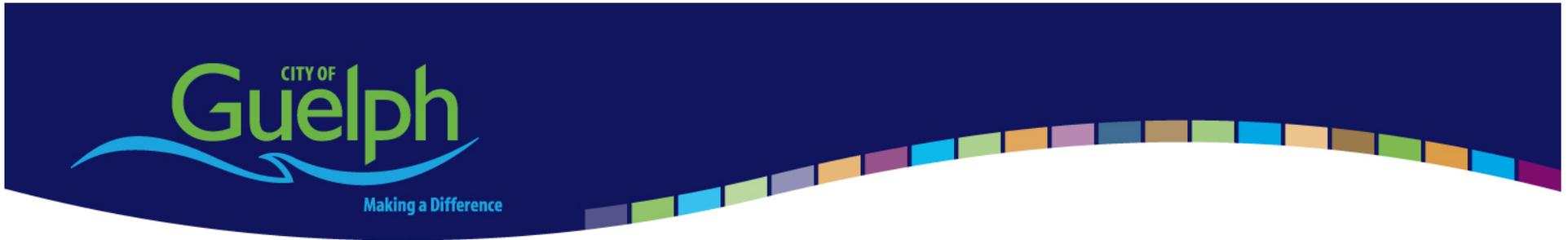
Source: City of Guelph Planning, Urban Design and Building Services, 2013

Issue 2:

A lack of available primary rental supply makes it difficult for people to find affordable rental housing.

- Guelph's 0.6% vacancy rate lowest in Ontario
- Increased pressure on vacancy rates due to:
 - demographic demand
 - limited new rental stock
 - increasing costs of homeownership





Issue 3:

The secondary rental market provides choice of affordable dwelling types but the supply is not as secure as the primary rental market.

- 25% of accessory apartments not currently rented
- Secondary rental units do not have the same land use planning supply controls as primary rental units
- Accessory apartment rents are lower than primary rental market unit rents
- Rents for surveyed vacant secondary rental market units were higher

Next Steps

Task	Timing
Public Release of Draft Directions Report – IDE Committee Report	Q4 2015
Community Engagement on Draft Directions	Jan. – Feb. 2016
Public Feedback Opportunity on Draft Affordable Housing Strategy	Q1 2016
Finalize Affordable Housing Strategy	Q2
Affordable Housing Reserve Fund Analysis	June - Q2 2016