

Date: 2017/03/07

To: Chair and Members of Planning and Development Committee

From: Edward R. Sajecki, Commissioner of Planning and Building

Originator's files:
CD.06.AFF

Meeting date:
2017/03/20

Subject

Making Room for the Middle: A Housing Strategy for Mississauga (Draft)

Recommendation

1. That the report titled "*Making Room for the Middle: A Housing Strategy for Mississauga (Draft)*", from the Commissioner of Planning and Building, dated March 7, 2017, be received and be forwarded by the City Clerk to the Region of Peel, Ministry of Municipal Affairs, Ministry of Housing, and Canada Mortgage and Housing Corporation.
2. That Council endorse the interim housing targets as outlined in the report titled "*Making Room for the Middle: A Housing Strategy for Mississauga (Draft)*", from the Commissioner of Planning and Building, dated March 7, 2017.
3. That staff table the final Strategy subsequent to the Housing Forum scheduled for May, 2017.

Report Highlights

- The Affordable Housing Program (AHP) has been completed and the research has been used to inform *Making Room for the Middle: A Housing Strategy for Mississauga (Draft)*, hereafter referred to as the 'Draft Strategy', and to define the City's role in housing matters.
- The Draft Strategy is the City's plan for fostering a supportive environment for housing that is affordable. It focuses on middle income households and its 40 actions are based on municipal powers to achieve the goals.
- The actions also reflect the importance of the Region of Peel's (Region) leadership to realize the objectives. The Region, as Housing Service Manager, is authorized to collect

development charges and to receive funding from senior levels of government for affordable housing and housing programs and implement new revenue tools.

- The Draft Strategy proposes to establish interim city-wide housing unit production targets as a goal based on the targets in the Region of Peel Official Plan. The City will focus on the 35% target identified for market rental and affordable ownership.
- The fundamental obstacle to providing housing that is affordable to middle income households is the financial support that is required. The tax base is not sufficient to support significant new services (e.g. financial incentives). Discussions on new revenue generation tools within the Region are required to address this challenge.
- Council has already endorsed in-principle that the following actions be implemented: rental housing protection and demolition control; a Housing First Policy for surplus lands; and a Housing Forum to introduce and receive feedback on the Draft Strategy.

Background

On February 10, 2016, Council approved the Affordable Housing Program: Strategic Framework and Work Plan (AHP) consisting of the following major components:

- Housing Affordability Advisory Panel (HAAP)
- Housing Gap Assessment
- Municipal Best Practices
- Preservation of Rental Housing
- Public Land for Housing First
- Understanding the Cost of Incentives

The research undertaken for the Affordable Housing Program found the housing challenges are real:

- 1 in 3 households are spending more than 30% of their income on housing
- Vacancy rates are half of what they should be for a balanced rental housing market
- Affordable housing is not being produced to satisfy the housing needs
- A gap of 30,000 in supply and subsidies exists – this includes a need for both supply and subsidies to meet housing needs
- The range of housing available to middle income earners is dwindling, so they are at risk of being priced out of Mississauga

All the items identified in the AHP have been used to inform *Making Room for the Middle: A Housing Strategy for Mississauga* (Draft), hereafter referred to as 'Draft Strategy', (Appendix 1), and to define the City's role in housing matters.

The HAAP is a panel of expert stakeholders from across the housing continuum which includes representatives from all levels of government, (i.e. Region of Peel, Canada Mortgage and

Housing Corporation, Ontario Ministry of Housing), the private sector and non-profit sector. They were convened to provide advice on the research and directions of the Affordable Housing Program. The Draft Strategy was unveiled to HAAP on December 12, 2016 at which time they provided comments, endorsed the Draft Strategy and identified actions that would have the most impact.

The Draft Strategy has also been developed in the context of a number of other concurrent housing initiatives:

- *National Housing Strategy* – Canada Mortgage and Housing Corporation is leading the work on the development of a long-awaited National Housing Strategy. A summary of the consultation for this strategy was conducted in the first half of 2016 and released in November 2016. The National Housing Strategy is anticipated to be released in the second half of 2017.
- *Long-Term Affordable Housing Strategy* – The Province has updated its Long-Term Affordable Housing Strategy and the *Promoting Affordable Housing Act* received Royal Assent December 8, 2016. This Act included amendments to the *Planning Act* to permit Inclusionary Zoning. Municipalities are awaiting regulations for the legislation which are anticipated to be released in the Spring of 2017. Amendments were also proposed to the *Building Code Act* to revise the regulations for second units and the *Development Charges Act* to remove development charges for second units in new homes.
- *Region of Peel - Region of Peel Housing and Homelessness Plan Update* – The Region of Peel is hosting a Housing and Homelessness Summit to begin consultations on the refresh of its 10-Year Housing and Homelessness Plan. The Region is also preparing a housing amendment with additional affordable housing policies.
- *Region of Peel as part of its Peel 2041 Official Plan review*, is examining options for requiring municipalities to include policies for the provision of affordable housing when major new residential development and redevelopment is proposed.

