

Date: January 12, 2016	Originator's files: CD 06 AFF
To: Chair and Members of Planning and Development Committee From: Edward R. Sajecki, Commissioner of Planning and Building	Meeting date: 2016/02/01

Subject

Affordable Housing Program: Strategic Framework and Work Plan

Recommendation

1. That the report titled, "*Affordable Housing Program: Strategic Framework and Work Plan*", from the Commissioner of Planning and Building, dated January 12, 2016 be received.
2. That \$200,000 be allocated to the Planning and Building Department (PN#13962 Affordable Housing Strategy) from the Planning Process Update Reserve 305160 for the purpose of completing the work for the Affordable Housing Program as outlined in the report titled , "*Affordable Housing Program: Strategic Framework and Work Plan*", from the Commissioner of Planning and Building, dated January 12, 2016.

Report Highlights

- On November 25, 2015, Council Resolution 0270-2015 directed staff to examine strategies to increase the supply of affordable housing. This report provides an outline of the work to be undertaken and a timeline to its completion.
- The *Affordable Housing Program* will be delivered in stages, is anticipated to be completed in 2016 and includes:
 - Housing Advisory Panel and Technical Working Team
 - Second Units Licensing Review
 - Affordable Housing Demand/Supply Gap Analysis
 - Best Practices – Municipal Scan
 - Housing First for Public Land
 - Rental Housing Protection Policies
 - Cost Analysis of Incentives
 - Housing Program Action Plan
- Additional funding to complete the *Affordable Housing Program* is requested for consulting and implementation.

Background

On November 25, 2015 Council passed Resolution 0270-2015 (Appendix 1) which directed staff to examine strategies to increase the supply of affordable housing. There are concerns that:

- the City’s housing needs are not being met;
- there is very limited development of affordable housing; and,
- the City is in danger of losing some of its existing stock in areas such as the Hurontario Corridor where large infrastructure investments are planned.

The objective of this report is to provide an outline of the work to be undertaken to develop an *Affordable Housing Program*.

The work will build upon the City’s *Housing Choices: Vision and Framework* which Council endorsed in 2011. The work undertaken to date is as follows:

- Summary of Housing Needs (2011) – Identified areas of need and set targets for affordable housing that was consistent with Peel Region’s work on housing targets.
- Second Units Policy and Zoning By-law (2013) – A Second Unit Official Plan policy and Zoning By-law was adopted in 2013 and licensing began in January 2014. An update report was prepared in 2015.
- Roof Overhead Roundtable (2015) – A consultation workshop was held with a range of stakeholders involved in the development of affordable housing including developers, non-profit groups, financial representatives and every level of government.

Comments

Housing is part of a continuum with different stakeholders that play a variety of roles (Figure 1). At one end are emergency shelters that require funding from senior levels of government. At the other end, is ownership housing developed and delivered by the private market where pricing levels are determined by market forces. Housing is affordable if it costs less than 30% of household income for low and moderate income households.

