AFFORDABLE HOUSING STRATEGY

A 10-YEAR PLAN
“A Place to Call Home”

FEBRUARY 2015

Prepared by City of Barrie Planning Services Department
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1.0 INTRODUCTION

1.1 Background

The City of Barrie serves as the Regional Centre for Simcoe County. Centrally located, it not only acts as Simcoe’s major employment and service centre, it has developed a role as a strong regional urban growth centre within the provincial settlement pattern. With its growing population, Barrie, like other urban centres across Canada, is faced with an affordable housing situation where large-scale rental production has not kept up with demand.

Increased pressure to supply more affordable housing at the local levels is due in part to the provincial downloading of social housing programs to the local/regional governments. It is recognized that a number of municipalities in Ontario are presently establishing housing task forces and working committees in response to housing market conditions and to reflect new municipal responsibilities in the area of housing.

The issue of affordable housing is both complex and multi-faceted. No one level of government or element can be targeted as the cause or held responsible for the solution. It is the collective efforts of the stakeholders that will generate results or lack thereof.

1.2 Purpose of the Strategy

The City of Barrie’s Affordable Housing Strategy provides a progressive plan to encourage, stimulate and increase the supply and range of affordable housing options to meet the needs of our residents, at all income levels and stages of life. The more housing options available that target lower to midrange income levels, the greater the supply. Increasing the supply could lead to rent reductions, and greater opportunities to free up entry level rental units, making housing available for those at the lowest income levels and those at risk of homelessness.

Housing is a basic and fundamental need. Access to safe, affordable and adequate housing promotes overall health and wellbeing, increases resident safety and creates a more livable community.

1.3 Objective and Target for Affordable Housing in the City of Barrie

The objective of this Strategy is to identify actions that will increase the supply of affordable housing in the City of Barrie. The mission of the Strategy is the construction of 600 affordable housing units in the City of Barrie. This target is aligned with the County of Simcoe 10 Year Affordable Housing Plan, which allocates the need for 840 units (of which 252 are geared to subsidy provided by the County leaving 588, rounded to 600 units) in the City over a 10 year term, to the year 2025.

1.4 What is Affordable Housing?

Affordable housing encompasses a range of housing types allowing families and individuals of all income levels to find suitable places to live without spending a disproportionate percentage of their income on housing. Affordable housing can include ownership, rental or subsidized housing.

“Affordable Housing” is defined in the Provincial Policy Statement and in the City of Barrie Official Plan as:
i) In the case of home ownership, 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 price of a resale unit in the regional market area.

ii) In the case of rental housing, the least expensive of:

(1) A unit for which the rent does not exceed 30 percent of the 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.”

The Ontario Planning Act sets out the formal planning process and the roles and responsibilities of a municipality. The tools and provisions of the Planning Act can have a significant impact on the supply and production of housing. Section 2 of the Planning Act requires that City Council shall have regard to, among other matters, matters of provincial interest related to affordable housing in order for the adequate provision of a full range of housing, including affordable housing.

Since affordable housing is a matter of provincial interest, the City is to consider and have regard for affordable housing in its Official Plan, Zoning By-law, Plans of Subdivision and all other planning related activities. The City is responsible for the supply of housing units, including affordable units to be made available and continue to be supplied in new developments. The City works in cooperation with Simcoe County on grant and funding programs that target new rental housing that increase the supply of rental housing for households on, or eligible to be on social housing waiting lists, for low income seniors and persons with disabilities and ensure that safe, adequate and affordable rental housing is available in the City of Barrie.

The City of Barrie has been designated by the Province to grow to a population of 210,000 people and 101,000 jobs by the year 2031. Official Plan Housing goals for the City include the provision of an appropriate range of housing types, unit sizes, affordability and tenure arrangements at various densities and scales that meet the needs and income levels of current and future residents. It is a goal of the Official Plan Affordable Housing policies to achieve a minimum target of 10% of all new housing units to be affordable housing.

1.5 Social Housing Provider

The County of Simcoe is the designated Service Manager by Ontario legislation, who is responsible for the planning, funding and managing of the social housing programs for the County, including the Cities of Barrie and Orillia. The County’s social housing budget for 2014 was $47 million. The City of Barrie’s contribution was $6.7 million or 14 percent of the 2014 County budget.

The County of Simcoe has a Social Housing Committee comprised of municipally elected officials from across the County of Simcoe including members of Barrie City Council. The County also has a Social Housing Department whose mandate is to “provide affordable housing for people whose income makes it difficult to obtain and maintain regular market rent housing.”

Social Housing represents the greatest need on the affordability spectrum. Social Housing is housing provided below market value usually with rents-geared-to-income. Other forms of subsidies offered from Simcoe County include rental subsidies to the landlord and housing allowances in finding accommodations.
There are currently 4,113 social housing units across Simcoe County; 3,022 of which are rent-
geared-to income dwellings with the remainder available at market rents. This includes 22 sites
owned by the County of Simcoe and 19 sites owned or operated by other non-profit and co-
operative providers. The County also has a number of single detached and other ground based
dwelling units for family housing.

There are 1,172 social housing units in the City of Barrie which are currently rent-geared-to-income
dwelling units. Ownership of these units is distributed between the County of Simcoe, Barrie
Municipal Non-Profit Housing Corporation and other non-profit groups or non-profit co-operative
housing associations.

It is anticipated that the demand and wait times for rent-geared-to-income housing will continue to
increase as the population increases for Barrie and area combined with a demographic shift for
older residents.

1.6 Existing Legislative and Policy Framework

All levels of government recognize the lack of affordable housing production and the need for policy
guidance and direction to encourage, stimulate, provide action and form partnerships to produce
housing options and increase supply. Attached as Appendix A is an overview of the existing
legislative and policy framework associated with the provision of affordable housing at all levels,
including the federal government’s National Housing Act, the provincial government’s policy
statement and Planning Act, to municipal government official plan policies and by-laws.

The Affordable Housing Strategy and its implementation is an important initiative that is aligned with
the 2014-2018 Council priority to take action to increase the supply of affordable housing. In addition
the City will partner with agencies and organizations such as the County of Simcoe, Barrie Pathways
to End Homelessness (an under one roof, social and health services provider), and private and not
for profit groups to encourage a variety of housing options.

1.7 County of Simcoe 10-Year Affordable Housing and Homelessness Prevention Strategy

The County of Simcoe, as required by the Ontario Housing Services Act, has prepared a 10-Year
Affordable Housing and Homelessness Prevention Strategy. The document entitled “Housing Our
Future, Our Community 10 Year Affordable and Homelessness Prevention Strategy” was adopted
by County Council in January 2014.
The document represents a 10 year Strategy addressing a range of issues from the needs of the homeless, emergency shelter, transitional housing, supportive housing, social housing, subsidized rental, and private market rental to home ownership.

Some of the principals of the Strategy include:

- Addressing homelessness
- Improved health and wellness
- Increased Civic Engagement and Social Inclusion
- Community Vitality
- Safety and Security
- Economic Prosperity

The Strategy identifies that a minimum of 2,685 units are needed to address the current affordable housing crisis in Simcoe County over the 10 year period. The projected need for the City of Barrie is a minimum of an additional 840 units over the next ten years which includes 252 units, rent-g geared to income. The 840 units are refined based on monthly rents, rent geared to income and ownership units.

Below is an excerpt from Table 20 of the County Strategy which identifies the detailed breakdown for the City of Barrie.