These initiatives will ultimately have implications for the City of Mississauga's housing work. Staff will continue to monitor and report out on these initiatives.

Comments

Housing is an issue that touches every resident and business in the City. The Draft Strategy is the City's plan for fostering a supportive environment for the delivery of a range of housing that is affordable for all.

Intervening to assist with the creation of housing supply for the "forgotten middle" is a critical role for the City and is important for our long term economic health and well-being. Insufficient housing that

is affordable to moderate income households will make it increasingly difficult for the City to attract and retain workers to support local businesses.

The lack of affordable housing will tax our roads, increase congestion as workers live in surrounding more affordable communities and commute to and from places of employment and pollute our environment. It also places a significant toll on the quality of life for individuals and families and does not allow for the creation of complete communities.

The following provides an overview of the report:

- The Draft Strategy
- The Action Plan
- Implementation

1. THE DRAFT STRATEGY

Housing that is affordable is needed for moderate income households with annual incomes between \$55,000 and \$100,000. There are limited programs to assist these households as they do not often qualify for financial assistance or subsidized housing. Many moderate income households are in housing they cannot afford, is not appropriate or occupy housing that could be made available to lower income groups.

\$55 - \$100k

Middle Income
Households

The Draft Strategy envisions that Mississauga has an adequate supply of safe, stable, and appropriate housing affordable for various income levels. It focuses on middle income households and its actions are centred on municipal powers to achieve the goals.

The Draft Strategy is organized around the following strategic goals:

- **Remove Barriers** – Streamlining the process, reducing risk and establishing clear development requirements can reduce costs and increase affordability.
- **Close The Missing Middle Housing Gap** – The high cost of housing poses significant challenges for middle income households that earn too much to qualify for financial assistance. Effective strategies and programs will help these households stay in Mississauga.
- **Champion Systems Reform** – Systems reform needs to occur at all levels including legislation, taxation, funding programs, as well as administrative processes and education and awareness.
- **Be Accountable** – Measuring and keeping the issue of housing affordability top of mind will be vital to the success of the Affordable Housing Strategy.

2. THE ACTION PLAN

The goals will be implemented through 40 Actions. Several of these emphasize the importance of making full use of the tools the City has at its disposal. As a lower tier municipality, the City has regulatory authority for development and can create a supportive environment for affordable housing through actions such as making lands development ready, driving continuous improvement and preserving rental housing.

Actions also reflect the importance of working in partnership with the Region to realize the objectives. Specifically, the Draft Strategy acknowledges the Service Manager wherein only the Region is authorized to collect development charges for affordable housing, and receive funding from senior levels of government for affordable housing and housing programs.

Proposed Interim Housing Targets

The Draft Strategy proposes to establish interim housing unit production targets. A target is a goal that the City will aspire to achieve. Affordable housing targets provide a framework to monitor progress on the City's affordable housing objectives, address housing needs and provide a framework to communicate the City's expectations to the development community.

To establish a target, more detailed analysis is needed and consideration of the pending inclusionary zoning regulations is important. Several lower tier municipalities have already incorporated Regional housing targets into local official and secondary plans. For the most part these targets range from 25% to 35% of new development. Mississauga will finalize appropriate housing targets as part of its analysis and through further consultation with the Region.

Recognizing there are opportunities in new developments that are emerging (e.g. Dundas Connects, Waterfront Redevelopment Sites, Hurontario Corridor, Ninth Line Corridor), staff suggest the adoption of interim targets:

Staff recommends the adoption of the Region of Peel Official Plan (ROP) targets (Table 4). The City's contribution toward meeting the Region's housing targets is proposed to focus on the 35% *market rental (up to approximately \$1200 rent per month) and affordable ownership (up to approximately \$400,000 purchase price)*.

This would ensure Mississauga is in conformity with the ROP and provide a basis for discussions with proponents about incorporating housing that is affordable for a range of households including middle income earners.

Table 4 – Annual Minimum New Housing Unit Targets in Peel

	Social Housing	Affordable Rental	Market Rental and Affordable Ownership	Market Ownership
Peel	17%	3%	35%	45%

These targets are meant to be achieved City-wide. They should apply to individual residential developments over 20 units. Developments can contribute to meeting these targets in a number of ways, including:

- units at established pricing thresholds
- mix of units including family-sized units
- diversity of tenure or cooperative housing
- shared equity or home equity programs, or
- land dedication.