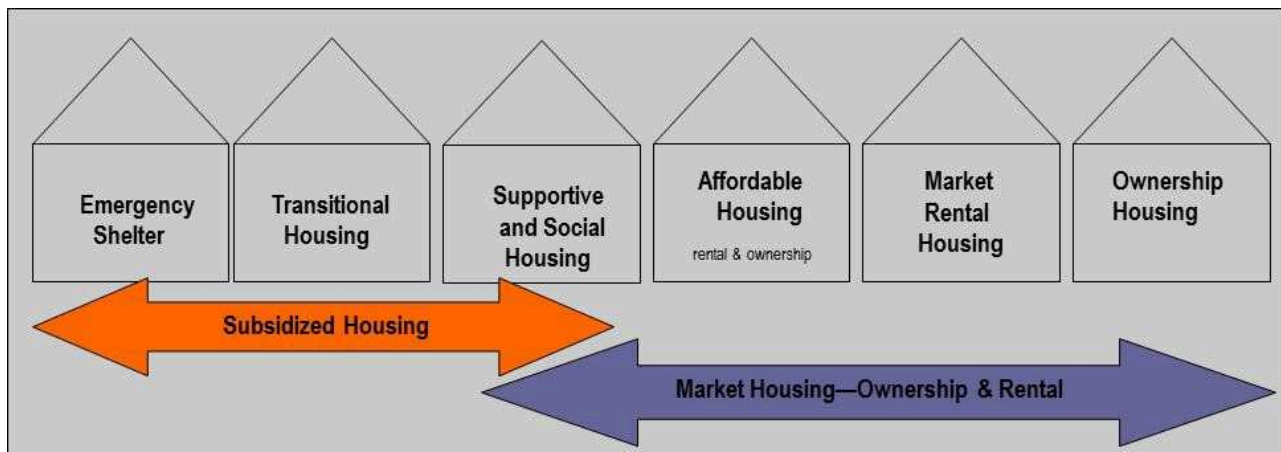


Figure 1: The Housing Continuum

The proposed Affordable Housing Program will expand upon the work done to-date and focus on actions to narrow the gap between supply and demand. Affordable rental and ownership housing will be the focus of the *Affordable Housing Program* described within the body of this report.

The *Affordable Housing Program* will create a supportive enabling policy environment for the development of affordable housing. This means that affordable housing is recognized not simply as the responsibility of governments, but that of numerous stakeholders, including property owners, developers, and non-profits.

Innovative and bold strategies and implementation measures will be developed as part of the *Affordable Housing Program*. The limits of existing legislation will need to be pushed and tested. Advocacy for structural changes to existing legislation will be an essential goal if the City is to achieve impactful and meaningful results. Critical to this will be an exploration of new partnerships which support the City objectives regarding affordable housing, and a comprehensive understanding of the economics of land development which will influence the strategies Council ultimately decides to employ.

The *Affordable Housing Program* will not only aim to increase the supply of affordable rental and ownership housing, but will look at ways of protecting the existing affordable housing stock, especially in areas experiencing redevelopment pressures, such as the Hurontario Street corridor.

What May Council Expect as Deliverables?

The *Affordable Housing Program* will be delivered in phases to engage Council at key decision points. Given that the most effective public policy tends to be developed where there is freedom to be creative and to push the bar, a Housing Advisory Panel made up of industry experts will be established to explore innovation and new ideas.

Additionally, ensuring these are grounded in sound operational framework, a Technical Working Team of staff comprised of expert policy writers, financial and taxation specialists, legislative experts, and implementation specialists will be established. The City will seek the latter through partnership with the Region who currently delivers a housing program and offers the needed experience and expertise.

Some of the potential opportunities the Panel and staff team might explore include:

- Provide Disposable Land to Affordable Housing Providers – Explore how publicly-owned lands may be disposed to affordable housing providers;
- Zoning Regulations for Affordable Housing – Explore feasibility of creating new zoning regulations designed specifically for entry-level and affordable housing to be applied in new and existing neighbourhoods;
- Permanent Affordable Housing – Investigate how to retain affordable ownership and rental housing stock;

- 'Granny Flats' - Investigate the feasibility of permitting the construction of 'Granny Flats' which are currently not permitted;

A description of each major component of work and expected deliverable is outlined in Table 1. The work program is aggressive and includes deliverables throughout the year with the full program established by the end of 2016.

Table 1: Affordable Housing Program Work Plan		
Item	Timeline	Description
Housing Advisory Panel	Mar 2016	Establish an expert advisory panel to provide feedback and technical expertise on the housing program. Representatives from the non-profit sector, private development sector, senior levels of government and financial institutions will be included.
Technical Working Team	Feb 2016	Establish staff working team to provide support, advice and move the program forward. It will include representatives from Planning and Building, Finance, Legal Services and other key staff.
Second Units Licensing Review	Mar 2016	Removal of the existing administrative processes deemed to be a barrier to the development of new second units.
Affordable Housing Supply/Gap Analysis	Apr 2016	Undertake an order-of-magnitude analysis of the shortfall between the supply and demand for affordable housing including estimates of affordable ownership and rental housing in the City.
Best Practices – Municipal Scan	Apr 2016	Identify existing and potential policy tools and strategies to connect the right policy interventions and incentives with the needs and objectives of this program including Provincial and Regional policies and tools. Review of best practices in other Canadian cities and beyond such as Vancouver, Montreal, Ottawa, Winnipeg, Medicine Hat, Edmonton, Toronto and London, U.K.
Housing First for Public Land	May 2016	Develop policies where affordable housing is a priority for all public lands that are being disposed.
Rental Housing Protection Policies	Jun 2016	Strengthen policies and develop by-laws to protect existing rental housing.