<table>
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<th>Location</th>
<th>&lt;$642 per mth</th>
<th>$643 - $1,149 per mth</th>
<th>$1,150 - $1,541 per mth</th>
<th>$1,542 - $2,596 per mth</th>
<th>Rent-G geared to Income</th>
<th>Affordable Homeownership Dwellings &lt;$30,000 per year</th>
<th>Total Affordable Dwellings required</th>
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<td>City of Barrie</td>
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<td>123</td>
<td>171</td>
<td>47</td>
<td>252</td>
<td>47</td>
<td>840</td>
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<td>518</td>
<td>341</td>
<td>649</td>
<td>174</td>
<td>805</td>
<td>198</td>
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To implement the County Strategy, the County has formed the Affordable Housing Advisory Committee. The Committee is comprised of six municipal representatives and six non-municipal representatives. This includes one representative for the City of Barrie. The Committee operates under an approved Terms of Reference with the purpose to “…provide advice for Council’s consideration regarding the implementation of the “Our Community 10 Year Affordable Housing and Homelessness Strategy…”.
2.0 COMMUNITY CONTEXT

Affordable housing is a growing issue in the County of Simcoe and the City of Barrie. Although the County is the regional service provider for social housing, Barrie, as the largest municipality within the County with the most available support services, tends to be the focus of new subsidized housing projects as well as the area of greatest need. Furthermore, affordable housing is an identified matter of provincial interest and therefore must be addressed by every municipality in Ontario through their Official Plan policies and planning decisions.

The following provides a summary of the trends, needs and demands for affordable housing in the City of Barrie and the County of Simcoe.

2.1 Population and Employment

The Ontario Growth Plan projects the County of Simcoe will grow to 667,000 persons by the year 2031. The City of Barrie accounts for almost a third of that population growth with a projected population of approximately 210,000 persons by 2031, forecast to 253,000 persons by 2041.

As the City's population continues to grow, there will also be a corresponding need for additional housing and in particular affordable housing to meet the needs of existing and new residents.

The City of Barrie has a relatively young population with forty percent of its residents between 20 - 44 years of age. These are strong family formation years creating a need for new housing including housing for families with lower wage paying jobs.

Notwithstanding the foregoing, Barrie's population, like the rest of the Country's, will continue to age with the present 11 percent of the population aged 65 or older increasing to 19 percent in the forecast period. This will increase the demand for housing designed for seniors and in particular affordable housing for low income seniors. Increases in average life spans coupled with an increase in the health and activity levels for seniors will also result in seniors staying in their existing homes longer referred to as "aging in place", reducing the number of resale homes in the market.

The City is projected to account for 40 percent of future job growth in Simcoe County reaching 101,000 jobs in year 2031 and 129,000 jobs by year 2041, according to the Ontario Growth Plan. The availability and affordability of housing is an important factor in attracting a strong and agile labour force to Barrie which in turn assists the City in attracting employers. The rising cost of housing in the City directly impacts the segment of the labour force currently working in these lower income brackets as well as the segment of the labour force which is currently unemployed.

2.2 Historic and Current Development Patterns

Barrie and the surrounding area experienced a strong population growth in the past fifteen years with most of the housing form being low density development.

Currently, the City is seeing an increase in the number of medium and high-density residential development projects, particularly in the City Centre, increasing the availability of units for purchase as part of a condominium project. However, construction of new affordable rental housing stock remains very low.
In addition to the current shortage of land, demographic changes and affordability are encouraging higher density forms of development which generally cost a lower construction cost per square metre.

The Ontario Home Builders’ Association indicates that condominiums provide an affordable housing type for Ontarians. The continuing trend from freehold to condominium tenure demonstrates the condominium lifestyle as an increasingly acceptable form of housing. However, condominium units target those persons able to purchase units and pay for monthly condominium fees. This form of housing although considered affordable, would not target those persons on financial assistance or in lower paying jobs. Target market for these persons requires the creation of new rental housing stock. Furthermore a significant portion of the condominium development in Barrie consists of larger more expensive units designed for luxury living and in many cases sells for prices at or above the price for detached houses in the re-sale market.

2.3 Factors Affecting Affordability

2.3.1 Home Ownership

According to the Canada Mortgage and Housing Corporation (CMHC), the average price for a new single-detached house in Barrie in 2014 was approximately $457,880, where the average resale was approximately $338,000. From the Ministry of Municipal Affairs and Housing, in 2014 the average household income was approximately $85,800.

In accordance with the Provincial Policy Statement definition of “affordable”, in the case of a new home, the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate income households. In the case of resale homes, the purchase price is at least 10% below the average purchase price in the regional market area.

Similarly, based on a review of the purchase prices of resale units in Barrie, less than 22 percent of the resale dwellings would meet the definition of being affordable in Barrie (based on the definition of 10 percent below the average price of a resale unit).

2.3.2 Rental

A “healthy” housing market is considered to have at least a 5% vacancy rate. CMHC has indicated that the majority of renters in Barrie tend to be either seniors that have changed from home ownership to rental as they downsize or individuals between the ages of 20-24 years who have left their parents homes and are not yet in a position to purchase their own homes. Linking this with the ever increasing student population attending Georgian College who consume a significant share of available rental properties in Barrie, opportunities for low income families to find affordable rental housing becomes increasingly limited.

Approximately 28% of the Barrie labour force is currently employed in lower paying retail and service sector jobs. The current minimum wage is $11.00/hour or $1760/month. Barrie’s unemployment rate was 7.3 percent in May 2014.

Those less fortunate receiving financial assistance are as follows:

For single persons, Ontario Works pays a maximum of $2056/month (based on percentage of employment salary). Retirement pension at age 65 would receive a maximum of $1065/month and those on a disability benefit would receive $1264/month. Rental housing provides a significant share of the housing affordability market.
Vacancy rates for rental housing are an indicator of the availability of affordable housing but only when considered as a trend over several years. According to CMHC, over the last 3 years, Barrie has experienced an average vacancy rate of 2.2% (2% in 2012, 3% in 2013 and 1.6% in 2014). Rising and falling vacancy rates are an indication of the supply of rental units and can be influenced by external factors such as fluctuating mortgage rates and movement of persons renting to homeownership.

According to CMHC, as of the Fall of 2014, for a two bedroom apartment in Barrie was $1118/month (Bachelor at $731/month, 1 bedroom at $986/month and a 3 bedroom at $1305/month). Given the low supply of rental housing stock on the market, landlords have leverage for rent increases above the rate of inflation.

Consequently, the rental price of an affordable unit in Barrie should be at or below the average market rent per unit. However, affordability in terms of rental units is equally governed by availability.

2.3.3 Federal-Provincial Grant Program

The federal/provincial government in 2009 announced a New Rental Housing Component of the Affordable Housing Program, which provided grants to the housing service providers for the creation of new affordable housing units, with a specific focus on the provision of housing for low-income seniors and persons with disabilities. Federal/provincial funding was introduced and provided to service providers since 2002; initial call for Requests for Proposal was issued by the County in 2004.

Since 2002, the County of Simcoe has been allocated $73 million to be utilized County wide, and apportioned by municipality, for new rental units, rent supplements/housing allowances, home ownership/down payment program, and renovation and repair of existing stock. Of the $73 million, $24 million has been since allocated for the 2015-2020 year term. The County has yet to submit a multi-year delivery plan to the Province as to how and in which year the money will be spent, and how much will be allocated to each municipality.

From 2004 to 2014, the County has allocated a total of $12.7 million to the City of Barrie for the various programs. The County of Simcoe in partnership with the City of Barrie, in allocating money for the new rental unit program, has facilitated the creation of 132 affordable housing units in 4 rental development projects, located at 59 Arch Brown Court, 121 Bayfield Street, 98 Penetanshishene Road and 74 High Street. Of the 132 units, 38 were for seniors and 20 were for assisted housing for the Canadian Mental Health Association. These affordable units are targeted at 80% below market rent for a minimum of 15 years.

2.4 Affordable Housing Providers

The County of Simcoe Centralized Waitlist Report provides a County-wide breakdown of waiting lists for rent-g geared—to—income housing. At the top of waitlist are Special Priority Applicants who are considered to be a member of a household who has been the subject of abuse. The waitlist ranks all remaining applicants in chronological order.

