

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

Item 1, Report No. 24, of the Committee of the Whole (Working Session), which was adopted without amendment by the Council of the City of Vaughan on June 27, 2017.

1 YORK REGION AFFORDABLE HOUSING INITIATIVES INFORMATIONAL PRESENTATION WARDS 1 TO 5

The Committee of the Whole (Working Session) recommends:

- 1) That the recommendation contained in the following report of the Deputy City Manager, Planning and Growth Management and the Director of Policy Planning and Environmental Sustainability, dated June 6, 2017, be approved; and**
- 2) That the presentation by Rick Farrell, General Manager, Housing Services, York Region and Valerie Shuttleworth, Chief Planner, York Region, and Communication C1, presentation material titled “Housing Initiatives and Incentives”, dated June 6, 2017, be received.**

Recommendation

The Deputy City Manager, Planning and Growth Management and the Director of Policy Planning and Environmental Sustainability recommend:

1. THAT this report and presentation provided by York Region Long Range Planning, Human Services Planning Board of York Region and Housing York Inc. entitled “York Region Affordable Housing Initiatives and Incentives”, BE RECEIVED for information purposes; and
2. THAT staff in Real Estate and Policy Planning and Environmental Sustainability be directed to work with Housing York Inc. to explore opportunities for Affordable Housing Initiatives on any vacant or underutilized City lands as part of its Strategic Land Acquisition Study and review of its portfolio and report back with findings.

Contribution to Sustainability

Provision of a mix of housing types and affordable housing is consistent with the Goals and objectives of Green Directions Vaughan as reflected in Goal 2, below:

Goal 2: To ensure sustainable development and redevelopment

Objective 2.3: To create a City with sustainable built form

Action 2.2.3: “Through the policies to be developed in the new Official Plan, ensure that a mix of housing types are provided in Vaughan and that affordability is a consideration in planning.”

Economic Impact

There is no economic impact associated with this report. The presentation includes information on Bill 7 the *Promoting Affordable Housing Act* which amends the *Development Charges Act* to exempt second units in new homes from development charges. Policy Planning and Environmental Sustainability and Legal Services reported on these changes to Committee of the Whole June 21, 2016 (Item 40, Report No. 27).

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

Item 1, CW(WS) Report No. 24 – Page 2

Communications Plan

There is no Communications Plan associated with this report. All presentation material will be posted on the City's website at www.vaughan.ca.

Purpose

The purpose of this report is to provide the policy background related to the presentation by York Region Long Range Planning, the Human Services Planning Board of York Region and Housing York Inc. The presentation will inform Council of the current affordable housing initiatives and incentives being undertaken by each organization. The report also describes recent initiatives undertaken by the City concerning affordable housing.

Background and Analysis

1) Provincial Policy Context

- a) The Planning Act: Housing is a key area of Provincial interest and central to developing strong, complete communities. To ensure access to adequate housing for all residents, the Provincial government has identified affordable housing as an area of increased focus. Through changes to the land use planning framework, including the *Planning Act*, the Province is seeking to produce more affordable housing options for low and moderate income groups and provide for an increased role for local municipalities in achieving these objectives.
- b) The Provincial Policy Statement (PPS 2014): The *PPS 2014* outlines the Provincial interest in key focus areas in the regulation of land use planning and development, including housing. Section 1.4.1 sets out the general housing objective “to provide for an appropriate range and mix of housing types and densities required to meet projected requirements of current and future residents...”. The *PPS 2014* also requires municipalities to establish minimum affordable housing targets in their Official Plan and provides the following definition of affordable housing:

Affordable means:

- 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 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*.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

Item 1, CW(WS) Report No. 24 – Page 3

- c) The Growth Plan for the Greater Golden Horseshoe (2006): The *Growth Plan* addresses the housing market in the context of growth management. The *Growth Plan* reiterates the goal of producing a mix of housing types as well as “taking into account *affordable housing needs*” (Section 2.2.3.6.i). Section 3.2.6.6 requires Upper-tier municipalities to develop a housing strategy, including Official Plan policies that require the development of affordable ownership and rental housing opportunities.
- d) The Long Term Affordable Housing Strategy (2010) update 2016: In response to growing concerns over housing affordability, the Provincial government introduced the *Long Term Affordable Housing Strategy* in 2010. The *Strategy* outlines affordable housing policies and provides for a more active role for local municipalities in the sector. Upper-tier municipalities are now required to develop a 10 year Housing Plan. An update to the *Strategy* released in 2016 provides new funding programs and expanded policy tools for application by local municipalities to produce more affordable housing units. Amendments to the *Development Charges Act* and *Building Code* were also made to facilitate the construction of more secondary suites.
- e) The Strong Communities through Affordable Housing Act, 2012: The *Strong Communities through Affordable Housing Act, 2012* requires that local municipalities include Official Plan and Zoning By-law permissions for secondary suites, as-of-right. While a specific date was not specified as to when secondary suites policies must be implemented, local municipalities are expected to be actively working towards achieving this objective. In response, the City has successfully advanced a Secondary Suites Policy Framework and Implementation Strategy that received Council approval in February 2017.
- f) The Promoting Affordable Housing Act, 2016: The *Promoting Affordable Housing Act, 2016* permits local municipalities to implement “inclusionary zoning”. Inclusionary zoning allows municipalities to implement Official Plan policies and Zoning By-laws that require the provision of a certain percentage of Affordable Housing units in new residential developments that are to be maintained as affordable over a specified period of time. The *Promoting Affordable Housing Act* received Royal Assent on December 8, 2016, Regulations related to inclusionary zoning remain under development.

