

Attachment 2

Table 1: Summary of Affordable Housing Tools, December 8, 2015

Tool/Direction	City of Guelph Status	Responds to Issue ¹			Other Municipalities	Assessment of Potential ²	Source	Anticipated Outcome and Rationale for Assessment	
		1	2	3					
1) Regulatory									
Municipal Act									
1.1	Incent new rental housing construction by maintaining a "New Multi-residential" property tax rate equalized to the rate for Residential properties. Property taxes are based on tax ratios applied against the assessed value of a property. Municipalities can set different tax ratios for different classes of property. Property taxes are based on ratios relative to the residential rate. Tax rates for different property classes can be either higher or lower than the residential rate. Under the Municipal Act, municipalities may create a property tax class for new multi-residential properties (7 or more units under single ownership). Typically rates for a "Multi-residential" property class are higher than the "Residential" property class, creating an operating cost disincentive. The "New Multi-residential" property tax class allows for a separate tax rate to be set for new rental multi-residential development. Properties would be classified within this "New Multi-residential" property class for a set period of time before being reclassified as a "Multi-residential" property. In the City of Guelph By-law (2002) – 16852 provides for the "New Multi-residential" property tax class which applies for 35 years from the date of construction, as per Provincial regulation. In 2015 the "Residential" and "New Multi-residential" property tax class rate for the City of Guelph is set at approximately 1.05% compared to 2.14% for the "Multi-residential" property tax class rate. Setting the tax rate for the "New Multi-residential" property tax class at the same rate as the "Residential" property tax class eliminates the disincentive for a set period of time. Over time the City could move towards a more equalized tax rate between Residential and Multi-residential property tax classes removing the long term need/benefit of a "New-residential" property tax class.	Enacted	X	X		Barrie, York Region	High	Other Municipal Practice Review	<p>Outcome: With this approach the City would continue to incent new multi-residential rental development (7 or more apartment units). Maintaining a new multi-residential property tax rate could increase the number of rental properties and smaller units, which historically have accounted for over 20% of new primary rental housing stock.</p> <p>This could address the need for smaller units since apartment buildings tend to deliver smaller unit sizes than other housing forms such as a single detached dwelling.</p> <p>Rationale for Assessment: This approach shows high potential since the City has direct control for setting property tax class rates and has already set a "New Multi-residential" property tax rate. Property tax rates have a direct impact on the cost of housing and the approach is easy to implement. In addition there is little risk if the property tax approach does not produce additional rental units. Depending on the level of up-take on this, it could burden other property tax classes. Other municipalities also use this approach.</p> <p>Other: Since its inception in 1998, 302 primary rental units have been created in total with the largest percentage of known unit sizes being one bedroom units.</p> <p>3 - bachelor units (1%) 66 - one bedroom (22%) 35 - two bedroom (12%) 4 - three bedroom (1%) 194 unknown bedrooms (64%) – includes student housing at Chancellor's Way</p> <p>It is unknown whether or not the above rental stock would have been created without the "New Multi-residential" property tax class.</p>
1.2	Developing/acquire and operate affordable housing using a Municipal Service Corporation, i.e. Guelph Municipal Holding Inc. Under the Municipal Act, the City could take a direct role in the development and/or operation of housing or use a Municipal Service Corporation. The City could create a separate housing corporation using Guelph Municipal Holding Inc. (GMHI) to hold	Enabled	X	X	X	Hamilton (Community Land Trust), London	Medium	2015 Council Workshop on Affordable Housing, Other Municipal Practice Review	<p>Outcome: This approach would allow the City to develop and deliver affordable housing that could focus on meeting identified community needs (e.g. bachelor and one bedroom rental units). If this direction is pursued, a cost and benefit analysis of funding a portfolio in addition to, or instead of, financially incenting an experienced/established party to</p>

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<p>the company assets. GMHI was created as a for-profit corporation to create value for the community by providing oversight of City assets. At the present time, GMHI provides oversight to Guelph Hydro and Envida Community Energy.</p> <p>The housing assets could be directed specifically to the rental market and offer a specific unit size and type (e.g. bachelor and one bedroom rental units). This approach would bring the needed resources to develop/acquire and or operate affordable housing, along with City oversight of the assets through GMHI.</p> <p>Linkages: Could develop lands that might become available through directions 1.8, 2.4 and/or 2.5. Could demonstrate the research concepts developed in direction 4.2 and/or with the development of a demonstration project through partnerships, as per direction 4.3.</p>							<p>develop and potentially operate affordable housing would be completed.</p> <p>This approach could impact any one or combination of issues depending on the established direction and role for the Municipal Service Corporation.</p> <p>Rationale for Assessment: The approach shows medium potential. The approach would allow the City to directly target household types in need, i.e. smaller rental households. It would be a transparent means of how the City could directly address affordable housing needs. Other municipalities are taking this approach, however they tend to be Service Managers. Further review is needed to understand the resources needed and other options available. The approach would require significant financial resources, especially if financial support is not available from senior levels of government.</p> <p>Other: Assessment of this approach would benefit from discussions with municipalities who have taken this approach to develop a recommendation/business case. Would need to consider the City's role and potential overlap with the County as the Service Manager.</p>	
Planning Act								
<p>1.3 Increase the City's affordable rental housing target by modifying the tenure split of the 30% affordable housing target included in the City's Official Plan.</p> <p>The City's Official Plan Update (OPA 48) includes an annual target of 30% of new residential development for affordable housing which is divided into an annual target of 27% affordable ownership units and 3% affordable rental housing units.</p> <p>The tenure split of the affordable housing target would be modified to better reflect the need for rental housing and provide additional support for other City directions to focus on meeting rental housing needs. Changing the target alone will not increase the supply of affordable rental housing. However it will recognize the need to strive for a greater amount of affordable housing units to be directed towards the rental market which in turn could change how other directions are prioritized and/or implemented.</p> <p>The rental housing target could also provide direction for the supply of secondary rental market units, which are currently</p>	Enabled		X			Medium	State of Housing Report	<p>Outcome: This approach would provide revised or modified targets to direct future housing development to reflect current issues, i.e. the need for more primary rental housing.</p> <p>The approach would impact the rental housing issue by increasing the portion of affordable housing targeted for rental.</p> <p>Rationale for Assessment: This approach shows medium potential. The City has a legislative requirement and direct control for setting affordable housing targets. Inclusion of an appropriate target in the OP is key to providing direction to other responses.</p> <p>Other: The approach is included to reflect the challenge in meeting rental housing target in comparison to ownership target.</p>