In 2013 there were 2,800 households on the waitlist; 755 households with dependents, 954 without dependents and 1,091 seniors. In Barrie, there were 1,752 households on the waitlist (542 households with dependents, 607 without and 603 seniors. The average wait time for Special Priority Applicants on average is 5 months where for others on average is 4 years. In 2013, 390 households were housed, representing 9.8% of the applicants.
2.4.1 Simcoe County

The Simcoe County Housing Corporation provides affordable housing units which are “rent-geared-to-income”. Typically rent for these units is based on 30 percent of gross monthly income unless the applicant is receiving Ontario Works or Ontario Disability Support, in which case rent is based on the social assistance rent scale.

Other programs include Non-Profit, Co-operative & Urban Native Housing Programs. Typically 60% of the units are rent-geared-to-income rent and 40% are market rents. Funding is provided by upper levels of government and administered in most cases by the County.

The County has agreements with owners of private and non-profit / co-operative units to provide rent subsidies. The intent is to bridge the gap between market rent and the amount the tenant is required to pay based on their income.

The County also administers a Housing Allowance program for rental households by providing subsidy payments up to a maximum of $250.00 per month. This is intended for renters requiring a lower subsidy such as seniors and low to moderate income households. Funding for this program assists approximately 55 households annually in the County.

The Home Ownership Program is intended to assist low-to-moderate income rental households to purchase affordable homes by providing a maximum of 10% of the down payment assistance in the form of a forgivable interest free loan. The Program is intended to assist households to move from rental to ownership housing, thereby freeing up rental units. Special Needs Housing includes units for persons using assistive devices. These living spaces allow for people to be able to live safely on their own.

2.4.2 Barrie Municipal Non-Profit Housing Corporation

Barrie Municipal Non-Profit Housing Corporation (BMNPHC) was incorporated in 1994 with the objective to “…provide and operate housing accommodations and recreational facilities primarily for persons of low or modest income at rents below current rental market rates.” BMNPHC is a standalone corporation governed by a Board of Directors consisting of four tenant members, as well as City of Barrie Staff, two Council members and community members.

BMNPHC has constructed and manages 953 apartments and townhouses on 14 sites. Sixty percent of the units are for persons who qualify for rent-geared-to-income subsidy, where the remaining 40% are available at market value rent. There have been no new housing projects developed by BMNPHC since 1997. BMNPHC staff have indicated there is a high demand for one bedroom units both for seniors and singles.

The value of the building assets are approximately $150 million of which approximately 50% have been paid for. Approximately $1.2 million was spent on capital repairs in 2012 of which $600,000 was contributed by the County of Simcoe with the balance paid from the BMNPHC capital reserve funds generated from rental incomes. BMNPHC at this time has no plans for the construction of any new housing units. A major constraint at this time is the lack of capital funding from the upper tiers of government and annual operating subsidy.
2.4.3  Options for Homes and CARP Co-Housing for Seniors

There have been several new initiatives for the provision of affordable housing including Options for Homes and CARP Co-Housing for Seniors. Options for Homes is a not-for-profit corporation functioning as a private housing developer without government funding. Options for Homes is considered as a model for affordable home ownership. A 2009 Canada Senate report stated that the Option for Homes model “… offers a ‘no frill’ approach to building design and location that helps keep the initial purchase price lower than comparable units provided by other developers.

The Canadian Association for Retired Persons (CARP) Senior Housing Committee is proposing a seniors Co-Housing project in Barrie. The concept of Co-Housing proposed by CARP is a single detached dwelling owned by four or more persons each of whom will take a percentage interest in the dwelling. These are targeted for seniors. This involves joint ownership between the persons who occupy the dwelling as tenants-in-common. When the person is ready to move, their percentage interest can be sold.

There is also a co-ownership agreement with each resident having exclusive use of a portion of the building and right in common with the other owners for use of the general and common areas (ex. kitchen and living rooms and outdoor space). Meals would be prepared by a service provider with each resident sharing the costs.

2.5  City of Barrie Initiatives in Affordable Housing

The County of Simcoe as the service provider has a number of programs and processes to address social housing needs in the County, including the separated Cities of Barrie and Orillia. The City of Barrie also currently has a number of initiatives, programs and policies that also encourage the production of affordable housing in the City.

2.5.1  Official Plan Policies

The City of Barrie's Official Plan polices promote an appropriate range of housing types, sizes, affordability and tenure. The Plan targets the achievement of a minimum of 10% of all new housing units per annum to be affordable housing. The Plan promotes their location in proximity to shopping, public transit and community amenities and facilities and it considers modifications to existing zoning and servicing standards to facilitate the provision of affordable housing. The Official Plan also promotes development applications for secondary suites in new plans of subdivision.

2.5.2  The Mayor’s Task Force on Affordable Housing

From 2002 to 2003, a Mayors Task Force on Affordable Housing was formed which consisted of City staff, citizens and representatives from the Alliance to End Homelessness and the building and housing industry. A number of discussion papers were written on the matter of increasing the supply of affordable housing in Barrie. From these discussion papers amendments to the Zoning By-law were approved which permitted residential development in Shopping Centre C3 zones and the permission of second units in new residential developments.

2.5.3  Shopping Centre C3 Zones with Residential

In 2005 the City of Barrie zoning by-law was amended to permit residential uses within the Shopping Centre C3 zone in conjunction with permitted commercial uses either as a free-standing structure or in combination with existing commercial buildings on the same site.
Shopping Centre C3 zones are permitted in lands designated General Commercial, Regional Commercial and Community Commercial areas by the Official Plan.

The Official Plan encourages Shopping Centres to locate along highways, arterial and major collector roads in order to serve the travelling public and in proximity to transit supportive higher density residential development. It is therefore recognized that this proposed type of creative mixed residential and commercial development would be transit supportive, would maintain higher residential densities on arterial and major collector roads, where residents have immediate shopping needs available.

Section 3.3 of the Official Plan - Housing Policies, encourages innovative housing development and residential intensification and rejuvenation. Affordable housing is encouraged to locate in close proximity to shopping, public transit and major road infrastructure. Consideration of modifications to the existing zoning servicing standards that facilitate the provision of affordable housing is recognized.

2.5.4 Second Suites

The Official Plan and Zoning By-law already recognize second suites that were either created through the Resident’s Right Act, between 1994 and 1996 or are created through new plans of subdivision under the Multiple Residential Dwelling First Density RM1-SS (Second Suite) zoning category. Standards for the RM1-SS zone target Single Detached Dwelling Second and Third Density R2 and R3 zones. To date 2 plans of subdivision, located on the north and south sides off Edgehill Drive, west of Ferndale Drive, have utilized the zone category and built two unit dwellings, totaling 88 units.

2.5.5 Development Charge Incentives

The collection of development charges is used to pay the City's share of the capital program.

In accordance with the current Development Charge By-Law, 2014-108:

- No development charges are imposed in the creation of second units in detached, semi and row houses;
- There is a 50% discount for non-profit institutions for institutional uses;
- There is a 25% discount for new residential units in the City Centre; and
- A portion of development charges paid is specific and attributed to social housing.

2.5.6 Multi-residential tax ratio

The City of Barrie in efforts to encourage the development of additional multi-residential housing and an incentive for owners of apartment units, approved amendment to the multi-residential property tax ratio to be equal to that of the residential and farm tax rate with an eligibility period of 35 years. This reduces the amount of municipal property taxes that have to be paid for apartment dwelling units, by reducing the tax ratio to that of the residential and farm tax rates. The properties covered by the by-law would continue to pay the lower tax rate for the duration of a 35 year eligibility period.

2.5.7 Student Housing

In the 2013-2014 school years, there were approximately 7,500 full-time students at the Barrie campus of Georgian College. It is estimated 3,750 of these students are residents of the City or are within commuting distance of the College for daily travel to the school. Notwithstanding the existing Georgian College residence as well as two existing purpose-built, privately-owned, student residences, there are still approximately 2,850 students
with housing needs. Many of these students have found accommodation in the low density residential area adjoining the College. A number of these students reside in rooming, boarding and lodging houses or in second suites as well as market rent apartments. CMHC has identified that this has had an impact on the availability of rental accommodation within the City.