Review of affordable housing components can take place as part of the planning approvals.

3. IMPLEMENTATION

The Draft Strategy recognizes there are many players in the housing market – senior levels of government, the development industry, non-profit organizations and the community.

The actions in the Draft Strategy have been shaped by what Mississauga can do within its current jurisdiction and emerging planning tools. It is also formulated on opportunities to work more collaboratively with other development partners to increase the supply of housing that is affordable to middle income households.

The Draft Strategy identifies five actions, “The Big Five” have been recommended by HAAP as those initiatives that would be most impactful at increasing the supply of housing that is affordable for middle income households. They are:

- Petition senior levels of government for taxation policies and credits that incent affordable housing
- Pilot tools such as pre-zoning and a Development Permit System to develop affordable housing in appropriate locations and in proximity to transit services
- Encourage the Region to develop an inclusionary zoning incentive program for private and non-profit developers
- Continue to engage with housing development stakeholders (e.g. HAAP, housing events, forums)
- The Region should investigate the costs of deferring development charges on the portion of affordable units provided in newly constructed multiple dwellings.

Beyond these, Council has already endorsed, in-principle, that the following actions be implemented:

- Rental Housing Protection and Demolition Control aimed at preserving purpose built rental units

- A Housing First Policy which directs that surplus City lands be made firstly available to affordable housing producers at market value
- A Housing Forum to be held in the of Spring 2017 to introduce and receive feedback on the Draft Strategy to a broad group of stakeholders and the public

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 Draft 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

The fundamental challenge to increasing the supply of housing that is affordable to middle income households is the financial support that is required to incent this type of development. The Draft Strategy consists of a series of 40 actions to be operationalized over the coming years.

Mississauga can move forward on actions within its authority. It can remove barriers that prevent the development of housing that is affordable to middle income households by reviewing its own policies and procedures. It can also examine the costs of waiving/deferring the fees it charges and review the impact of changes to the multi-residential tax rate to encourage purpose-built rental housing. These will have real cost implications. A program would be developed to support this initiative and be tabled at General Committee at a future date.

New revenue streams which could offset the cost of the above-noted initiatives (e.g. funding from upper levels of government, a land transfer, Section 37 contributions) will also be explored as opportunities present themselves.

However, even if regulations and other fee-based incentives are implemented this will not be enough. More financial assistance is required. The Region as Housing Service Provider has the means to collect development charges for housing, receive funding from senior levels of government for affordable housing and housing programs and implement new revenue tools.

Discussions with the Region have already commenced regarding the financial support that would be required to realize the objectives in the Draft Strategy (e.g. tax levy).

Conclusion

City Council has shown leadership on affordable housing and is taking bold action with the introduction of a Housing Strategy. *Making Room for the Middle* is the City's Draft Strategy for fostering a supportive environment for the delivery of a range of housing that is affordable for all. This Draft Strategy relies on the Region to fill the gap on middle income housing where the City has no current jurisdiction.

The focus of Mississauga's Draft Housing Strategy is to address the needs of middle income households which are currently not eligible for financial assistance from the Region and struggle to find affordable and suitable accommodation in the market. The final strategy is proposed to be brought to Council later this year following the Housing Forum and other stakeholder engagement.

Attachments

Appendix 1: Making Room for the Middle: A Housing Strategy for Mississauga (Draft)



Edward R. Sajecki, Commissioner of Planning and Building

Prepared by: Paulina Mikicich, Project Leader and Emily Irvine, Planner

Appendix 1

Making Room for the Middle:

A Housing Strategy for Mississauga (Draft)





Mayor's Message

Mississauga is a remarkable city which is growing. By 2041, Mississauga will near a million residents. Our city is thriving and well poised to foster a quality of life that is second to none.

With growth comes change, new opportunities, and new challenges. In January 2016, Council embarked on an ambitious program to study and understand the challenges of housing facing our community. We learned the challenges are real, and that an intervention by all levels of government is needed.

Housing is an issue that touches every resident and business. I am committed to building a City and creating the conditions where residents from all walks of life continue to thrive and enjoy a high quality of life!

Making Room for the Middle: A Housing Strategy for Mississauga is our call to action! It is our blueprint for fostering a supportive development environment for the delivery of a range of housing affordable for all!

Our Strategy focuses on the middle income. Families need homes where they gather to create traditions and celebrate their culture; seniors need housing that supports aging in place; millennials, who add so much vibrancy to our city, need to have entry-level housing near their employment. In doing so, all income levels will benefit.

Our Strategy offers 40 Actions. It articulates a clear role for the City, but appeals to both the Provincial and Federal governments for major reform to existing housing policy and programs. I am confident through our continued collaboration with the Region of

Peel we will effect significant and lasting change.