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	excluded.								
1.4	<p>Develop an Implementation Plan to meet the Official Plan affordable housing targets.</p> <p>An implementation plan is necessary to provide a framework to assist with the review and approval of development applications in a manner that provides direction and encouragement to the development industry to help meet the affordable housing targets. Could include regulatory, policy and procedure, financial and other directions.</p> <p>Linkages: A number of other directions could be included in the implementation plan, e.g. Direction 2.4, increasing utilization of municipal lands and/or direction 4.3 undertaking a demonstration project for affordable rental housing units.</p>			X			Medium		<p>Outcome: This approach would provide clear guidelines for implementing the affordable housing targets, bring clarity to the process for development application review and assist in achievement of targets.</p> <p>Rationale for Assessment: This approach shows medium potential. The City has a responsibility to develop an implementation plan to meet affordable housing targets and the implementation plan will include elements that directly impact the issues. However some elements of the implementation plan will require further review, other partners and potentially enabling legislation.</p>
1.5	<p>Review regulations and by-laws to identify unnecessary barriers/disincentives to the creation of affordable housing, in particular small units (e.g. tiny houses, bachelor, one bedroom units) and primary rental housing units and make recommendations for changes to policy and regulations.</p> <p>Reviewing the City's regulations and by-laws, with an affordable housing lens, may identify barriers to the creation of smaller units and primary rental housing units. Overcoming these barriers could lead to the creation of a greater range of housing types.</p> <p>In addition the review of alternative development standards, as per OP policy 7.2.2.4 could reduce the amount of land required for affordable housing, leading to reduced development and operational costs. e.g. less parking, reduced road widths, etc.</p> <p>Linkages: Direction 1.6, which deals with regulating accessory apartments in townhouses, has been separately identified as a barrier to the creation of affordable housing. Direction 4.2, which deals with innovative housing formats, might identify some regulations and by-laws that are barriers.</p>	Enabled	X	X	X	Barrie, Kingston	Medium	OP Policy 7.2.2.4, 2015 Council Workshop, HHP, 2009 AHDP, 2002 Affordable, Housing Action Plan (AHAP), Other Municipal Practice Review	<p>Outcome: Revised regulations that reduce/remove barriers/disincentives for the development of affordable housing. Reduced development standards could also lead to reduced land costs that would impact housing development costs.</p> <p>Could help with any one or combination of issues depending on the nature of the restrictions identified for change.</p> <p>Rationale for Assessment: This approach shows medium potential. The City has a high level of control with this direction. It is anticipated that a few barriers still exist that could be reduced or eliminated, e.g. zoning and engineering requirements for coach houses. There is also policy support in the City's Official Plan to establish alternative development standards.</p> <p>Other municipalities are taking this direction. This approach has been included as a recommendation in two previous affordable housing plans, the 2015 Council Workshop and HHP. The work would best be approached through the upcoming Comprehensive Zoning By-law Review. It is difficult to determine at this point the impact of the direction on the issues and the ease of implementation.</p> <p>Other: The impact of reduced/alternative development standards on the delivery of municipal services would have to be assessed.</p>
1.6	<p>Increase the supply of accessory apartments by modifying the zoning by-law regulations to permit accessory apartments in townhouses.</p>	Enabled	X		X	Barrie, Halton Region, Kingston, York	Medium	Other Municipal Practice Review	<p>Outcome: This approach would allow accessory apartments to be supported in townhouses if regulations (still to be</p>