This issue of student accommodation was considered in the preparation of the Georgian College Neighbourhood Strategy and Community Improvement Plan. Under this Community Improvement Plan, a residence that received funding was constructed on Duckworth Street accommodating 128 students. There is an additional privately owned student housing project being constructed on Penetanguishene Road. This would include housing for 365 students.

Another private student housing project is also proposed on Georgian Drive with the first phase for 600 students and second phase also for 600 students.

It is anticipated that dedicated student housing will alleviate some of the overall demand for rental housing by opening up some other rental units to non-students.

2.5.8 Barrie Pathways – Shared Social Services Facility

The objective of the Affordable Housing Strategy is to provide initiatives to create more affordable housing units in the City in order to assist in the pursuit of ending homelessness. However, current situations require social and health services to be provided to those less fortunate and some without the necessity of housing. In March of 2011, City Council directed staff to work with Simcoe County, social and health related service representatives and other levels of government for the creation of a shared facility.

Successful Trillium Foundation funding allowed for a project management team to be selected and retained to collaborate with partner agencies and work on the planning process for the selection of a shared facility location and a governance model.

The Barrie Pathways was formed and includes such organizations as the David Busby Street Centre, the Canadian Mental Health Association, Barrie Out of the Cold, the John Howard Society and Simcoe Community Services.

A “Building the Connections” report was produced to guide the vision, mission and mandate of the shared facility. A memorandum of understanding was endorsed by 19 organizations and agencies, to design and establish a clear direction for the Barrie Pathways. The Canadian Mental Health Association (CMHA) has since purchased the building located at 88-90 Mulcaster Street where the Busby Centre is now relocated. The shared facility will also include other organizations such as the CMHA and Out of the Cold programs in the future. The Barrie Pathways is expected to locate in the new facility in the Fall of 2015 in order to provide collaborated and more streamlined service programs that include shelter and temporary transitional residential accommodation.
3.0 IMPLEMENTATION RECOMMENDATIONS

In order to meet the City's target of a minimum 600 new affordable housing units for rental and home ownership by 2025, more needs to be done to encourage and stimulate private and public sector organizations to produce more affordable housing. In addition, measures need to be taken to ensure that the current supply of affordable housing remains as available stock and that the housing is adequate, safe and priced to permit low and midrange income levels the provision of housing, in the elimination of homelessness.

3.1 Condominium Conversion and Demolition of Rental Housing

The Municipal Act allows a municipality to pass by-laws to prevent the demolition and conversion of rental buildings/housing. The intent of this by-law is to assist in the preservation of rental housing by controlling demolition and conversion of rental housing to condominium tenure and other land uses. The City currently has a Council Condominium Conversion Policy, initially adopted in 1979; however, policy in a Council Manual does not have the same effect as policies in the Official Plan which provide guidance in the consideration of matters such as land use.

The Council policy recognizes a minimum vacancy rate of 5%. Upon submission of an application to convert to condominium, a public meeting(s) is required to advise tenants and the public on the proposal and details of the conversion. If conversion of rental to ownership is approved, the applicant is required to construct a new rental building to incorporate the same number of units. Building inspections are required. Tenants would be permitted first right of rental in the new building if applicable or first right to purchase a unit. The applicant is to subsidize rents for the first year. Fees for application are also required.

Policies in the Official Plan relating to conversion to condominium would be used and supported by staff in the review of condominium conversion applications under Section 51 of the Planning Act. The Strategy also recommends the passing of a by-law pursuant to Section 99.1 of the Municipal Act relating to the Demolition and Conversion of Residential Rental Properties containing more than 6 dwelling units to assist in the protection of the City's existing rental housing supply. The intent of this by-law is to assist in the preservation of rental housing by controlling demolition and conversion of rental housing to condominium tenure and other land uses.

Similarly, the Strategy also recommends the passing of a Demolition Control By-law pursuant to Section 33 (2) of the Planning Act. The intent of this By-law is to assist in the preservation of residential buildings or parts of residential buildings by controlling demolition.

3.2 Acquisition or Disposal of City Land for Affordable Housing

The Strategy recommends that the development of affordable housing be prioritized in considering the sale or acquisition of lands by the City of Barrie. The City will also encourage the School Boards in the disposal of surplus school lands to institute an “Affordable Housing First” priority. This would assist in the supply of land for the development of affordable housing.

Section 25 of the Planning Act provides that municipalities may acquire or sell land provided there is a policy in the Official Plan giving that authority. This would allow the City to acquire land for Barrie Municipal Non Profit Corporation or other not- for-profit affordable housing providers.
Also it is recommended that the City of Barrie support Barrie Municipal Non-Profit Housing Corporation and other not-for-profit housing providers through the provision of land or other means of support for the expansion or redevelopment of existing affordable housing.

3.3 Community Improvement Planning Policies

The Strategy recommends that Section 3.6 of the Official Plan be amended to specifically reference affordable housing and the provision of financial incentives for the construction of affordable housing.

The Planning Act (Section 28) indicates that affordable housing can be included as an objective in the preparation and implementation of Community Improvement Plans (CIPs). The Strategy recommends that the financial incentives provided for in the City's existing and any future Community Improvement Plans can be appropriately used to support affordable housing initiatives and that these initiatives be incorporated into these CIP's.

That the City consider providing financial incentives for the development of Brownfield lands that are outside of the New Wave and Allandale Community Improvement Plans for the purpose of affordable housing.

That a review be made of the opportunities for financial incentives for the development of not-for-profit affordable housing by not-for-profit housing groups. This would include a review of financial incentives available at all levels of government and their applicability to affordable housing developments in Barrie.

3.4 Development Charges

The Strategy recommends that the City investigate municipal development charge incentives for affordable housing projects in the review and update of the Development Charges By-law in order to reduce costs associated with construction of new affordable units or to allow for the collection of Development Charges to fund the construction of new social housing projects. Potential impact of this recommendation on the City's Financial Impact Analysis undertaken as part of the Growth Management Strategy should be reviewed.

3.5 Bonusing

The Planning Act authorizes municipalities with appropriate Official Plan provisions to secure community benefits when and if it is considering passing a zoning by-law that would increase the height and density as a result of a development application beyond what would otherwise be permitted by the current standard. The community benefits must be set out in the authorizing zoning by-law amendment and may be secured in an agreement registered on title.

These policies provide Council the legislative authority to acquire community benefits in consideration of increased height and density. The term “community benefits” is intended to reflect the City’s priority on providing public benefits within the local community in which the contributing development project is located. These benefits can include a number of items such as recreation facilities, transit improvements and public art. However the benefit can and should be considered for the provision of affordable housing.

This Strategy recommends that the provision of affordable housing, either by way of financial contributions towards new facilities or the creation of affordable units within the development project, be prioritized when considering Bonusing agreements.
3.6 Extension of Timeframe for Temporary Use By-laws for Garden Suites

The Planning Act, Section 39.1, allows Garden Suites to be a recognized and permitted use on residential lots. This temporary use has now been extended to 20 years from the previous 10 years. To allow a Garden Suite a by-law is required to authorize the temporary use of a Garden Suite. In the consideration of a Garden Suite, the 20 year time period can be made a condition of its approval.

Garden suites are temporary prefab dwelling units that can be placed in the rear yards of dwellings for the accommodation of family members. Typically they are on larger properties. No zoning change is required for the use as it is a permitted use in accordance with the Planning Act. The Assessment Act exempts these temporary dwellings from being assessed. Bill 140 changed the time period that these dwellings are allowed to be occupied from 10 years to 20 years.

3.7 New Development

The Strategy recommends that, in accordance to Section 3.3.2.2(b) of the Official Plan, new plans of subdivision be encouraged to provide low, medium and high density housing to facilitate the minimum 10 percent target of all new housing units being “affordable housing” as required in the Official Plan.

The Strategy recommends that new plans of subdivisions be designed to include blocks or lots which are to be zone RM1-SS to facilitate the development of second suites.