My sincere thanks and appreciation to members of Council for their leadership. Without their unwavering support, the Strategy simply would not have been possible. My deepest thanks to the members of the Advisory Panel. Your incredible insight, knowledge and advice were invaluable, and have served the City well.

Inaction is not an option; the future of Mississauga depends on our leadership.



Bonnie Crombie
Mayor of Mississauga



It is our blueprint for fostering a supportive development environment for the delivery of a range of housing affordable for all!



Advisory Panel Message

Housing is a concern for all residents. Mississauga's middle-class is becoming increasingly challenged to find suitable housing.

This trend is certainly not unique to the City of Mississauga. Nationally, housing affordability has reached a crisis-point in some cities. As such, a proactive intervention is absolutely necessary.

I would like to commend Mayor Bonnie Crombie and Members of Council for showing such leadership and for taking action!

It has been my honour to chair the Mississauga Housing Advisory Panel. I am incredibly proud of the contribution we have made. The frank and honest insight of each member has been invaluable, and is embedded in the 40 Actions contained within the Strategy.

At the beginning of this year, a group of over 20 housing professionals from the public, private and non-profit sectors were convened to share their knowledge, provide advice, and offer solutions.

The resulting Strategy is ambitious! It challenges the status quo. It sets a new course for the City of Mississauga! It proposes innovative, yet practical, solutions for the City. It acknowledges the importance of partnerships, not only with other orders of government, but with the local building industry.

I am confident the Strategy will make a difference!

On behalf of Panel members, I would like to extend my sincere appreciation to staff for their quality work, care, and support. It has been a pleasure.

We are feeling incredibly optimistic! We look forward to a continued working relationship with the city as we collectively work to make Mississauga thrive!

Andrea Calla,

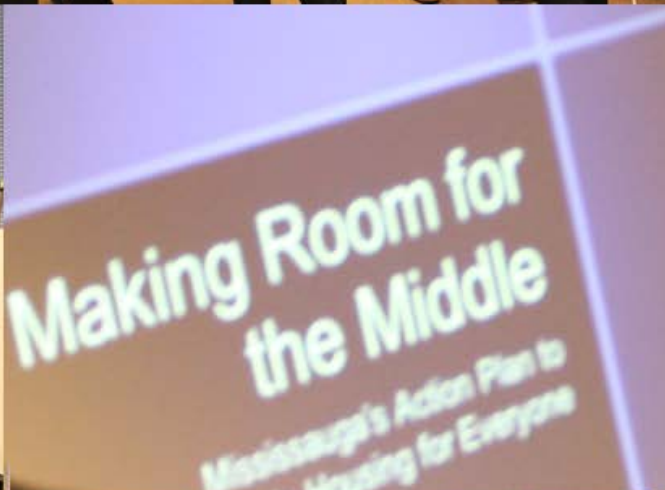


*Chair, City of Mississauga Housing Advisory Panel
President & CEO, The Calla Group
Chair, Canadian Urban Institute*



The resulting Strategy is ambitious! It challenges the status quo. It sets a new course for the City of Mississauga!





Introduction

The City of Mississauga has had a long-standing role in supporting the delivery of a range of housing. Our comprehensive land use planning policy program articulates a strong vision for diverse, inclusive, mixed-use communities. Planning tools have been adopted to facilitate new housing and communities.

As a result, Mississauga has earned a reputation as a great city. Mississauga’s growth can largely be attributed to middle income earners – young professionals and families seeking the quality of life and affordable housing that was available.

However, as the city continues to grow, the very qualities that made Mississauga great are increasingly at risk of being compromised. The cost of housing is increasing; rental vacancy rates are incredibly low; the supply of vacant land is dwindling and rising in price; and the cost of infrastructure to support development is increasing.

Collectively, this poses a significant challenge. Housing and its affordability must be at the forefront of our thinking. The provision of a range of housing choices for all household incomes

is critical for the long term health and viability of our city.

Increasingly, middle income households are struggling to find housing appropriate to their needs and income level. Our research shows this will not improve without an intervention by the City and other partners.

The goals and actions of this Strategy tackle this challenge head-on. It recommends a change to traditional approaches to planning. No longer should the City be simply a passive facilitator of housing development. Best practices research and a growing body of evidence shows that in the absence of policy intervention and actions, the housing market will not correct itself.

This strategy is bold, and innovative. It acknowledges the limitations of a second tier municipality, but defines the actions we can take. The Strategy positions the City as a leader; as a proactive intervenor in land use policy; as a convenor of partnerships; as an advocate for systems reform; and as a collaborator to ensure Regional services are effectively delivered to meet the broader needs of all Mississauga’s residents.