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	<p>The Planning Act requires municipalities to establish Official Plan policies and zoning provisions allowing accessory apartments in detached, semi-detached and townhouse dwellings.</p> <p>The City's Official Plan Update (OPA 48) supports the creation of accessory apartments in low density residential designations and directs the City's Zoning By-law to provide specific regulations for accessory apartments. The current Zoning By-law recognizes accessory apartments in single detached, semi-detached and linked dwellings but not in townhouses.</p> <p>Appropriate zoning regulations (e.g. parking and building requirements) for accessory apartments in townhouses would need to be developed.</p>					Region			<p>developed) were met. This would require a public process under the Planning Act but there are no appeal rights.</p> <p>Permitting accessory apartments in townhouses could increase the secondary rental housing supply, including the supply of smaller units since current regulations limit accessory apartments to two bedrooms.</p> <p>Rationale for Assessment: This approach shows medium potential. The City is required to modify the zoning regulations to permit accessory apartments in townhouses to conform to Provincial legislation. Anticipate that regulations will have a limited impact on rental supply since only a few existing townhouses will likely support an accessory apartment (e.g. end units with three exterior walls) and potentially new builds that are specifically designed to meet the regulations developed.</p> <p>Other: The City has an established accessory apartment program and has been a best practice in this area. This is a modification to existing practices that have been successful.</p>
1.7	<p>Provide financial incentives for affordable housing through the development of a Community Improvement Plan (CIP) and/or modification of the Downtown Community Improvement Plan.</p> <p>Municipalities may create Community Improvement Plans (CIP) in accordance with Ontario's Planning Act to facilitate improvements within targeted areas. These plans allow municipalities to create financial or other types of tools, or direct capital investments – such as tax increment-based grants – towards achieving community goals. For example, a tax increment based grant involves increasing property taxes in increments instead of immediately after the increase in property value. Providing tax relief serves as an incentive for enhancing the value of a property. The Downtown CIP has successfully used tax increment-based grants to support the construction of new residential development. However the Downtown CIP's mandate does not include the provision of affordable housing. Some municipalities implement tax increment financing approaches without the need for upfront financing. Any other financial incentives proposed through the CIP would likely require upfront funding.</p> <p>Would either add an affordable housing lens to the Downtown CIP and/or financial incentives (e.g. tax increment financing) or</p>	Enabled	X	X	X	Barrie, Halton Region, Oshawa, York Region	Medium	Other Municipal Practice Review	<p>Outcome: A Community Improvement Plan would allow for the creation of new units by providing a mechanism for investing in new affordable housing units.</p> <p>The CIP and corresponding financial programs could be directed to any one or combination of issues.</p> <p>Rationale for Assessment: This approach shows medium potential. The City has the authority to create a CIP and has successfully used this approach to facilitate improvements in other areas, i.e. brownfields and downtown development. In addition, the use of financial incentives through the CIP would have a direct impact on identified affordable housing issues. However, the implementation of a CIP requires further research in comparison to other potential draft directions, including an assessment of financial resources.</p>

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	create a CIP specifically about affordable housing, similar to the specific approach taken on Brownfield redevelopment. The Affordable Housing Strategy work would serve as part of the background work required for a CIP.								
1.8	<p>Explore having a requirement to identify and reserve lands for affordable housing as part of the development approval process.</p> <p>A significant component of the cost of housing is attributed to land costs. The cost and availability of lands within the City also influence the location of affordable housing. Currently the City cannot require development applications to identify lands for affordable housing. However, if the Province of Ontario instituted inclusionary zoning the City would have the legislative authority to require development applications to identify and reserve lands for affordable housing. This direction has been included in the City's Official Plan Update (OPA 48). However Provincial legislation still needs to be enacted.</p> <p>Currently the City can and has designated lands for medium and high density development to meet forecasted growth through the Official Plan Update (OPA 48). This supports, but does not guarantee, the development of affordable housing.</p> <p>Linkages: Direction 5.1, which deals with advocating for inclusionary zoning, is essential to enabling this direction. In addition if lands are acquired through the development application process it could help implement direction 2.5, which deals with land banking.</p>	Enabled	X	X			Low	OP Policy 7.2.2.2	<p>Outcome: Would create a supply of land for the future development of affordable housing if the proposed development did not include affordable housing. This would be examined as a potential outcome of Section 37 amendments for height and density bonusing or of an Affordable Housing Report requested as part of a complete application.</p> <p>Might address small unit sizes and primary rental housing issues.</p> <p>Rationale for Assessment: This approach currently shows low potential. The approach has policy support in the City's Official Plan. However current legislation does not permit this and enabling legislation is required.</p>
Development Charges Act									
1.9	<p>Explore Development Charge exemptions or reduced rates for affordable housing during the next update of the Development Charges By-law to be completed March 2019.</p> <p>Development charges are charged to new development to recover the capital costs associated with the infrastructure required to accommodate that growth. Development charge rates may vary by type of development and exemptions or reduced rates, may be applied to a specific area or type of development. This approach could be used to encourage a particular type of development to occur, in a particular area.</p> <p>Setting appropriate development charge rates, including exemptions or reduced rates, are challenging since they could either be an incentive or disincentive for different forms of development.</p>	Enabled	X	X	X	Barrie, Hamilton, Peel Region, Waterloo Region, York Region	Medium	2002 AHAP, Other Municipal Practice Review	<p>Outcome: Exempting or reducing affordable housing projects from development charges could encourage the construction of new units without using funds from the Affordable Housing Reserve, which has been used to cover Development Charge costs for some affordable housing developments. This could leave Affordable Housing Reserve funds available for other affordable housing development costs and incentives. However the cost of the Development Charge exemptions would have to be budgeted from other tax supportive sources.</p> <p>Rationale for Assessment: This approach shows medium potential. The City has the authority to set development charges. However, the City's current development charges by-law was updated in 2014 and does not need to be updated until March 2019. During the development of the 2014 Development Charges By-law, staff recommended that affordable housing projects</p>