2) York Region - Affordable Housing Policy Framework and Initiatives

The Regional Municipality of York is the provincially designated Housing Service Manager in York Region and supports affordable housing through the local planning policy framework and assisted housing programs. As required by the *Long Term Affordable Housing Strategy, 2010*, York Region developed *Housing Solutions: A Place for Everyone*, the 10 year housing plan that informs all related affordable housing policies. Implementing policies and programs are described below.

- a) Section 3.5 of the York Region Official Plan (YROP 2010) describes the planning objectives concerning the housing market. In conformity with Provincial policy, Section 3.5 seeks “To promote an appropriate mix and range of acceptable housing to meet the needs of residents and workers”. To ensure the mix of housing types includes affordable housing, YROP 2010 establishes minimum affordable housing targets for new residential development. Section 3.5.6 requires that a minimum of 25% of new residential development be affordable and include a range of housing types and sizes. In designated Regional Centres and Key Development Areas, a higher 35% affordable housing target is required (Section 3.5.7).

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

Item 1, CW(WS) Report No. 24 – Page 4

To supplement the affordable housing requirements in the YROP 2010, the Region has also released the Affordable Housing Implementation Guidelines 2015. This document provides information necessary to achieve the affordable housing targets. As per Provincial Policy, affordable housing units that meet the thresholds are tracked, monitored and reported on in annual Progress Reports.

- b) York Region administers and provides funding to Housing York Inc. and other private non-profit housing providers for the provision and management of government assisted housing across the Region. Based on the most recent information, there are currently seven social and affordable housing communities located in Vaughan that provide approximately 537 housing units. On December 13, 2016, Vaughan Council approved zoning by-law amendment and site plan development applications (File Z.15.014 and DA.15.093) to permit the redevelopment of an existing Housing York Inc., site and a single detached dwelling located at 259/275 Woodbridge Avenue and 64 Abell Avenue. The new development will consist of a six storey, mixed-income apartment building which will provide 162 assisted affordable units and feature commercial uses at grade. Upon successful conclusion of the development review process for the Woodbridge property Housing York Inc. staff approached the City requesting to discuss whether additional opportunities may exist on City-owned land. There is a very limited amount of underutilized City-owned properties. Many City-owned sites are encumbered or are required for other purposes including parks accommodation needs, development purposes and other community purposes. Despite the limited number of City-owned properties, the recommendation to work with Housing York Inc. to explore opportunities for Affordable Housing Initiatives on any vacant or underutilized City lands as part of its Strategic Land Acquisition Study and review of its portfolio and report back with findings is provided in this report.
 - c) The Human Services Planning Board of York Region (Planning Board) is a non-profit partner organization created by York Region Council that has a mandate to improve the lives of low to moderate income households. In its work plan *Making Ends Meet in York Region: A Road Map for 2015 to 2018*, the Planning Board has identified housing affordability as an area of focus. Through advocacy work, research and workshops, including the *Make Rental Happen* campaign, the Planning Board works toward producing affordable housing options in York. The 2016-2018 Action Plan has renewed its focus on affordable housing with an emphasis on incentives research to assist the private sector in producing affordable housing.
 - d) In response to Provincial initiatives as well as growing concern over affordability in the Regional housing market, York Region established the York Region Local Municipal Housing Working Group (Working Group). Launched by Long Range Planning and the Human Services Planning Board, the Working Group was formed to examine the implementation of inclusionary zoning and has expanded its mandate to address a range of affordable housing issues concerning the mid-range housing market segment (\$78,517-\$114,648 - 2015 annual household income). Comprised of York Region staff and representatives from the nine local municipalities, the Working Group is scheduled to meet six times over the course of 2017. The objective of the Working Group is to develop an Affordable Ownership and Rental Housing Incentives Framework to encourage the private sector to produce affordable housing units.
- 3) City of Vaughan – Affordable Housing Status Update
- a) Section 7.5 *Housing Options* of Vaughan Official Plan 2010 (VOP 2010) provides the policy approach to the housing market in Vaughan. These policies were approved at the

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

Item 1, CW(WS) Report No. 24 – Page 5

Ontario Municipal Board and now apply to new residential development applications. In conformity with YROP 2010, Section 7.5 *Housing Options* requires the provision of a mix and range of housing types and tenures. The policies emphasize the goal of developing complete communities that can accommodate the needs of residents from all age groups. Section 7.5 *Housing Options* also contains specific policies concerning affordable housing. Section 7.5.1.2 includes minimum affordable housing targets as required in the YROP 2010. Section 7.5 forms Attachment 1 to this report. It is noted that this version of Section 7.5 does not include the amendments approved by Council to permit Secondary Suites.

Affordable housing contributes to the creation of a broader range of housing types, including more compact, sustainable development (VOP 2010 Section 2.1.3). Greater access to affordable housing can also impact transportation patterns and reduce congestion as more residents are able to access housing, allowing them to live and work in Vaughan (VOP 2010 Section 7.5.1).