The Strategy also recommends that all Planning Justification Reports submitted in support of any development applications include information on how the proposed development addresses the provision of affordable housing. Agreements entered into between the City and the developer for site plan and subdivision registration can include conditions pertaining to the commitment for the construction of affordable housing units, where applicable.

3.8 Extension of Operation Agreements for Social Housing Funding

Across Canada there are a number of non-profit housing projects in which operating agreements with the Federal government are expiring. One building owned by BMNPHC is affected by this as is several other non-profit buildings in Barrie. With the expiry of the operating agreements, the Federal government will no longer fund rent-geared-to-income units and capital improvements for these buildings. The County of Simcoe, as the Service Provider for social housing, is working to address this concern. The Strategy recommends that Council adopt a Motion encouraging the Federal Government to either extend their programs or create new ones to address this outstanding matter.

3.9 Built Form Task Force

The Strategy recommends that a Built Form Task Force be established with representatives from stakeholder groups associated with the provision of affordable housing including representatives from the development community and Not-for-Profit housing providers. This Task Force would be responsible to research alternative development and built forms for the provision of affordable housing units.

The City of Barrie’s Official Plan includes policies which allow for the consideration of modifications to existing zoning and servicing standards that could facilitate the provision of more affordable units. This Task Force could review zoning and parking standards, ownership opportunities, reduced land costs and development charges utilizing charges based on apartment fees vs low density charges.
The Canada Mortgage and Housing Corporation provide seed and proposal development funding intended to provide financial assistance in the preparation of proposals for housing projects. It is recommended that the City of Barrie on behalf of the Built Form Task Force apply for funding for research regarding new built forms or alternative standards and construction materials in the provision of affordable housing alternatives.

The Built Form Task Force could also be represented by, or seek out champions in our community to move forward the matter of affordable housing and its production. There needs to be a focus on challenging developers, builders and those able through dedication of time or financial contribution to be more involved in seeking solutions and showcasing or discovering properties throughout the City that might be underutilized, vacant, or a brownfield site that has the ability for redevelopment potential for the production of affordable housing.

3.10 Second Suites

The Strong Communities through Affordable Housing Act, 2011, amended various section of the Planning Act to facilitate the creation of second units. The Act now requires municipalities to establish official plan policies and Zoning By-law provisions and standards to permit second units in residential single and semi-detached, row (town) houses and in ancillary structures. Municipalities are therefore responsible for determining standards for the provision of second units. The Act removes the ability to appeal approved provisions to the Ontario Municipal Board.

Second units, also known as accessory or basement apartments, secondary suites and in-law flats, are self-contained residential units with kitchen and bathroom facilities within dwellings or within structures accessory to dwellings such as above a garage. Second units must comply with applicable laws and standards which include the Building and Fire Codes and Zoning and Property Standards By-laws.

The City of Barrie’s Official Plan and zoning by-law already contain provisions to accommodate second suites. However these provisions need to be updated to bring the City’s planning documents into conformity with the legislation. The Strategy, in accordance with Provincial legislation, is recommending that second units be permitted in both existing and newly developing areas with the exception of flood prone areas.

In addition to increasing the stock of affordable rental accommodations, second units benefit the community by:

- providing homeowners an opportunity to earn additional income;
- providing housing options for extended families, or elderly parents;
- making more efficient use of public infrastructure;
- encouraging the legalization of existing second units to ensure that they satisfy health and safety standards and are registered with the City.

Second units are considered as one of the least expensive methods to increase the stock of affordable rental housing. Staff estimate the cost of creating a second suite in an existing dwelling structure to be approximately $30,000 for a 1-bedroom unit of approximately 50m2 (540SF). However, in accordance with the Municipal Property Assessment Corporation the second dwelling unit will be subject to additional tax assessment based on the increased value of the property.

Under the City’s Comprehensive Zoning By-law 2009-141, second residential units are required to satisfy zoning standards and be registered with the City. As of January 1, 2015, there were 798 properties registered as a Two-Unit House in the City of Barrie.
It is recommended that the Zoning By-law be amended to include second suites in single detached, semi-detached, rowhouses and in accessory structures in accordance with proposed Zoning standards; however, only one second suite is permitted per lot.

There are matters of interest to be considered associated with the implementation of second suites.

3.10.1 Concentration of Second Suites

Experience in other jurisdictions has shown that the uptake for second suites is about 10-15% of the existing housing stock. However, it is anticipated that there would be more demand for second units in areas close to Universities and Colleges such as Georgian College driven by the demand for student housing.

Based on the initiatives taken with the Georgian College Neighbourhood Strategy to encourage dedicated student built housing, neighbourhood concerns over student overpopulation in single detached neighbourhoods near the College, the Strategy is recommending that second suites not be permitted in the Georgian College area as identified in the Georgian College Neighbourhood Study.

3.10.2 Infrastructure Capacity

Experience of other jurisdictions has been that second suites tend to be occupied by small households including single persons or two adults without children. This results in less than significant population increases and minimal demands on sewer, water and garbage related infrastructure. A small second suite is unlikely to generate more impacts than a large family occupying a dwelling. Given that the uptake for second suites is not expected to be significant, it is anticipated there would be minimal impact on the infrastructure in the City’s neighbourhoods.

Once a second suite has been registered with the City, garbage pickup will allow for both units to be collected.

3.10.3 Absentee Landlords

While occupancy by the owner is the most desirable in terms of property maintenance and management, there have been past legal opinions indicating that the municipality cannot legislate on the basis of ownership and the City cannot control whether both units are tenant occupied.

3.10.4 Proposed Official Plan Amendments

The permission of second units in low and medium density forms of housing requires amendment to the Official Plan Policies. Amendments would include revisions to Official Plan sections that would recognize second units as part of the City’s housing stock and assist with efficient intensification and infrastructure servicing. Policies will encourage owners to make new or through renovation of existing units to be smoke free. Second units would be recognized as a permitted use in low and medium density housing types and would not be subject to additional detailed study as a form of intensification.

3.10.5 Proposed Zoning By-law Amendments

In order to permit second units as of right in single, semi-detached, row houses and ancillary structures, the Zoning By-law requires a number of amendments related to defining a second unit and a two unit house, minimum and maximum size requirements,
locaional criteria and design standards. Smoke free units will be encouraged. Below are the proposed amendments to the Zoning By-law, subject to revision, as required for implementation.

3.10.6 Definition

A Two Unit Dwelling shall be defined to mean, “A residential dwelling unit operating as a housekeeping unit or intended to be used as a domicile by one or more persons containing cooking living, and sanitary facilities.

A Two Unit dwelling includes duplex, semi-detached on the same property, second suites, accessory dwelling unit, basement apartments or any other term used to describe two dwelling units operating on a lot where the second unit is accessory to the principle use to a maximum of 40% of the principle dwellings gross floor area”.

“A residential dwelling is a building or part of a building used in whole or in part for residential purposes. A unit is a self-contained residential unit.”

3.10.7 Zoning Standards

A maximum of one accessory dwelling unit shall be permitted per lot.

The accessory dwelling unit shall be a maximum of 40% of the gross floor area of the principle use (dwelling unit) when contained within the principle dwelling unit.

A maximum of 2 bedrooms is permitted in the second or accessory dwelling unit.

A second dwelling unit shall be permitted in a detached accessory building where zoning standards are met and are appropriate for the use.

An accessory dwelling unit in an accessory structure shall be limited to a building height of 4 metres and a maximum coverage of 50 square metres or 10% of the lot area whichever is lesser of the two.

3.10.8 Location Criteria

A Two Unit dwelling shall be permitted in single detached, first, second, third and fourth density residential dwellings, R1, R2, R3 and R4 lots; in semi-detached first density residential dwelling units, RM1 lots; and in multiple residential, second density and second density townhouse dwellings units, RM2 and RM2-TH, where the Two Unit dwelling has frontage on a municipal street.

Two Unit dwelling units will not be permitted in the Georgian College Neighbourhood Study boundary area.