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								<p>continue to be encouraged through other corporate programs and policy development.</p> <p>A number of municipalities are using this approach and the 2002 AHAP included it as an action which predates the latest review.</p> <p>Other: If certain types of new development have reduced rates, other types of development will need to compensate for the loss in revenue to cover the projected capital cost of development.</p> <p>Despite requests for exemptions, during the last review of the Development Charges By-law in 2014, the City decided to not reduce development charges for affordable housing and continue to support affordable housing projects through other corporate programs such as grants and early/late payment agreements. At the time the City did not have a contemporary policy to guide its potential involvement in financially incenting or otherwise supporting the construction of affordable housing. The City's Development Charge By-law needs to be updated by March 2019.</p>	
1.10	<p>Explore the inclusion of affordable housing/social housing as a general service during the next update of the Development Charges By-law to be completed March 2019.</p> <p>Affordable housing and social housing are eligible services under the Development Charges Act, 1997, if the municipality has an existing level of service. The money collected can then be directed to the capital cost of creating new affordable housing/social housing.</p>	Enabled	X	X		Barrie, Halton Region, Kingston, Ottawa, Peel Region, York Region	Medium 2015 Council Workshop, Other Municipal Practice Review	<p>Outcome: This approach would collect development charges for the development of housing, leading to the construction of new units.</p> <p>Rationale for Assessment: This approach shows medium potential. Affordable housing/social housing are eligible services under the Development Charges Act, 1997. However the City cannot currently use this approach since we do not have an existing level of service, i.e. we do not develop affordable/social housing, and the City has no planned 'intent' to invest in affordable housing projects. The City's current development charges by-law was updated in 2014 and does not need to be updated until March 2019. During the development of the 2014 Development Charges By-law, staff recommended that affordable housing projects continue to be encouraged through other corporate programs and policy development.</p> <p>A number of municipalities, which are typically Service Managers, are using this approach. The City of Barrie, is not a Service Manager, but has developed and funded social housing with the assistance of development charges.</p> <p>Other:</p>	

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								<p>During the development of the 2014 Development Charges By-law, public submissions were received requesting that affordable housing/social housing be services supported by development charges. Staff recommended not including charges for these services due to:</p> <ul style="list-style-type: none"> • The role of the County as the Service Manager and their ability/interest in absorbing additional units and expanding the program; • Lack of proven "intent" for social housing projects given no plan in place to develop social housing or homes for the elderly which could leave the City open to DC By-law appeal; and • Existence of a significant waiting list for social housing implying that new units would provide benefit to the existing population and not new development. <p>Program scoping and policy development is required if these services are to be considered as part of the next DC By-law.</p>	
2) Policies and Procedures									
2.1	<p>Monitor affordable housing targets and indicators to measure the effectiveness of affordable housing directions and ensure policies and funding are appropriately directed.</p> <p>The City would collect and analyze data on how housing targets are being met and on housing indicators (e.g. rental vacancy rates) to inform the targets, and adjust the implementation plan accordingly, including financial incentives. Information could also feed into Affordable Housing Report (AHR) requests as part of a complete application by informing what applications need to include an AHR and by providing current data to be included in the AHR. This could lead to improved results from other directions, e.g. financial incentives and AHRs addressing current needs.</p> <p>Linkages: Direction 3.1 and 3.2, which deal with financial incentives, could be informed by monitoring efforts. Direction 2.2, which deals with guidelines regarding the submission of a complete development application, could benefit by including indicators and monitoring results.</p>	Enabled	X	X	X	Barrie, Halton Region, Kingston, London, York Region	High	OP Policy 7.2.6.9, 7.2.6.10, 7.2.6.11, 2015 Council Workshop, HHP, Other Municipal Practice Review	<p>Outcome: Would provide up to date information on how targets and needs are being met and allow annual activity to be measured and gauged against desired outcomes. This information could also serve as an input to height and density bonusing requests and assist with drafting and reviewing the content of Affordable Housing Reports requested as part of a complete development application.</p> <p>Monitoring would inform all three issues.</p> <p>Rationale for Assessment: This approach shows high potential. The approach has policy support in the City's Official Plan, with the 2015 Council Workshop and HHP also recommending the approach. A number of municipalities are monitoring housing targets and indicators.</p> <p>Other: The Affordable Housing Strategy work provides a baseline for future monitoring.</p>
2.2	<p>Develop guidelines for the submission of an Affordable Housing Report as part of a complete development application.</p> <p>The City's Official Plan Update (OPA 48) allows the City to request that an Affordable Housing Report be completed as part of a complete development application. The report would need to demonstrate, to the satisfaction of the City, how the proposed development and/or change in land use is consistent</p>	Enabled	X	X			Medium	OP Policy 7.2.2.8	<p>Outcome: Would provide guidance to the City and development industry when an Affordable Housing Report (AHR) would be requested and the information to be included adding clarity and potentially reducing costs for applications. Would also ensure AHR were completed with an acceptable standard where required.</p>