- b) In addition to the policies of Section 7.5, the City is striving to create more affordable housing through the implementation of the Council approved Secondary Suites Program. Staff commenced work on secondary suites in 2010, reporting to Council on January 25, 2010 and February 16, 2010. City staff followed this initial work on secondary suites in January 2012, by formally launching the City-wide Secondary Suites Study as required by Provincial legislation (File 15.112). The Study included a public consultation process and input from a Task Force, Technical Advisory Committee and project team comprised of internal City Departments, external agencies including the Province and York Region. On February 27, 2017 Council approved the draft Official Plan Amendment, Zoning Standards and Implementation Strategy to permit secondary suites in Vaughan. Once fully implemented, secondary suites will increase the stock of rental housing and provide for greater access to affordable housing throughout the City.
 - c) In addition to the ongoing work regarding the City-wide Secondary Suites Study, city staff reported to Committee of the Whole on June 21, 2016 regarding Bill 7, "*Promoting Affordable Housing Act*". This report provided Council with an update on the potential implications of the Provincial legislation (see Provincial context discussion above). Staff provided comments directly to the Ministry of Municipal Affairs in August 2016.
 - d) Policy Planning and Environmental Sustainability Staff are participating in the York Region Local Municipal Housing Working Group. Policy staff have attended all three scheduled meetings to date and presented the City's progress on the City-wide Secondary Suites Study at the first meeting.
- 4) Community Interest
- a) Recently at the April 4th, 2017 Committee of the Whole meeting, Habitat for Humanity requested that the City take a more active role in working with the Region and Habitat for Humanity. Their deputation with recommendations is attached (Attachment 2). As a result of this interest Habitat for Humanity and other housing organizations have been invited to attend this Committee meeting.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report is consistent with the Term of Council Service Excellence Strategy objectives to:

- Create and manage affordable housing options.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

Item 1, CW(WS) Report No. 24 – Page 6

Regional Implications

The Presentation associated with this Report has been developed by York Region Long Range Planning, the Human Services Planning Board of York Region and Housing York Inc., to inform Council of their collective efforts to support the development of affordable housing.

Conclusions

Access to affordable housing is an important issue in York Region. In response to rising housing prices, there is considerable policy development underway at the Provincial and Regional level to develop the tools and incentives necessary to increase the stock of affordable housing. City staff will continue to participate in Region-led initiatives regarding affordable housing, including the remaining Working Group meetings. Council will be provided updates regarding ongoing affordable housing work at the City, including the implementation of the City-wide Secondary Suites Study, as well as any required municipal response to Provincial or Regional policy developments.

Attachments

1. Section 7.5 “Housing Options” – Vaughan Official Plan 2010
2. Habitat for Humanity Presentation – Committee of the Whole (April 4, 2017)

Report prepared by:

Cameron Balfour, Planner I, ext. 8411
Arminé Hassakourians, Senior Planner, ext. 8368

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)



C	b
COMMUNICATION	
CW	(WS) June 6/17
ITEM -	b

Housing Initiatives and Incentives

Presentation to City of Vaughan

Rick Farrell, General Manager, Housing Services

Valerie Shuttleworth, Chief Planner

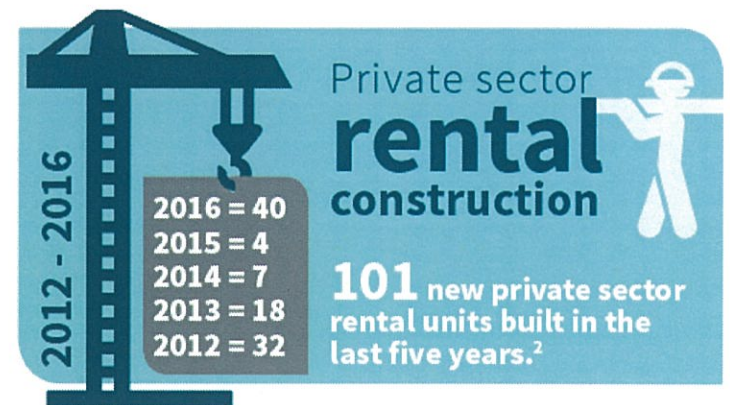
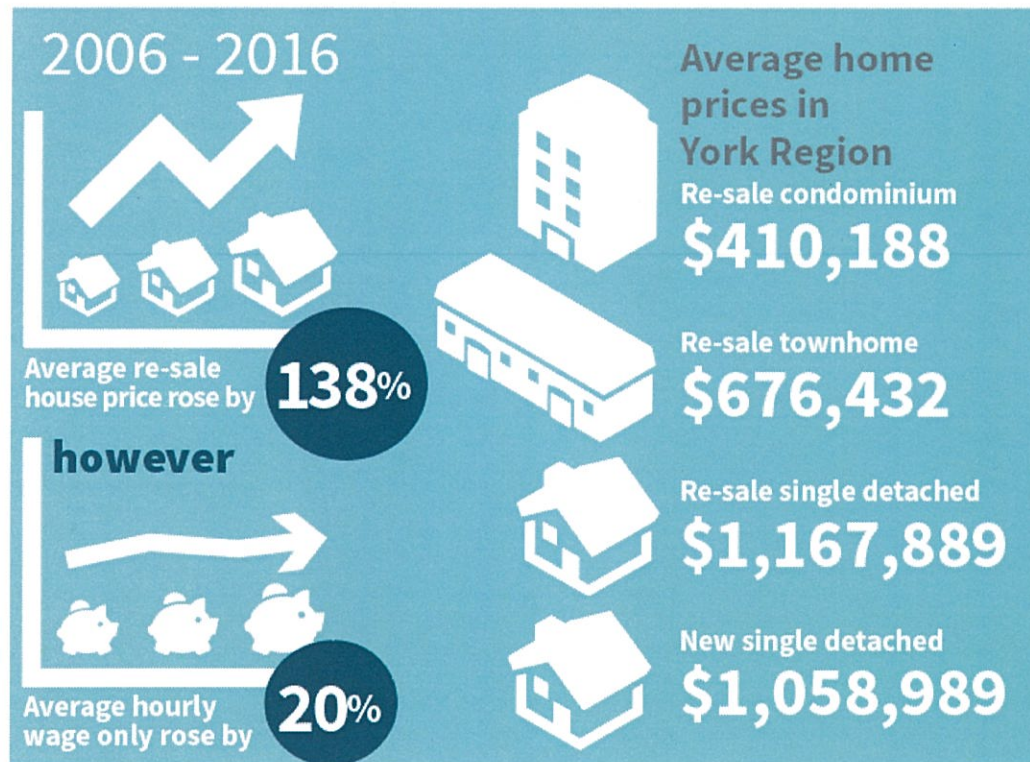
June 6, 2017