This strategy is bold, and innovative. It acknowledges the limitations of a second tier municipality, but defines the actions we can take.



Our Vision

There is room for everyone in the City of Mississauga. All residents have access to safe, stable and appropriate housing that is affordable at all income levels.

Our Principles

Provide Leadership

Mississauga will provide leadership to address affordable housing needs by expanding its current planning policies and developing municipal housing solutions based on tools provided by senior levels of government.

Build Partnerships

Mississauga will work with stakeholders across the housing continuum to foster a supportive environment that is conducive to the development of housing that is affordable to middle income households.

Seek Opportunity

Mississauga will look for opportunities to support its housing program and improve the supply of affordable housing. Mississauga will call on senior levels of government to remove existing barriers, enhance legislative powers and provide more financial support for affordable housing.

Mindful of the Middle

Mississauga's middle income households are a key focus of this strategy. Affordable housing is in short supply for middle income households who are a critical part of the workforce needed to support the City's long term economic prosperity.

Reflect the City's Vision

Affordable housing is a fundamental component of a livable city. It should support the vision for the City – a place where all can live, work and prosper. As Mississauga continues to grow, affordable housing will enhance City neighbourhoods, be available across the City and support public infrastructure investments and services.

Based on Research

Research has helped ground this Strategy. The background studies shown below quantify the affordability gap, they find the market is unlikely to build housing that is affordable to middle income households without incentives and they highlight successful best practice interventions used by other cities.

The Strategy’s goals and actions are also shaped by critical decisions of Council, namely:

- low-income and vulnerable populations in Mississauga will remain the responsibility of the Region of Peel which is the designated Service Manager responsible for subsidized housing
- retaining middle-income households is vital for the City of Mississauga’s future
- protecting existing, good quality rental stock in Mississauga is a priority
- a reconsideration of existing funding and the provision of new sources of funding will be essential for success



What is Affordable & Who is The Middle?

Housing is considered affordable when:

- It costs less than 30% of annual gross household income

Middle income households are:

- Those that earn between \$55,000 and \$100,000 per year
- For those that rent they can pay market prices but have difficulty finding units that suit their needs
- Prospective homeowners can afford to pay from \$270,000 to \$400,000, but in Mississauga this can only buy a condominium apartment or a limited selection of townhouses
- The competition for housing in this price range is higher than the supply
- For rental housing it is a monthly rental rate of approximately \$1,200



30%

Housing is considered affordable
when it costs less than 30% of
annual gross household income

Why Are We Doing This?

Housing impacts all residents. In Mississauga, the supply of housing that is affordable to a range of household incomes is diminishing. Particularly alarming is the challenge middle-income earners face entering and moving within the local market.



1 IN 3

1 in 3 households are spending more than 30% of their income on housing; and our research suggests this will rise. The cost of housing in Mississauga is high and continues to go up. Already 30,000 households spend too much on housing. Low income households are affected most severely, but middle income households are not immune. More than a quarter of middle income households and 70% of all low income households, face affordability challenges.



RANGE OF HOUSING

The range of housing available to middle income earners is dwindling, so we are at risk of having them priced out of the city. The market is meeting the needs of high income households and there are housing supports in place for low income households. Middle income earners - teachers, nurses, social workers - struggle to afford market housing but earn too much to qualify for housing assistance. This income group is vital to the social mix of the City and it's economic well-being.



SUSTAINABLE COMMUNITIES

Affordable housing is fundamental to healthy, inclusive and sustainable communities. As it becomes increasingly unaffordable, quality of life will diminish. Housing goes beyond bricks and mortar. Having an affordable and suitable home supports good health and well-being and provides a pathway to financial and social stability. The lack of affordable housing affects school performance, job stability, personal relationships and both physical and mental health. The cost of inadequate housing results in increased pressure on other government services and agencies.



Who Does What?

There are many types of housing and many stakeholders involved in providing housing and related support services. The following levels of government and organizations play a role in the delivery of housing:



Federal Government

The Federal Government, that is the Canada Mortgage and Housing Corporation (CMHC), provides mortgage insurance to homeowners and initiates, funds and implements various housing programs. Their financial support helps and continues to build much of the existing social housing that exists today. They have embarked on the development of a National Housing Strategy. This has been long awaited by the many stakeholders involved in the provision of housing.



Provincial Government

The Provincial Government has legislated responsibility for housing and can offer legislative tools and financial support. In recent years, the role of the Province has changed from direct delivery to an administrative one as the authority for the provision of housing services was delegated to Service Managers. Funding is provided to Service Managers to manage local housing needs.