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	<p>with the Provincial Policy Statement, conforms to the Official Plan and any Provincial Plans in effect, and provides an integrated approach to land use planning.</p> <p>The development of guidelines would provide clarity to the development approval process by helping to determine when to request an Affordable Housing Report and what information to include.</p> <p>The current Official Plan contains enabling policies but procedures and guidelines need to be developed.</p>							<p>The development of guidelines could help address small unit sizes and primary rental housing issues.</p> <p>Rationale for Assessment: This approach shows medium potential. The approach has policy support in the City's Official Plan. The presence of guidelines would not directly ensure the creation of additional affordable housing. However the completion of an AHR, using guidelines would offer a means of assessing need and lead to implementing how to address the need on a development application basis.</p> <p>Other: The completion of an AHR report with guidelines would ensure consistency in the application of requirements and reporting.</p>	
2.3	<p>Develop height and density bonusing guidelines that would prioritize affordable housing as a community benefit, where appropriate, in exchange for additional height and/or density.</p> <p>The City's Official Plan Update (OPA 48) allows the City to permit additional height and/or density in exchange for a community benefit, which could include affordable housing. As part of the City's Downtown Secondary Plan policies, in areas with maximum height limits of 8, 10 or 12 storeys, the City may in a by-law permit a maximum of two additional storeys above the identified maximum and/or additional density.</p> <p>In considering community benefits, the City may, under the OPA 48 policies, give priority to identified community needs, any identified issues in the area and the objectives of this Plan. Affordable housing has been identified as a community need and the development of height and density bonusing guidelines should include when and how to prioritize affordable housing as the community benefit.</p> <p>The development of guidelines would help streamline the development approval process by helping to determine when to prioritize affordable housing over other community benefits and assist in determining appropriate community benefit (e.g. amount and type of affordable housing) for height and density bonus requests.</p> <p>OPA 48 contains enabling policies however procedures and guidelines need to be developed.</p>	Enabled	X	X		Barrie, Kingston, York Region	Medium	OP Policy 10.7, 11.1.8.4, Other Municipal Practice Review	<p>Outcome: Would provide guidance to the City and the development industry when considering a request for additional height and density adding clarity to the process. Might also reduce development and application processing costs. Would also ensure equity and level of transparency when dealing with requests. The amount and nature of the benefit and bonusing would be site specific.</p> <p>Community benefit could be directed to either smaller housing units and/or rental housing stock.</p> <p>Rationale for Assessment: This approach shows medium potential. The City has a high level of control on this direction. Enabling OP policies are already in place and affordable housing is recognized as a community benefit. However there are other community benefits recognized in the OP policy and appropriate in areas. A number of municipalities either have or plan to develop guidelines and there is the potential to directly request affordable housing as a community benefit.</p> <p>Impact limited to areas where a developer wants to increase height and density beyond zoning regulations.</p>
2.4	<p>Establish a policy to increase the utilization of municipal lands for affordable housing where appropriate and make housing providers aware of lands being disposed of by the City.</p>	Enabled	X	X		Barrie, Cambridge, Durham Region, Halton Region,	Medium	OP Policy 7.2.2.5 2009 AHDP Other Municipal Practice Review	<p>Would allow the suitability of surplus lands to be assessed for affordable housing and potentially result in lands being set aside for affordable housing development, potentially reducing the costs of housing.</p>

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<p>Properties that are in tax arrears for four years can be tendered or put to auction by the City to dispose of with a minimum bid set to cover all municipal costs. The City never retains ownership of the property through the process. However, if there is no bidder the City may vest in the property. The City cannot give an advantage to any potential land purchaser, however the City could make affordable housing providers aware of properties being tendered or auctioned.</p> <p>Prior to being declared surplus or being sold, municipal properties are circulated to determine if there is any internal need for the property pursuant to the City's Surplus Lands Policy. The City Surplus Lands Policy could be modified to ensure that an affordable housing lens is included in some circumstances as part of this circulation process. Surplus lands may not be suitable for affordable housing for reasons such as size, configuration and/or location. However the City could make affordable housing providers aware of properties being sold that might be suitable for affordable housing.</p> <p>The City owns land for its own facilities, e.g. parks and recreational facilities. There might be potential for a portion of City lands to be used for affordable housing purposes provided they are not necessary to meet other needs and would be suitable for housing.</p> <p>Linkages: Potential connection with Direction 1.2 creation of an affordable housing corporation using a Municipal Service Corporation.</p>					Hamilton, Kingston, London, Ottawa, Peel Region, York Region		Kingston (land inventory to include public and privately held lands)	<p>Medium ranking – City OPA 48 policy supports this approach and a number of municipalities are using or plan to use this approach. Unknown at this point how much suitable surplus land might be available for affordable housing development.</p> <p>Anticipate that lands would not be directed to secondary rental stock but rather issues 1 and 2 (smaller units and/or primary rental housing).</p>
<p>2.5 Explore the feasibility of developing a City land banking program to acquire and protect lands for affordable housing.</p> <p>The City could develop a program to acquire suitable sites for affordable housing. This could include City owned sites, properties acquired through Affordable Housing Reserve funds, lands/funding acquired through the development approval process (e.g. community benefit as part of height and density bonusing, inclusive zoning if enabled), etc.</p> <p>Linkages: Potential connection with direction 1.2 creation of an affordable housing corporation using a Municipal Service Corporation, direction 2.5 financial incentives (using financial incentives to purchase land) and direction 5.1 inclusionary zoning.</p>		X	X			Medium	OP Policy 7.2.6.5	<p>Outcome: A land banking program would lead to suitable sites being held by the City and made available for the development of affordable housing. Land costs are a significant portion of the cost of housing and having lands available could potentially reduce the costs of housing.</p> <p>A land bank could not be directed to secondary rental housing stock but could assist with issues 1 and 2.</p> <p>Rationale for Assessment: This approach shows medium potential. The approach has policy support in the City's Official Plan. Land availability and cost is a significant factor in the provision of affordable housing. However, this approach requires further research and it is anticipated that relatively few appropriate municipal parcels are currently available. Inclusionary zoning, which could yield additional lands has yet to be enabled by the Province.</p>
<p>2.6 Monitor secondary rental housing to ensure policies and</p>	Enabled			X		Medium	OP Policy 7.2.6.11	Outcome:

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<p>funding are appropriately directed.</p> <p>Continue to collect information on size (number of units) and nature of secondary rental housing stock (e.g. vacancy rate, rental rate) at least once every five years. Information will allow us to modify policies as necessary and direct funding (as applicable).</p> <p>Linkages: Potential connection with direction 1.3 if secondary rental housing is included as part of rental housing target.</p>							<p>Would provide the City with current information about the size and nature of the secondary rental market and its role as a significant supply of affordable housing. The approach has policy support in the City's Official Plan.</p> <p>Under this direction, monitoring would be specific to issue 3.</p> <p>Rationale for Assessment: This approach shows high potential. The Affordable Housing Strategy work provides baseline data that updates previous data collected on secondary rental housing. Current data is foundational to identifying issues, targeting directions and measuring outcomes.</p>	
3) Financial								
<p>3.1 Provide direct financial incentives (e.g. reserve, grants, Add a Unit Program, etc.) for smaller rental units (bachelor and one bedroom) and primary rental housing.</p> <p>Provide financial incentives for affordable housing through grants and low or no interest loans. The financial incentives could offset the development costs of housing, e.g. cover building permits costs, development charges, etc. in exchange for the development of affordable housing. Currently financial incentives are funded through the Affordable Housing Reserve and dealt with on a case by case basis.</p> <p>Historically the City of Guelph had an Add a Unit Program that provided a grant/loan for creating a housing unit(s) on upper floors of downtown properties. There was little, if any interest, in the program likely due to the limited amount of funding available.</p> <p>Linkages: Would complement financial incentives provided through direction 1.7 which deals with establishing a Community Improvement Plan (CIP) for affordable housing and/or modifying the Downtown CIP.</p>	Enacted	X	X	X	Barrie, Hamilton, Kingston, London, Ottawa, Waterloo Region	High	2015 Council Workshop 2009 AHDP HHP Other Municipal Practice Review	<p>Outcome: Funding would be used to create affordable housing through reduced development costs. The City could target specific housing types that the market is not providing such as smaller units and primary rental housing.</p> <p>The Add a Unit Program would support the creation of additional units on upper floors of downtown properties. Could also look into using it in areas with the potential to have residential units on upper floors (e.g. mixed use buildings in nodes and corridors, shopping centres, etc.). This could be incorporated into a CIP approach.</p> <p>Financial incentives could be directed to any one or combination of the issues. The creation of smaller units and primary rental housing would be a first priority.</p> <p>Rationale for Assessment: This approach shows high potential. The City has historically provided financial incentives for affordable housing and to help address other key community needs. There is also an Affordable Housing Reserve in place with funding. A key reason for the lack of affordable housing is that it is not financially profitable so incentives are needed and funding would produce affordable housing designed to meet specific needs, e.g. smaller units for smaller households.</p> <p>Other: The Add a Unit Program historically had little interest but this could have been due to administrative requirements and the limited financial incentive.</p> <p>Need to assess the action in the context of the HHP</p>