Purpose of Presentation

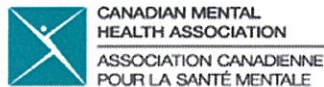
- **York Region Housing Story**
- **The Human Services Planning Board and Make Rental Happen**
- **Regionally Administered Social and Affordable Housing**
- **Affordability by Income and Location**
- **York Region Local Municipal Housing Working Group**

York Region Housing Story

2016 Homeowners market



The Human Services Planning Board

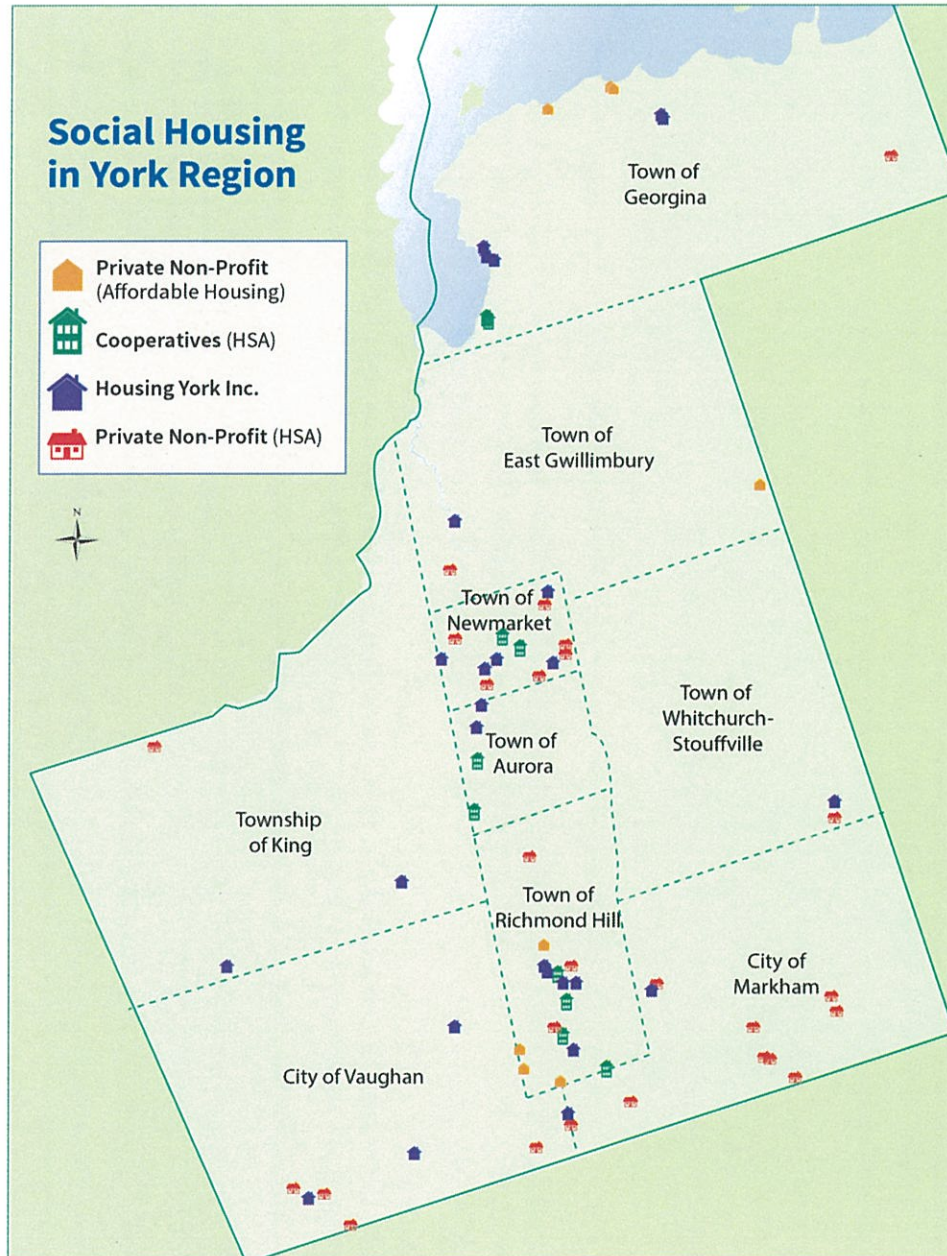


Make Rental Happen