Regional Government

The Region of Peel is the designated Service Manager responsible for subsidized housing and housing programs. In this role, the Region sets affordable housing priorities and collects and receives funds to address local affordable housing needs. The focus of the Peel Service Manager has been on vulnerable and low income households.



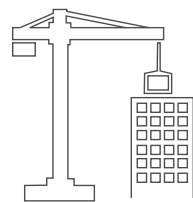
Local Government

Mississauga operates in a two-tier municipal structure and does not have any direct responsibilities for affordable housing. However, many of the regulatory tools such as the zoning of land and the processing of development applications are the responsibility of the City and can be used to create a supportive environment for the delivery of affordable housing.



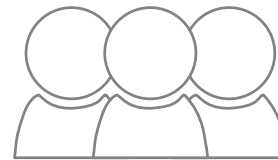
Non-Profit Organizations and Cooperatives

This sector provides subsidized housing as well as emergency shelters and transition housing. It often supports social justice causes and may target particular groups such as seniors or those with physical or developmental challenges.



Private Sector

Comprised of landowners, developers, builders, investors and landlords, this sector responds to market demand and delivers ownership and rental housing for profit.



Individuals

Many individuals purchase investment properties that provide rental accommodation at market rates. Other homeowners create additional units in their homes. These are referred to as second units and are typically a source of affordable rental housing.



About Our Goals

Our Strategy identifies four goals to guide the actions of Council and our Partners over the coming years. The actions are interdependent; success requires each action to be appropriately resourced and prioritized. Underpinning each of these are basic principles which emphasize the importance of continued partnerships, optimizing opportunities; demonstrating leadership; and collectively focussing on middle income households while improving housing conditions for all residents.

The City will proceed to implement actions which are within its jurisdiction. Some of these actions can be achieved in the short term. Other actions will take more time - requiring new legislation or innovative partnerships. Mississauga is limited in its ability to finance affordable housing initiatives on its own. Funding for the actions will be dependent on investments from the Region of Peel as our Service Manager and senior levels of government.



REMOVE BARRIERS

CLOSE THE MISSING MIDDLE GAP

CHAMPION SYSTEMS REFORM

BE ACCOUNTABLE

Remove Barriers

Bringing an affordable housing project to market can be a lengthy and complicated process. Streamlining the process, reducing risk and establishing clear development requirements can help developers reduce costs that can be passed on to tenants and homeowners.

Create a supportive policy environment

Official planning documents and development regulations need to clearly articulate and complement the City's affordable housing vision

1 Amend the official plan to strengthen existing and add new policies supporting affordable home ownership and rental housing for moderate income households and the development of family-size units

2 Review development standards and requirements to encourage the development of housing that is affordable to middle income households (e.g., parking standards, Section 37 contributions)

Make lands development ready

The planning process can be lengthy and the results uncertain. Having planning approvals in place for lands in prime locations can reduce financing costs and risk to housing providers

3 Implement tools such as pre-zoning, inclusionary zoning and a development permit system for lands in appropriate locations across the city and in proximity to transit services to allow the built forms and densities needed to produce affordable housing and to support the development of family-sized housing units

4 Review the zoning of Region-owned lands for additional development opportunities for housing

Drive continuous improvement

Currently the City's Strategic Leader - Development Liaison position works to resolve impediments in the planning process for strategic development proposals including affordable housing projects. This valuable work should continue and be supplemented by looking at all services and processes for ways to support the development of affordable housing

5 Continue to support affordable housing proposals with the City's Strategic Leader - Development Liaison position

6 Assign dedicated resources to apply an affordable housing lens to identify opportunities to support affordable housing in all City services and processes

Optimize City assets

Not only is land a major cost element in a development project, but it is also difficult for affordable housing providers to find and compete on the open market for development sites. The City can assist by making surplus lands available for affordable housing proposals and consider how housing could be incorporated into City facilities

7 Implement a "housing first" policy for surplus City lands

8 Investigate infill opportunities and co-development of affordable housing with City facilities

Encourage second units

Second units are intrinsically more affordable than other market rentals and also support affordable homeownership. They are also one of the most cost-effective ways to increase the supply of affordable housing throughout the city

9 Review and simplify processes and regulations for legal second units

Reassess City charges and taxes

Charges and taxes can affect the financial viability and sustainability of an affordable housing project. It is important to ensure that affordable housing projects pay an equitable share and that charges are not unintentionally discouraging some types of needed housing such as affordable family size units

10 Review the Development Charges By-law to identify opportunities to promote a broad mix of affordable units

11 Review property taxation for rental buildings to reduce any inadvertent disincentive

Preserve purpose built rental

Existing rental buildings are a valuable component of the city's affordable housing stock. Controlling the conversion of rental buildings to condominium ownership and the demolition of rental units without replacement helps protect this stock.