3.10.9 Design Criteria

One parking space per dwelling unit is required.

The entrance to each unit shall be by means of an exterior door or a door from a common shared entrance. The front façade of the principle dwelling shall not be altered.

Access to the accessory dwelling unit shall be located in the side or rear yards from an exterior door or from an entrance that is shared to both dwelling units.
The front façade of the principle dwelling shall not contain a separate entrance to the accessory dwelling unit.

3.11 Monitoring

The development of a monitoring or tracking system is recommended to record a variety of affordable housing performance indicators over the long and short term.

Staff would monitor and report on the implementation of the Affordable Housing Strategy, its recommendations and funding programs that result in the construction of new units in Barrie. Reporting will be provided to Council on an annual basis and will provide information on number of units, their location, demographic trends, costs and new initiatives. More specifically such affordable housing factors as the following will be monitored and reported on:

- Number of units, both rental and ownership as defined as affordable in the City’s Official Plan and the Strategy.
- The type of units constructed in accordance with the County Plan based on rental rate, rent geared to income units and affordable ownership dwellings.
- The reduction in the number of households on the County waitlist for housing.
- The yearly fluctuation and/or decrease in rental rates as more affordable rental units become available on the market.
- The rental vacancy rates.
- The location of new affordable housing units.
- Satisfaction of the 10% target of all new housing units in new plans of subdivision.

Monitoring of this recommended approach would allow for an evaluation of its effectiveness and allow for a better understanding of how well such areas function and contribute to their intended objectives. This component will help to identify any emerging issues and the need to respond with any necessary changes to proposed policies, various planning documents and implementation of the action items.
4.0 AFFORDABLE HOUSING ACTION ITEMS

The Strategy outlines the role that the City of Barrie can play in the provision, maintenance and retention of affordable housing. This includes a review of the Ontario Planning Act, other Provincial legislation, policies and programs; The County of Simcoe Housing Strategy as the designated service provider for the area; the City of Barrie’s existing programs and policies; and initiatives by other housing providers both in the public and private sectors in the development of affordable housing. As a result, a set of proposed recommended actions have been prepared.

These recommended actions include amendments to existing Official Plan policies; amendments to existing zoning standards, demolition and conversion controls; financial incentives; and cooperation and encouragement of other levels of government, private sector and non-profit providers, in the provision of affordable housing.

Recommended Action 1

That the City of Barrie encourage the Federal Government to extend the Investment in Affordable Housing (IAH) program and consider for year 2015 and beyond either the extension of IAH or the introduction of new programs with additional funding.

Priority: 1
Timing: 2015/Q2
Implementation: An operating agreement, originally signed between BMNPHC and the Federal government and now administered by the County of Simcoe is nearing expiry. With the expiration of the operating agreement, this could result in funding not being available for the provision of rent-geared-to-income units and for capital repairs.

That City Council by Resolution encourage the Federal Government to extend the existing Investment in Affordable Housing (IAH) program and consider for year 2015 and beyond either the extension of IAH or the introduction of new programs with additional funding.

Recommended Action 2

That a Built Form Task Force be established with representatives from stakeholder groups associated with the provision of affordable housing including representatives from the development community and not-for-profit housing providers.

Priority: 1
Timing: 2015/Q2
Implementation: Contact key stakeholders to receive interest and form the Task Force.
Recommended Action 3

That developers be encouraged to plan for mixed density neighbourhoods including affordable housing ownership and rental tenure and the use of second suites in the design of Plans of Subdivision.

Priority: 1

Timing: To be implemented on an ongoing basis.

Implementation: The City’s Official Plan Affordable Housing policies target a minimum of 10% of all new housing units to be affordable. Staff will continue to encourage the provision of mixed density neighbourhoods and the provision of blocks or lots designated for affordable housing.

That Section 6.11(a) of the Official Plan be amended to state that the issue of Affordable Housing must be addressed as part of the Planning Justification reports in support of new applications for residential development.

Recommended Action 4

That the City consider the provision of affordable housing as a community benefit in exchange for increased height and density in major residential and commercial developments pursuant to Section 37.(1) of the Planning Act and the City’s Official Plan Section 6.8 as amended.

Priority: 1

Timing: 2015/Q2-Q3

Implementation: On February 2, 2015, Council approved an amendment to the Official Plan to allow public community benefits such as the provision of affordable housing to be negotiated for applications with the intent for increased height and density. It is recommended that the preparation of an Official Plan amendment be prepared for approval to implement the revised Bonusing policies to identify affordable housing as a priority.

Recommended Action 5

That staff initiate the consideration of Official Plan Amendments to include policies which:

- Allow increased permission for second residential units to locate in the City.
- Control of demolition or conversion of rental housing to condominium or other use.
- Provide for the acquisition and sale of land by the City for the development or promotion of affordable housing.
- Amend the Community Improvement Planning policies of the Official Plan to specifically reference affordable housing.
- That Section 6.11(a) of the Official Plan be amended to state that the issue of Affordable Housing must be addressed as part of the Planning Justification reports in support of new applications for residential development.
City of Barrie Affordable Housing Strategy

Priority: 1
Timing: 2015/Q3
Implementation: Staff will be reporting back to Council for the adoption of Official Plan Amendments.

**Recommended Action 6**

That amendments be made to Zoning By-law 2009-141 permitting second residential units in single detached dwellings, semi-detached dwellings, townhouses and in accessory structures associated with single detached dwellings, semi-detached dwellings and townhouses for a maximum of two dwelling units per property.

Priority: 1
Timing: 2015/Q3
Implementation: A public meeting was held on May 5, 2014 that considered the provision of second suites, citywide. A registration system for the registration of two-unit houses is currently being implemented. Council adoption of Zoning By-law Amendments to be undertaken simultaneously with the proposed Official Plan Amendments.

**Recommended Action 7**

That second suites be restricted to areas outside of the Georgian College Community Improvement Area and be implemented in accordance with the locational, standards and design criteria set out in the Affordable Housing Strategy.

Priority: 1
Timing: 2015/Q3
Implementation: Council adoption of Zoning By-law Amendments to be undertaken simultaneously with the proposed Official Plan Amendments.

**Recommended Action 8**

That the City of Barrie on behalf of the Built Form Task Force apply for CMHC funding for research dollars regarding new built forms or alternative standards and construction materials in the provision of affordable housing alternatives.

Priority: 2
Timing: To Be Determined, based on Task Force
Implementation: Once the Task Force has been formed, objectives determined and a work program prepared, staff can make application based on information regarding the Task Force and the research determined.
**Recommended Action 9**

That the City pass a By-law pursuant to Section 99.1 Demolition and Conversion of Residential Rental Properties under the Municipal Act to assist in the protection of the City’s existing rental housing supply; and

That the City pass a Demolition Control By-law pursuant to Section 33.(2) of the Planning Act.

**Priority:** 3

**Timing:** 2015/Q4

**Implementation:** Preparation of report to outline the benefits and disadvantages of passing a By-law under Section 99.1 of the Municipal Act and the passing of a by-law under Section 33.(2) of the Planning Act.

**Recommended Action 10**

That policies be established for the sale of surplus City land in support of affordable housing on the basis of an “Affordable Housing First” priority. That the City encourage the School Boards in the disposal of surplus school lands to institute an “Affordable Housing First” priority.

**Priority:** 4

**Timing:** 2016

**Implementation:** A report be prepared to consider policies to prioritize “Affordable Housing First” in the sale of surplus City lands to support the development of affordable housing.

**Recommended Action 11**

That the City of Barrie support Barrie Municipal Non-Profit Housing Corporation and other non-profit housing providers through the provision of land or other means of support where feasible and deemed appropriate for the expansion or redevelopment of existing affordable housing and;

Support new initiatives of existing and prospective non-profit housing providers through the provision of land or other means of support for the development of new affordable housing.