#MakeRentalHappen

- Building public awareness
- Advocating to all levels of government
- Research partnerships
- Solutions through partnerships
 - Rental Incentives Pilot Project at 212 Davis Drive in Newmarket



Regionally Administered Social and Affordable Housing

Overview:

- 85 properties
- 43 Housing Providers
- More than 6,800 units

City of Vaughan

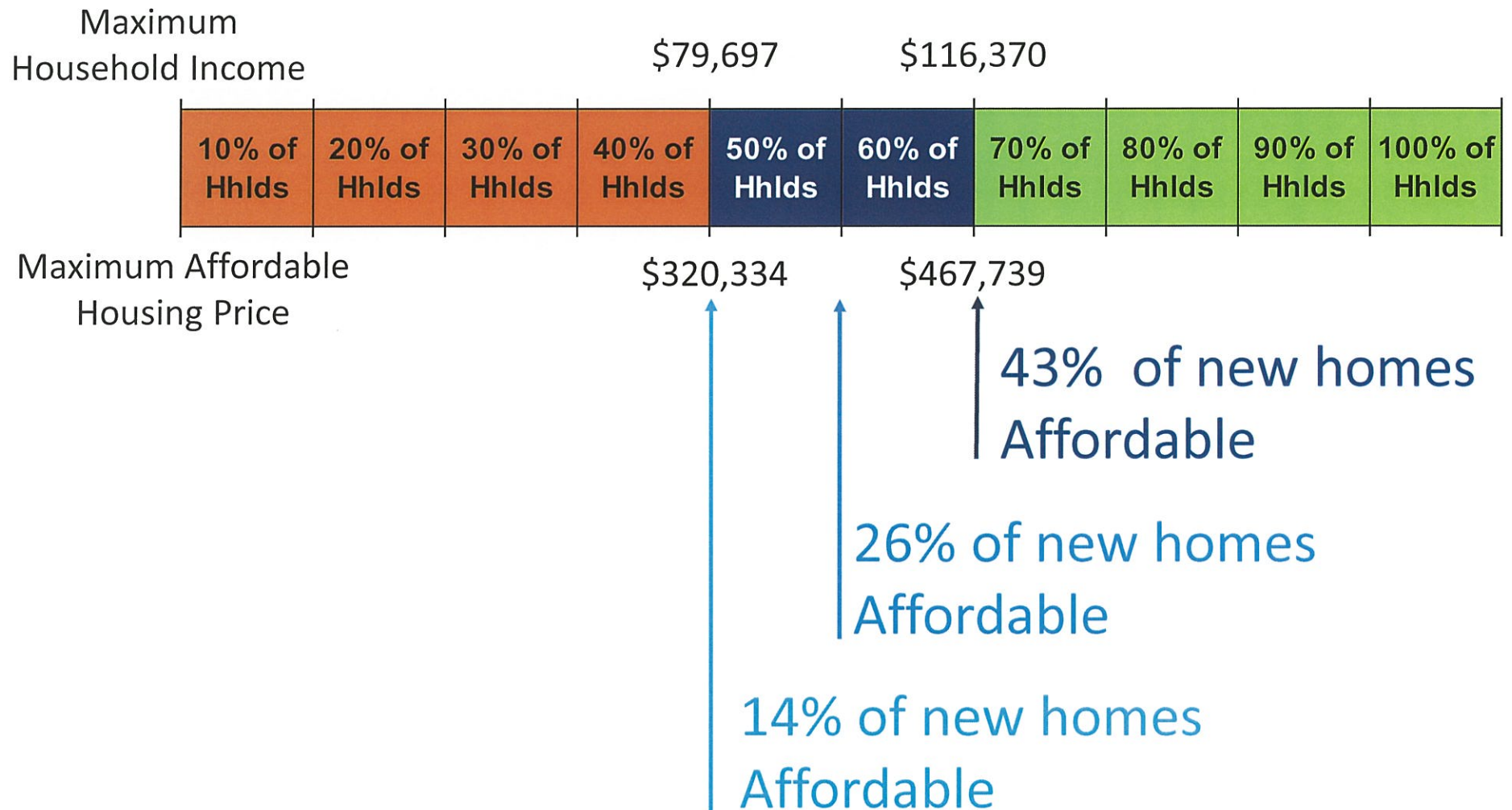
- 7 affordable housing communities (537 units)

Plus:

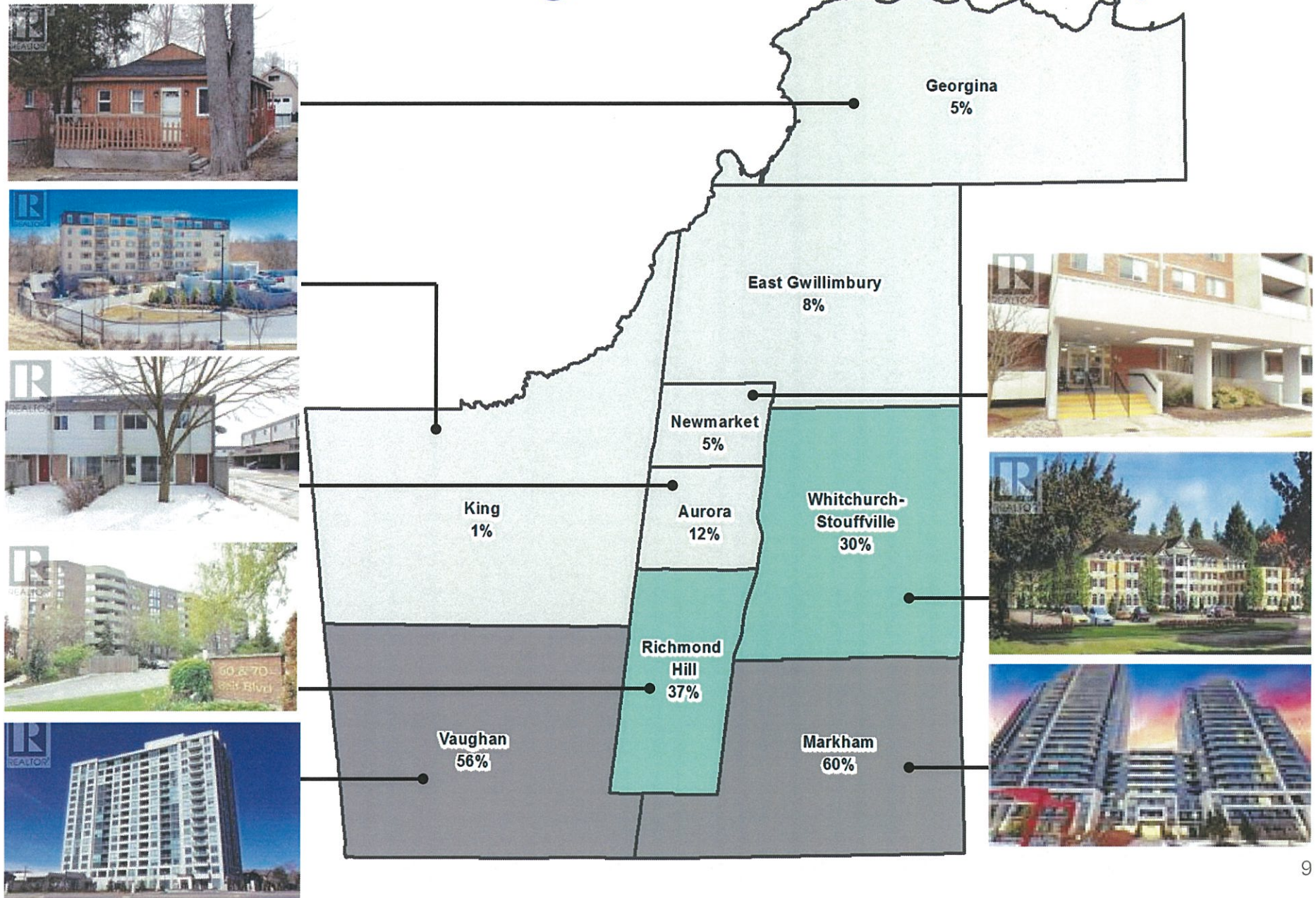
- Reena - supportive housing (60 units)
- Woodbridge Redevelopment



Housing Affordability by Income, 2016



Affordable Housing Distribution and Options



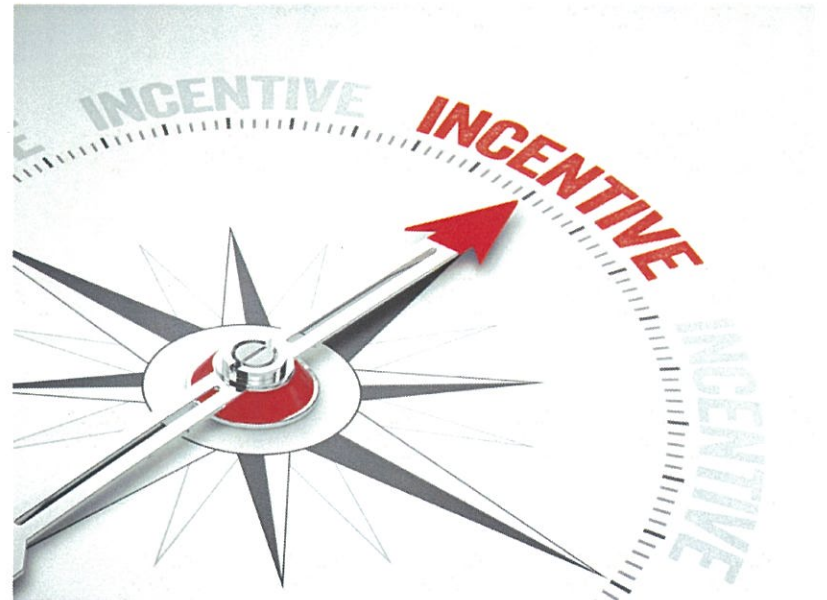
Regional/Local Municipal Housing Partnerships