12 Develop a demolition control and replacement by-law

13 Develop a condominium conversion control by-law

Close The Missing Middle Gap

The high cost of housing in Mississauga poses significant challenges for middle-income working households. These households earn too much to qualify for subsidized housing and have limited housing choices. Closing the missing middle gap can be achieved by implementing effective strategies and programs to provide needed support to ensure these households remain housed in the City.

Encourage diverse supply of safe second units

Second units are one component to providing a diverse supply of affordable housing choices. These units meet housing needs of households facing financial challenges and use the existing housing stock in the City. Encouraging a diverse supply of safe, affordable second units provides people with the opportunity to live in Mississauga.

14 Support the Region in implementing second unit grant and loan programs

Make the pro forma work

Real estate fees, development charges, and property taxes represent a significant expense for building owners and developers. For this reason, exemptions and deferrals that reduce an owner's costs can be a powerful incentive tool to induce investment in the construction, rehabilitation, or maintenance of the City's housing stock

15 The Region should consider the deferral of development charges on the portion of affordable units provided in new construction

16 Establish a Property Tax Deferral Program in partnerships with the Region for the production of new housing affordable to the middle income households

17 Explore incentives to support inclusionary zoning

Support First Time Home Buyers

First time home buyers are finding it increasingly difficult to enter the housing market. One of the challenges faced by many households is saving enough money for a down payment. Developing programs that will support first time home buyers will allow for people to live in Mississauga and contribute to our economy as they will be provided with the opportunity to obtain suitable, affordable housing

18 Encourage first time home ownership programs such as shared equity and co-housing for middle income households

Champion Systems Reform

To be successful, system change needs to occur at all levels. This includes legislation, taxation, funding programs, administrative process, and broader levels of education and awareness.

There are many players in the housing market – senior levels of government, the development industry, non-profit organizations and the community. The City of Mississauga will engage and work collaboratively with all players to create a supportive environment for housing developers to provide housing that is affordable across the housing continuum with a focus on middle income households. Focus on middle income housing, the outcome will also assist with the delivery of housing for low income households.

Secure additional financial resources

As the Housing Service Manager the Region of Peel has the responsibility of administering affordable housing funds that it collects through development charges and municipal taxes as well as those it receives from the Provincial and Federal governments. Mississauga can bolster these funds through funds collected through the development process. Mississauga will work with all levels of government to raise and allocate funding and develop financial programs that meet the needs of the housing providers and support a full range of housing that is affordable to all income groups including the middle income households

19 Explore with the Region the implementation of a Regional tax levy to support middle income households

20 Petition senior levels of government (Peel, Provincial and Federal Governments) to create enduring and sustainable funding programs that realize developer timeframes and financial needs

21 Appeal to senior levels of government (Peel, Province and Federal Governments) to provide affordable home ownership assistance to individuals

22 Investigate incentives provided by upper tier governments for upgrades to rental stock

23 Petition the Province to expand municipal revenue tools

24 Build an affordable housing reserve fund using Section 37 and other municipal revenues to finance affordable housing and purpose-built rental housing incentives

Restructure taxation and financial supports

There is an array of existing taxes that developers are required to pay. Relief from these taxes can make the construction and operation of affordable housing more financially viable

25 Petition senior levels of government to consider taxation policies that incent affordable housing that include but are not limited to

- the creation of second units
- rehab existing purpose built rental housing
- new purpose built rental housing
- GST rebates or exemptions

26 Appeal to Federal and Provincial governments to explore tax credits and exemptions for affordable housing including but not limited to

- income tax credit (e.g. second unit homeowners)
- land transfer tax exemptions
- create land value capture tools for municipalities
- low income housing tax credits

27 Encourage senior levels of government to provide financial backing/ insurance to affordable housing developers

Make surplus land available

The availability of land is a barrier to many housing providers, particularly non-profit organizations. Senior levels of government should make surplus land available to affordable housing providers before placing the land on the open market

28 Work with senior levels of government to make their surplus land available for affordable housing

Advocate for supportive policy and legislation

Making sure that policies and legislation are aligned to support affordable housing for all income groups, including middle income households, gives the City the support and tools it needs to achieve its housing vision

29 Encourage the Region to expand the Term of Council priority to include housing for middle income households

30 Implement the Province's initiative to eliminate development charges and updated building code legislation for second units in new construction

31 Implement Inclusionary Zoning

Create a culture of action

As a lower tier municipality Mississauga is often the first point of contact for development applicants, business and the public. Mississauga staff need to have affordable housing on their radar and be versed in the programs that are available. Outreach to the homeowners and the real estate and building industry is also critical to ensure a good uptake on the affordable housing programs

32 Promote affordable housing programs to development proponents

33 Promote Regional programs to development proponents

34 Provide landlord education (e.g., rights and responsibilities)

35 Provide a communication and education plan for realtors, builders and potential landlords

Be Accountable

Measuring progress and keeping the importance of housing affordability top of mind will be vital to the success of the Affordable Housing Strategy.