**Priority:** 4

**Timing:** Ongoing

**Implementation:** That City staff communicate with existing non-profit housing providers to determine how the City can support their existing housing initiatives.
Recommended Action 12

Develop a monitoring or tracking system using available sources of data to monitor development, availability and maintenance of affordable housing including achieving the minimum 10% target for new housing units per annum.

Priority: 4
Timing: 2015/Q4
Implementation: Preparation and utilization of a monitoring system to record the number of “affordable housing” units per annum.

Recommended Action 13

That the City consider providing financial incentives for the development of Brownfield lands for the purpose of affordable housing.

Priority: 4
Timing: 2016
Implementation: That a new Community Improvement Plan be prepared to provide financial incentives for Brownfield redevelopment with a specific objective of providing affordable housing.

Recommended Action 14

That a review be undertaken as to opportunities for financial incentives for the development of not-for-profit affordable housing by not-for-profit housing groups; and

That the City include the social housing service in the review and update to the Development Charges Background Study in order to allow for the collection of Development Charges to fund the construction of new capital social housing projects; and

That the City investigate discounts associated with affordable housing projects as part of the Development Charges By-law Background Study.

Priority: 4
Timing: 2016
Implementation: Review financial incentives available at all levels of government and their applicability to affordable housing development in Barrie; and

Review to the feasibility of amending the City’s Development Charges By-law related to the inclusion of social housing services to fund the construction of new social housing projects including potential impacts on the financial impact analysis undertaken as part of the growth management strategy.
Federal Legislation National Housing Act R.S.C., 1985

The National Housing Act (NHA) is the enabling legislation that sets out the Federal Government’s roles, responsibilities and powers with respect to housing. This role has changed substantially since the National Housing Act was originally passed in 1953.

The National Housing Act is described as follows:

“An Act to promote the construction of new houses, the repair and modernization of existing houses and the improvement of housing and living conditions.”

In July 2012, the Federal Government implemented changes for the rules surrounding mortgages. The new rules for government-backed high-ratio mortgage insurance were lowered to 80 percent of the value of the dwelling and the maximum amortization period was lowered from 30 years to 25 years. While this reduces the total interest payments families make on their mortgage, it does increase the total monthly payment and makes the transition to homeownership a greater financial challenge for some first time homebuyers in the immediate term.

While the changes will provide some stability in terms of controlling families from increasing their overall debt, it means persons will require larger down payments to purchase their first homes. According to a Royal Bank of Canada analysis, this change will raise barriers to entry into the housing ownership market and reduce vacancy rates further as prospective first time buyers remain in the rental market longer.

Canada Housing and Mortgage Corporation (CMHC)

Canada Mortgage and Housing Corporation (CMHC) is the Federal Crown Corporation with responsibility to undertake the range of initiatives in support of the various affordable housing programs. The National Housing Act also sets out the provisions by which CMHC will provide mortgage insurance to approved lenders to help support the financing of all forms of housing.

Seed and Proposal Development funding is also available through CMHC. The intent is to provide financial assistance to Not-For-Profit organizations in preparing proposals for the development of housing projects.

Provincial Policy Statement 2014 (PPS)

Section 1.1.1 of the Provincial Policy Statement 2014 (PPS) indicates “Healthy, liveable and safe communities are sustained by:

b) accommodating an appropriate range and mix of residential (including second units, affordable housing and housing for older persons)....”

Section 1.4.3 of the Provincial Policy Statement, 2014 (PPS) states that municipalities “…shall provide for an appropriate range and mix of housing types and densities to meet 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...

b) permitting and facilitating:
1. All forms of housing required to meet the social, health and well-being requirements of current and future residents including special needs requirements; and

2. All forms of residential intensification and redevelopment in accordance with Policy 1.1.3.3

c) directing the development of new housing towards locations where appropriate levels of infrastructure and public service facilities are or will be available to support current and projected needs;

d) promoting densities for new housing which efficiently use land, resources, infrastructure and public service facilities and support the use of active transportation and transit in areas where it exists or is to be development; and

e) establishing development standards for residential intensification, redevelopment and new residential development which minimize the cost of housing and facilitate compact form while maintaining appropriate levels of health and safety.”

The PPS defines the regional market area as “...an area, that has a high degree of social and economic interaction. The upper or single-tier municipality or planning area will normally serve as the regional market area...”

The City of Barrie is a single tier municipality and as such is considered the regional market area in accordance with the PPS. However, with regard to affordable housing it is anticipated that the regional market area may extend further than the City’s municipal boundaries particularly since the County of Simcoe is the service provider for subsidized housing for the entire region.

The PPS defines “low and moderate income household” as:

a) In the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area; or

b) In the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.”

Based on data from the Ministry of Municipal Affairs and Housing, the upper limit of the 60 percent of the income distribution for 2014 for the County of Simcoe including Barrie is $85,800.

The PPS also defines “affordable” as:

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 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.”
Places to Grow: Growth Plan for the Greater Golden Horseshoe, 2006 as amended

Section 2.2.3.6 of the Growth Plan for the Greater Golden Horseshoe states “All municipalities will develop and implement through their official plans and other supporting documents, a strategy and policies to phase in and achieve intensification and the intensification target. This Strategy and policies will – …

i) plan for a range and mix of housing, taking into account affordable housing needs;

j) encourage the creation of secondary suites throughout the built-up area.”

As required in the Planning Act, municipalities in their planning documents are to be consistent with the requirements of the Growth Plan. The Places to Grow Act (2005) specifies a municipality “shall amend its official plan to conform to the growth plan.” The development and implementation of an Affordable Housing Strategy would be consistent with the Ontario Growth Plan.

Both the Provincial Policy Statement and the Growth Plan recognize second units as a form of housing to be encouraged. These documents also recognize second suites as a form of intensification throughout the “Built Boundary” of municipalities.

**Ontario Planning Act**

The current Official Plan was adopted by Council in May 2009 and approved by the Ministry of Municipal Affairs and Housing with Modifications on April 23, 2010. The Official Plan contains Affordable Housing Policies in Section 3.3.2.2.

**Community Improvement (Section 28)**

Section 28(2) of the Planning Act states that Council may designate the whole or parts of the City as Community Improvement Project Areas. Section 28(1.1) provides that affordable housing can be considered in Community Improvement Projects.

The provisions of the Planning Act provides for the acquisition of land and clearance of land, preparation of Community Improvement Plans, implementation of the Community Improvement Plan including construction, repair, rehabilitation, or improvements to buildings and selling, leasing or disposal of any land. Grants or loans can also be provided for the purpose of carrying out the Community Improvement Plan.

**Demolition Control Area (Section 33)**

Section 33(2) of the Planning Act provides that a by-law may be passed to designate an area for demolition control so that the whole or any part of any residential property cannot be demolished without a demolition permit issued by the municipal council.

A by-law passed under this section of the Planning Act may prevent or delay the demolition of needed housing units within the City.

**Increased Height and Density Provision By-law (Section 37(1))**

Section 37 provides an incentive based system to authorize increases in the height and density of development beyond the maximums permitted in the Zoning By-law in return for the provision of facilities, services or other matters specified in the site specific rezoning by-law. A number of municipalities have included affordable housing as a matter for Bonusing.
On February 2, 2015, Council approved an amendment to the Bonusing Policies of the Official Plan, where public community benefits such as affordable housing are negotiated for applications which intend to increase height and density.

**Resident’s Rights Act (1994)**

The Planning Act was amended in 1994 by the addition of Section 35.(1) referred to as the Resident's Rights Act which was proclaimed July 14, 1994. This legislation had the effect of permitting as of right second residential units in single detached dwellings, semi-detached dwellings and rowhouses from the Zoning By-law control of municipalities. This legislation was subsequently repealed on May 23, 1996. There are a number of second suites in the City of Barrie that were established before and during the time period when Section 35 (1) was in force. These units are recognized in the Zoning By-law and many have been registered under the Two-Unit House Registration By-law.