- To investigate potential approaches to housing supply and affordability issues
- Development of a housing incentives framework



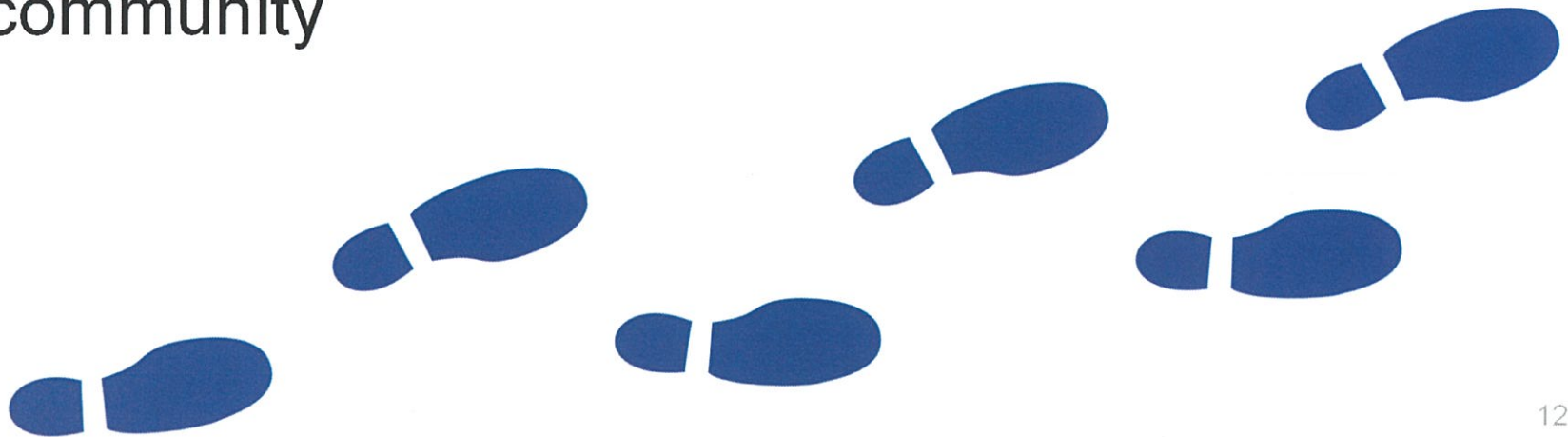
Potential Elements of an Incentives Framework

- Incentives and offsets
- Incentive vehicles
- Market segments
- Geographic focus
- Policy and zoning approaches



Next Steps

- Continue working group partnership to find local housing solutions
- HSPB creating awareness by bringing together government, building industry and corporate leaders
- Opportunities for housing partnerships in your community



For Information or Partnership Opportunities

Valerie Shuttleworth

Chief Planner, Planning and Economic Development, Corporate Services

Rick Farrell

General Manager, Housing Services, Community and Health Services

Lisa Gonsalves

Director, Strategies and Partnerships, Community and Health Services

**YORK REGION AFFORDABLE HOUSING INITIATIVES
INFORMATIONAL PRESENTATION
WARDS 1 TO 5**

Recommendation

The Deputy City Manager, Planning and Growth Management and the Director of Policy Planning and Environmental Sustainability recommend:

1. THAT this report and presentation provided by York Region Long Range Planning, Human Services Planning Board of York Region and Housing York Inc. entitled "York Region Affordable Housing Initiatives and Incentives", BE RECEIVED for information purposes; and
2. THAT staff in Real Estate and Policy Planning and Environmental Sustainability be directed to work with Housing York Inc. to explore opportunities for Affordable Housing Initiatives on any vacant or underutilized City lands as part of its Strategic Land Acquisition Study and review of its portfolio and report back with findings.

Contribution to Sustainability

Provision of a mix of housing types and affordable housing is consistent with the Goals and objectives of Green Directions Vaughan as reflected in Goal 2, below:

Goal 2: *To ensure sustainable development and redevelopment*

Objective 2.3: To create a City with sustainable built form

Action 2.2.3: "Through the policies to be developed in the new Official Plan, ensure that a mix of housing types are provided in Vaughan and that affordability is a consideration in planning."

Economic Impact

There is no economic impact associated with this report. The presentation includes information on Bill 7 the *Promoting Affordable Housing Act* which amends the *Development Charges Act* to exempt second units in new homes from development charges. Policy Planning and Environmental Sustainability and Legal Services reported on these changes to Committee of the Whole June 21, 2016 (Item 40, Report No. 27).

Communications Plan

There is no Communications Plan associated with this report. All presentation material will be posted on the City's website at www.vaughan.ca.

Purpose

The purpose of this report is to provide the policy background related to the presentation by York Region Long Range Planning, the Human Services Planning Board of York Region and Housing York Inc. The presentation will inform Council of the current affordable housing initiatives and incentives being undertaken by each organization. The report also describes recent initiatives undertaken by the City concerning affordable housing.