Measure the affordability gap

Establishing goals is important in order to measure our success. While these goals need to be realistic they also need to be ambitious if we are to make a difference to the many individuals and families struggling to find affordable housing that meets their needs

36 Establish interim housing unit production targets based on Regional requirements

37 Establish long-term housing unit production targets

Maintain visibility

Too often attention to important issues is fleeting. To ensure that this does not happen to affordable housing, regular monitoring and reporting on progress needs to occur

38 Monitor and report on affordable housing

- annual investment
- unit retention and production
- status of the affordability gap for low and middle income households
- uptake of housing programs
- market conditions

39 Continue to engage with housing development stakeholders (e.g., Housing Affordability Advisory Panel, housing events and forums)

Enhance data

Data regarding housing affordability is lacking particularly at the municipal level. Senior levels of government are in the best position to collect and disseminate this data.

40 Petition senior levels of government to provide standardized local housing data and consistent methodologies to measure housing affordability

The Big Five

While all the actions are important, five actions were identified by the Housing Affordability Advisory Panel as those that would be most impactful at advancing the creation of affordable housing. These actions will be priorities for implementation.

action
25

Petition senior levels of government to consider taxation policies and credits that incent affordable housing.

action
3

Pilot tools such as pre-zoning and a development permit system to produce affordable housing in appropriate locations and in proximity to transit services.

action
17

Encourage the Region to develop an inclusionary zoning incentive program for private and non-profit housing developers.

action
39

Continue to engage with housing development stakeholders (e.g. Housing Affordability Advisory Panel, housing events and forums).

action
15

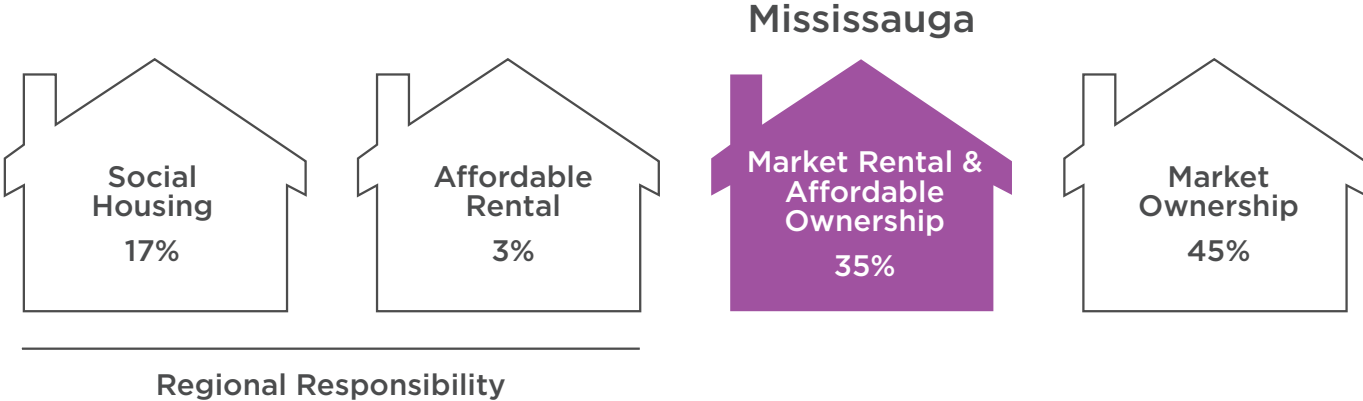
The Region should investigate the costs of deferring development charges on the portion of affordable units provided in newly constructed multiple dwellings.

What are we aiming for?

The Region of Peel, as Service Manager, has housing targets for various levels of need along the housing continuum. At one end is social housing and needs that cannot be addressed without financial support from senior levels of government. At the other end is private market ownership housing.

A target is a goal that the City will aspire to achieve. Affordable housing targets provide a framework to monitor progress on the City’s affordable housing objectives, address housing needs and communicate the City’s expectations to the development community.

Mississauga will use the Region’s targets as an interim goal. The City’s contribution toward meeting the Region’s housing targets will focus on the 35% market rental and affordable ownership. These will be achieved City-wide.



The Road Ahead

This Strategy identifies the City’s priorities and establishes a course of action. But there is still much to do. Getting the word out and building commitment, harnessing resources and detailed planning are essential next steps before the City’s vision of having room for everyone can be realized.



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