**The Strong Communities Through Affordable Housing Act**

The Strong Communities Through Affordable Housing Act, 2011(Bill 140) as approved in 2011 by the Ontario Legislature amended the Planning Act as follows:

**Official Plan Second Unit Policies (Schedule 2, Section 2)**

Bill 140 amended the Planning Act as related to second units by adding Section16.(3) which states:

“16.(3) an official plan shall contain policies that authorize the use of a second residential unit by authorizing,

a) the use of two residential units in a detached house, semi-detached house or rowhouse if no building or structure ancillary to the detached house, semi- detached house or rowhouse contains a residential unit; and

b) the use of a residential unit in a building or structure ancillary to a detached house, semi-detached house or rowhouse if the detached house, semi- detached house or rowhouse contains a single residential unit.”

**No appeal on Second Unit Policies (Schedule 2, Section 3.(2) and Section 5)**

Bill 140 also amended Section 17.(36.1) and Section 34.(19.1) of the Planning Act removing any right of appeal to the Ontario Municipal Board of any changes to the Official Plan or Zoning By-law related to implementing Section 16.(3) authorizing use of second residential units if the provision is implemented as a standalone amendment and not as part of the five year review of the Official Plan.

**Zoning By-law to give effect to second unit policies (Schedule 2, Section 6)**

Bill 140 also requires the City to review its Zoning By-law and related standards to allow the use of second residential units as stated as follows:

“35.1 (1) The Council of each local municipality shall ensure that the by-laws passed under section 34 give effect to the policies described in subsection 16.(3).”
Publications of the Ministry of Municipal Affairs and Housing (MMAH) state municipalities are required to establish official plan policies and zoning by-law provisions allowing second units in single, semi and row housing as well as in accessory structures. MMAH also advises that municipalities that currently permit second units will need to review their official plans and zoning by-laws to assess whether they are permitted in the range of housing types listed in the Planning Act.

It is also indicated by MMAH that second residential units should be permitted in both existing residential communities as well as in newly developing areas. Newly developing areas offer the opportunity to plan proactively for second residential units. This includes the design of the actual houses and in the lot fabric or neighbourhood layout. Municipalities and development proponents should specifically consider second units in the planning of new neighbourhoods.

While the Act provides a regulation-making ability for the Minister to prescribe minimum standards for second residential units, Ministry staff do not anticipate at this time that any Regulation will be issued. As such, municipalities are responsible for determining what standards or zoning provisions should apply to second residential units in relation to matters such as minimum unit size or parking. Standards should support the creation of second units.

_Garden Suites Under Section 39.1(3) (Schedule 2, Section 7)_

The Planning Act, under Section 39.1(3), has been amended to extend the time period for which a garden suite can be allowed as a temporary use from 10 years to 20 years.

Garden suites are defined in Section 39.1 of the Planning Act as one-unit detached residential structures containing bathroom and kitchen facilities that are ancillary to existing residential structures and that are designed to be portable.

_Ontario Municipal Act, 2001_

The City has passed a by-law to establish registration for two-unit houses (By-law 2004-25) under the powers granted to it through the Municipal Act, 2001.

Section 99.1 of the Municipal Act provides the City the power to pass a by-law to prohibit and regulate the demolition of residential rental properties that contains six units or more and to prohibit and regulate the conversion of residential rental properties to a purpose other than a residential rental property including condominium conversion. The City has within the Council Policy Manual, Section 31 Condominium Conversion related to the conversion of rental housing to condominium. This policy was adopted in 1979 and revised in 2005.

Section 110 of the Municipal Act provides the general power to provide grants for purposes Council considers to be in the interest of the municipality, subject to certain limits. Section 308 Property Tax Rate Reduction can be used as part of the policy to support affordable housing and provide related incentives. This includes the option to reduce the tax rate on multi-residential properties to near or equal for the residential property class.

_Ontario Development Charges Act, 1997_

The Development Charges Act provides for the payment of fees for new development to the City and the School Boards. The intent of the Development Charges Act is to provide municipalities and school board with the ability to generate revenue for new growth without placing an undue burden on existing taxpayers.

Development charges are considered a significant cost in the development of affordable housing in particular as related to social housing by non-profit housing providers. The Federal/Provincial grants for housing provide a budget of $120,000 to $125,000 per unit cost.
City of Barrie Affordable Housing Strategy

For a one bedroom apartment unit, the combined 2014 City of Barrie, as per By-law 2014-108, and 2014 School Board development charges under the current by-law would be $16,137 plus $1,759 totaling $17,896 at current rates. Based on per unit cost of $120,000 this would represent 13 percent of the total project cost raising the project cost to $137,186 per unit.

By-laws passed under the Act can provide for exemptions or deferrals of payment of development charges fees related to affordable housing projects until the development is completed in order to assist with cash flow and financing. For example, within the City Centre Planning Area for all types of multi-unit residential development regardless of price there is in 2014 a 50 percent reduction in the City's development charges.

The County of Simcoe also collects development charges for all municipalities in the County except for the separated cities of Barrie and Orillia. The County does include a component for social housing in their development charge fees. The County has used this funding to assist in constructing social housing in areas of the County outside of Barrie and Orillia.

On December 2, 2013, Council approved Resolution 13-G-304 directing “that staff investigate the potential to provide:

(a) Financial incentives as part of the Affordable Housing Strategy; and
(b) Discounts associated with affordable housing projects as part of the Development Charges By-law Background Study.”

In 2014, the City undertook a review of the Development Charges By-law. The Act allows Council to consider including the provision of social housing as a component of development charges to fund the construction of new capital social housing projects. By-law 2014-108 provides development charges to be collected for social housing ranging from $190 per single or semi-detached to $142 per unit for other multiples.

City of Barrie Official Plan

The City’s Official Plan was adopted by Council in May 2009 and approved by the Ministry of Municipal Affairs and Housing with Modifications on April 23, 2010. The Official Plan provides policies for the development of housing in the City including affordable housing policies in Section 3.3.2.2.

The Official Plan also provides for a varied selection of housing with regard to size, density and tenure. The Plan also provides the policy framework to permit innovative forms of housing in accordance with good land use planning principles. Innovative forms of housing may be affordable and could include, among others, flex housing, universal design, co-housing and micro-housing.

The Affordable Housing Policies in Section 3.3.2.2 specify:

In accordance with Provincial Policy, the following policies shall apply for the provision of affordable housing throughout the City:

(a) It is a goal of this Plan to achieve a minimum target of 10 percent of all new housing units per annum to be affordable housing in accordance with the following criteria:

i) In the case of home ownership, 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.

   ii) 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.

(b) Low, medium and high density housing that will facilitate the availability of affordable housing will be encouraged where it is in accordance with the intent of the Official Plan.

(c) Affordable housing will be encouraged to locate in close proximity to shopping, community facilities, and existing or potential public transit routes such as arterial or collector roads.

(d) Consideration will be given to modifications to existing zoning and servicing standards that will facilitate the provision of affordable housing units in new residential developments where such revisions are in accordance with the intent of the Official Plan.

(e) Development applications for secondary suites are encouraged within new plans of subdivision where it is demonstrated that they will not have a negative impact on existing residential development or other land uses, traffic movement, parking, utility services, and other existing infrastructure. Their development shall be controlled through the application of Zoning and other relevant City by-laws.

City of Barrie Zoning By-law

The City’s Comprehensive Zoning By-law 2009-141 provides detailed definitions, general provisions, permitted uses and zoning standards for all lands within the City. The provision of affordable housing will be governed by and impacted by these standards and permitted uses.

Property Standards By-law

The City of Barrie enacted By-law 2011-138 under the Building Code Act on November 28, 2011 for the maintenance and occupancy of property which includes residential properties. This by-law is necessary to assist in maintaining the physical condition of the existing housing stock in the City, in particular rental housing, as well as provide maintenance standards for occupancy.

A significant portion of affordable housing units in the City are rental and located in older areas of the City. The Property Standards By-law provides the municipality the necessary tools to mandate that these properties are maintained in a safe and appropriate manner to ensure that all residents of Barrie can expect minimum standards with regard to housing.