Tool/Direction		City of Guelph Status	Responds to Issue ¹			Other Municipalities	Assessment of Potential ²	Source	Anticipated Outcome and Rationale for Assessment
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								and role of the Service Manager.	
3.2	<p>Explore social financing as a means of funding affordable housing units, especially smaller units (bachelor and one bedroom units) and primary rental housing.</p> <p>Social financing involves investing financially with a social dividend/return established. The investment approach is meant to solve social or environmental challenges while generating financial returns creating a key relationship where a positive social impact is sought as well as modest financial returns. Grants and loans are based on outcomes which account for risk, return and social impact. Can include community investing, social impact bonds and social enterprise lending. The approach is meant to complement other existing funding and support approaches and can be used by for-profit as well as not-for-profit sectors. Socially responsible businesses, co-operatives and enterprising arms of a charity lend themselves to these type of investments.</p>		X	X	X		Low	2015 Council Workshop HHP	<p>Outcome: A funding program would be created and tied to social outcome such as provision of affordable housing. The success of the outcome could impact the level of funding provided.</p> <p>Financing could be directed to any one or combination of the issues.</p> <p>Rationale for Assessment: This approach has low potential since the City has no current experience in this area and it requires further research. The impact on the affordable housing issues is also unknown, especially since even if the approach is taken, funding would be tied to social outcomes. In addition, there were no other municipalities identified using this approach to deal with affordable housing issues.</p>
4) Partnerships									
4.1	<p>Work with the County as Service Manager on the development of the County's incentive toolkit and promote any affordable housing programs provided by all levels of government.</p> <p>The toolkit involves the creation of a listing of incentives for affordable housing that publicizes current affordable housing programs (e.g. website listing of current programs).</p>		X	X	X	Kingston Waterloo Region	Medium	OP Policy 7.2.2.7 2009 AHDP HHP Other Municipal Practice Review	<p>Outcome: Would create a coordinated listing of incentives available in the City of Guelph with the County and make stakeholders aware of current programs available in one location. Offers a means of showcasing available programs and incentives for affordable housing.</p> <p>Could lead to program uptake and the creation of affordable housing if programs are available. Incentives could touch on any one or combination of the issues.</p> <p>Rationale for Assessment: This approach has medium potential. It would be a partnership opportunity for the City with the County as Service Manager. The approach has policy support in the City's Official Plan and is a recommendation of the 2009 AHDP and HHP. The direction would be relatively easy to implement if the County proceeds with the HPP recommendation.</p>
4.2	<p>Research innovative housing with partners to create a resource document that could be used with other tools to support the development of affordable housing e.g. pocket housing.</p> <p>Research different housing formats especially smaller units such as single room occupancy buildings (SRO), tiny houses, pocket housing and/or pocket neighbourhoods to create a resource document which could be used by housing providers/developers.</p>		X	X	X	Hamilton Barrie (Task Force), Durham Region, Kingston, York Region	Medium	Other Municipal Practice Review Hamilton Community Land Trust used pocket housing as a case study York Region held a Make Rental Happen Challenge	<p>Outcome: Would identify innovative housing types, site plan and/or building design ideas for affordable housing and determine which of these would be appropriate to meet community needs, e.g. smaller units.</p> <p>The focus of this would be on smaller units (issue 1).</p> <p>Rationale for Assessment: This approach has medium potential. Site and building design is a key means of supporting the</p>

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	<p>A SRO typically houses one or two people in individual rooms within a multiple-tenant building. SRO tenants typically share bathrooms and/or kitchens, however some may include kitchenettes, bathrooms, or half-baths. They are often comparable to hotel rooms. Tiny houses are generally around 400 ft² or less. Pocket housing is an alternative to single room occupancy units (SRO). Pocket houses look like a regular detached house, however there may be four to eight individual units typically with each unit containing a kitchenette, washroom and living space with its own entrance and front door. Units are around 210 ft². In comparison, under the City of Guelph Zoning By-law, a lodging unit within a lodging house does not have exclusive use of both a kitchen and a bathroom. Pocket neighbourhoods are small individual units sharing open space and parking.</p> <p>This could involve the City hosting a gathering of stakeholders and/or a public challenge, including the development industry and the County as a co-host to develop/assess affordable housing ideas (e.g. tiny houses, pocket housing and pocket neighbourhoods). The focus would be on concepts that could work in Guelph, ideally with future development sites/lands identified as a case study.</p> <p>Linkages: Could help inform direction 1.5, review of regulations and by-laws for unnecessary barriers. Could also provide support to directions 1.2, 4.3 and 4.4 which deal with the provision of affordable housing.</p>							development of smaller units which could be in both the primary and secondary rental market. Developing designs that are also affordable is essential. This can help lead to future partnerships, buy in to directions/actions, new ideas surfacing, input to other approaches, e.g. demonstration project.	
4.3	<p>Initiate or support a demonstration project with partners showcasing affordable housing, especially smaller units (bachelor and one bedroom units).</p> <p>The City would support the development of an affordable housing project that could be replicated elsewhere, e.g. pocket housing, tiny houses, etc. This could involve other stakeholders as partners.</p> <p>Linkages: Could demonstrate the research concepts developed in direction 4.2 and/or use lands identified through directions 2.4, 2.5, and/or 4.4.</p>		X	X	X	Cambridge, Waterloo Region	Medium	2002 AHAP Other Municipal Practice Review	<p>Outcome: This would result in the creation of an affordable housing project that could demonstrate an innovative development and/or site/building design approach.</p> <p>The project could demonstrate a means of addressing any one or combination of the issues.</p> <p>Rationale for Assessment: This approach has medium potential. It would be a partnership opportunity for the City with other stakeholders. The direction results in the development of an affordable housing project that meets the needs of at least one household. Could serve as a link between a number of directions, e.g. use of surplus land, intensification of social housing site and development of innovative ideas and concepts with partners. At least one municipality has developed a demonstration project and the 2002 AHAP included this approach as a recommendation.</p>
4.4	<p>Work with the County and housing providers to identify the potential to revitalize as appropriate existing social housing properties and assist with implementation</p>		X	X	X	Durham Region, Halton Region,	Medium	Other Municipal Practice Review	<p>Outcome: This would result in the creation of additional housing units on existing lands, potentially reducing the costs</p>