Table 1: Affordable Housing Program Work Plan		
Item	Timeline	Description
Cost Analysis of Incentives	Sep/Oct 2016	Costs for the different policy interventions and incentives will be calculated. Potential policy interventions and incentives could include the establishment of a Community Improvement Area, expediting development applications or waiving development charges.
Housing Program Action Plan	Nov/Dec 2016	An action plan outlining short, medium and long term actions to meet the City's affordable housing goals.

Strategic Plan

The need for affordable housing originated from the Strategic Plan *Belong* Pillar. Two strategic goals relate to affordable housing – Ensure Affordability and Accessibility and Support Aging in Place. Three strategic actions link to the work underway for the affordable housing strategy:

- Action 1 – Attract and keep people in Mississauga through an affordable housing strategy.
- Action 6 – Expand inclusionary zoning to permit more housing types and social services.
- Action 7 – Legalize accessory units.

Financial Impact

Capital Budget #13962 currently with a net balance of about \$100,000 will continue to be used to fund work related to the *Affordable Housing Program* and additional funding of \$200,000 from the Planning Process Update Reserve 305160 is requested for consulting and program implementation.

Conclusion

The proposed Affordable Housing Program expands upon the work done to-date. It aims to increase the supply of affordable rental and affordable ownership housing and to protect existing housing stock in areas experiencing redevelopment pressures such as the Hurontario Street corridor. To be successful Mississauga's *Affordable Housing Program* must be a priority for all City Departments. The *Affordable Housing Program* will be completed in 2016 and will create a supportive environment for affordable housing in the city.

Attachments

Appendix 1: Council Resolution 0270-2015

Edward R. Sajecki, Commissioner of Planning and Building

Prepared by: Emily Irvine, Planner



MISSISSAUGA

RESOLUTION NO.: 0270-2015 Page 1 of 2

Date: November 25, 2015

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Seconded by: [Signature]

WHEREAS over 18 per cent of Mississauga residents live below the poverty line and more than 30 per cent of Mississauga's households exceed the targets set by the federal government for household income spent on shelter;

AND WHEREAS the Region of Peel currently manages a Centralized Wait List of 12,000 households for rent subsidy and has initiated several programs to address housing needs, including social housing;

AND WHEREAS the City of Mississauga has various research and planning initiatives underway to foster new affordable rental and market value housing, which include as a first step policies and regulations to permit second units;

AND WHEREAS the demand for affordable housing continues to vastly exceed the supply and appropriate vacant land to support new affordable rental and market housing in Mississauga is diminishing;

AND WHEREAS the City's Official Plan directs high density development along Hurontario generating applications for redevelopments which may lead to the removal of exiting stock of affordable rental and marketing housing;

AND WHEREAS major public infrastructure investment historically stimulates land assembly, rising land prices, and neighbourhood redevelopment;

AND WHEREAS the time is right and the need is urgent for a review of the region and City's plan policy and implementation tools, including creative inducements to foster an increase in a minimum affordable rental and owned housing stock in all appropriate new residential projects;

NOW THEREFORE BE IT RESOLVED that Planning and Building staff, in partnership with the Region of Peel staff, undertake a study of the issue of affordable housing to include the following and any other elements deemed relevant:

1. The current inventory ^{and distribution} of affordable rental and market owned housing available in the City;
2. The current inventory ~~of~~ affordable rental and market owned housing in the City Centre Planning District and the Hurontario Intensification Corridor ^{and major transportation corridors and intensification corridors/hubs.}
3. A summary of all changes to current policies and practices that will result in an overall increase of affordable rental and market owned units, particularly in the new Hurontario Intensification Corridor; ^{other major transportation corridors and intensification corridors/hubs}
4. Any and all available legislation at the Province of Ontario that encourages, supports and incentivizes affordable rental and market owned housing;

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and the Federal Government



MISSISSAUGA

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Date: November 25, 2015

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Seconded by: [Signature]

- 5. Any and all Regional Policies that would assist the City of Mississauga in increasing its affordable rental and market owned housing inventory;
- 6. A report on best practices ^{and delivery models} in addressing affordable rental and market owned housing in other major Canadian cities and beyond;

AND FURTHER THAT staff is requested to report back to Council in January on the estimated timeline for the completion of this study.

Carried
_____ Mayor