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<p>where appropriate.</p> <p>The County and housing providers own and operate social housing units on lands that may have the capacity to support additional units. Supporting additional units on these lands could be a means of increasing the supply of affordable housing stock without having to find and financially pay for other land. Additional units could include accessory apartments within the existing dwelling, a coach house on the existing site and/or redevelopment of the site to a higher density.</p> <p>Each property and housing provider/owner would need to be assessed separately to determine suitability and interest.</p> <p>Linkages: If appropriate lands were identified could make connections with direction 4.3, initiate or support a demonstration project.</p>					Hamilton, Kingston, York Region			<p>of housing.</p> <p>Additional housing stock through intensification could address any one or combination of the issues.</p> <p>Rationale for Assessment: This approach has medium potential. It would be a partnership opportunity for the City with the County as Service Manager and potentially other housing providers. It is unknown at this point how many additional units could be supported. The current social housing stock includes a range of housing types including single detached, townhouses and apartment units. Other municipalities are recommending this approach.</p>	
5) Advocacy									
5.1	<p>Advocate for inclusionary zoning as a tool for municipalities to require development applications to include affordable housing units.</p> <p>Municipalities cannot currently require development applications to include affordable housing units. The exception would be negotiating the provision of affordable housing as a community benefit in exchange for additional height and density requested by a development application.</p> <p>The City could request the Province to enact legislation empowering municipalities to require that a given share of new development be affordable to low to moderate income households. This would be a means of acquiring lands or having affordable units constructed for affordable housing as development applications are approved.</p>		X	X		Hamilton (Social Planning and Research Council), Kingston, London, Ottawa	High	2015 Council Workshop 2009 AHDP Other Municipal Practice Review	<p>Outcome: This would be a means of showing support/need for additional tools that ultimately would permit the City to require affordable housing as part of a development application directly adding to the supply of affordable housing.</p> <p>The approach could support the development of smaller units and rental housing units.</p> <p>Rationale for Assessment: This approach has medium potential. The City currently responds to proposed legislative changes and supports advocacy efforts by other groups, e.g. Association of Municipalities of Ontario, Regional Planning Commissioners of Ontario, etc. Inclusionary zoning is a key tool to advocate for since this would be a means of requiring affordable housing as development applications are approved. The approach is supported by the results of the 2015 Council Workshop on affordable housing and recommendations from the 2009 AHDP. Other municipalities are advocating for inclusionary zoning.</p>
5.2	<p>Develop a corporate advocacy strategy related to affordable housing.</p> <p>A corporate advocacy strategy for affordable housing could include the following components:</p> <ul style="list-style-type: none"> increasing senior government investment, securing ongoing flexible funding for construction and operation of affordable housing and providing incentives such as income tax and other tax breaks (e.g. GST); increasing income levels and/or establish a Housing Benefit; and/or 		X	X	X	Barrie, Durham Region, Halton Region, Hamilton, Kingston, London, York Region	Medium	OP Policy 7.2.6.8 2015 Council Workshop 2005 Wellington and Guelph Housing Strategy Other Municipal Practice Review	<p>Outcome: This would be a means of showing support/need for: increased investment; provision of incentives beyond those available to a local municipality; higher (minimum) income levels; and/or housing allowances so households can afford suitable housing.</p> <p>Would be a means of showing support/need for a National Housing Strategy and securing funding that is flexible for the construction and operation of affordable housing. The strategy would highlight the</p>

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<ul style="list-style-type: none"> establishing a National Housing Strategy. <p>Municipal incentives and tools are limited. Additional funding for affordable housing and financial tax incentives from senior levels of government could help leverage municipal incentives to increase the supply of affordable housing.</p> <p>Increasing income levels (e.g. minimum wage) and/or establishing a universal housing benefit for people on social assistance and the working poor would increase the ability of households to pay for housing.</p> <p>A National Housing Strategy would identify the nation's interest in housing and actions to support those interests that should include support for affordable housing.</p>							<p>significance of the issue and present a planned approach. Funding is essential to create a range of affordable housing to meet community needs across the entire housing continuum.</p> <p>The advocacy work would align with efforts of the Poverty Elimination Task Force and the Guelph Wellington Housing Committee, strengthening the community's response for additional support from senior levels of government to deal with meeting affordable housing needs.</p> <p>The approach could support any one or combination of the issues. Increasing income levels and/or a housing benefit could support the affordability of housing for lower income households. However it might not increase the supply of smaller and/or primary rental housing or the security of the secondary rental market.</p> <p>Rationale for Assessment: This approach has medium potential. The City currently supports advocacy efforts by other groups, e.g. Association of Municipalities of Ontario, Regional Planning Commissioners of Ontario, Federation of Canadian Municipalities, etc. Advocating for assistance from senior levels of government is within the City's role and experience. City OP policy support and recommendation from 2015 Council Workshop on affordable housing and 2005 housing strategy. Other municipalities are advocating for increased investment and incentives from senior levels of government and for a National Housing Strategy.</p>	

¹Issues

Issue 1: Not enough smaller units to rent or buy (bachelor and one bedroom)

Issue 2: Lack of primary rental housing supply

Issue 3: Secondary rental market provides choice but not as secure as primary rental market

² Assessment of Potential Categories

Assessed each direction on the degree of city control, impact on the issues and ease of implementation

H – High potential items are directions where the City has control (focus on private market housing and land use planning), will show a significant impact in terms of outcomes on the issues and is relatively easy to implement (already in budget, workplan, etc.)

M – Medium potential items are directions where the City has control, impact on issues is anticipated and implementation is reasonable. The directions show promise since they have a level of support (e.g. included in City documents – Official Plan, previous housing study, Council Workshop on affordable housing)

L – Low potential items are directions where the City does not have direct control, impact on the issues is minimal or requires further review and implementation is complex or requires further review since there is not much information available on success of outcomes. In addition directions may require enabling legislation and/or multiple partners