Background and Analysis

1) Provincial Policy Context

- a) The Planning Act: Housing is a key area of Provincial interest and central to developing strong, complete communities. To ensure access to adequate housing for all residents, the Provincial government has identified affordable housing as an area of increased focus. Through changes to the land use planning framework, including the *Planning Act*, the Province is seeking to produce more affordable housing options for low and moderate income groups and provide for an increased role for local municipalities in achieving these objectives.
- b) The Provincial Policy Statement (PPS 2014): The *PPS 2014* outlines the Provincial interest in key focus areas in the regulation of land use planning and development, including housing. Section 1.4.1 sets out the general housing objective “to provide for an appropriate range and mix of housing types and densities required to meet projected requirements of current and future residents...”. The *PPS 2014* also requires municipalities to establish minimum affordable housing targets in their Official Plan and provides the following definition of affordable housing:

Affordable means:

- 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 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*.

- c) The Growth Plan for the Greater Golden Horseshoe (2006): The *Growth Plan* addresses the housing market in the context of growth management. The *Growth Plan* reiterates the goal of producing a mix of housing types as well as “taking into account *affordable housing needs*” (Section 2.2.3.6.i). Section 3.2.6.6 requires Upper-tier municipalities to develop a housing strategy, including Official Plan policies that require the development of affordable ownership and rental housing opportunities.
- d) The Long Term Affordable Housing Strategy (2010) update 2016: In response to growing concerns over housing affordability, the Provincial government introduced the *Long Term Affordable Housing Strategy* in 2010. The *Strategy* outlines affordable housing policies and provides for a more active role for local municipalities in the sector. Upper-tier municipalities are now required to develop a 10 year Housing Plan. An update to the *Strategy* released in 2016 provides new funding programs and expanded policy tools for application by local municipalities to produce more affordable housing units. Amendments to the *Development Charges Act* and *Building Code* were also made to facilitate the construction of more secondary suites.

- e) The Strong Communities through Affordable Housing Act, 2012: The *Strong Communities through Affordable Housing Act, 2012* requires that local municipalities include Official Plan and Zoning By-law permissions for secondary suites, as-of-right. While a specific date was not specified as to when secondary suites policies must be implemented, local municipalities are expected to be actively working towards achieving this objective. In response, the City has successfully advanced a Secondary Suites Policy Framework and Implementation Strategy that received Council approval in February 2017.
- f) The Promoting Affordable Housing Act, 2016: The *Promoting Affordable Housing Act, 2016* permits local municipalities to implement “inclusionary zoning”. Inclusionary zoning allows municipalities to implement Official Plan policies and Zoning By-laws that require the provision of a certain percentage of Affordable Housing units in new residential developments that are to be maintained as affordable over a specified period of time. The *Promoting Affordable Housing Act* received Royal Assent on December 8, 2016, Regulations related to inclusionary zoning remain under development.

2) York Region - Affordable Housing Policy Framework and Initiatives

The Regional Municipality of York is the provincially designated Housing Service Manager in York Region and supports affordable housing through the local planning policy framework and assisted housing programs. As required by the *Long Term Affordable Housing Strategy, 2010*, York Region developed *Housing Solutions: A Place for Everyone*, the 10 year housing plan that informs all related affordable housing policies. Implementing policies and programs are described below.

- a) Section 3.5 of the York Region Official Plan (YROP 2010) describes the planning objectives concerning the housing market. In conformity with Provincial policy, Section 3.5 seeks “To promote an appropriate mix and range of acceptable housing to meet the needs of residents and workers”. To ensure the mix of housing types includes affordable housing, YROP 2010 establishes minimum affordable housing targets for new residential development. Section 3.5.6 requires that a minimum of 25% of new residential development be affordable and include a range of housing types and sizes. In designated Regional Centres and Key Development Areas, a higher 35% affordable housing target is required (Section 3.5.7).

To supplement the affordable housing requirements in the YROP 2010, the Region has also released the Affordable Housing Implementation Guidelines 2015. This document provides information necessary to achieve the affordable housing targets. As per Provincial Policy, affordable housing units that meet the thresholds are tracked, monitored and reported on in annual Progress Reports.

- b) York Region administers and provides funding to Housing York Inc. and other private non-profit housing providers for the provision and management of government assisted housing across the Region. Based on the most recent information, there are currently seven social and affordable housing communities located in Vaughan that provide approximately 537 housing units. On December 13, 2016, Vaughan Council approved zoning by-law amendment and site plan development applications (File Z.15.014 and DA.15.093) to permit the redevelopment of an existing Housing York Inc., site and a single detached dwelling located at 259/275 Woodbridge Avenue and 64 Abell Avenue. The new development will consist of a six storey, mixed-income apartment building which will provide 162 assisted affordable units and feature commercial uses at grade. Upon successful conclusion of the development review process for the Woodbridge property Housing York Inc. staff approached the City requesting to discuss whether additional opportunities may exist on City-owned land. There is a very limited amount of underutilized City-owned properties. Many City-owned sites are encumbered or are

required for other purposes including parks accommodation needs, development purposes and other community purposes. Despite the limited number of City-owned properties, the recommendation to work with Housing York Inc. to explore opportunities for Affordable Housing Initiatives on any vacant or underutilized City lands as part of its Strategic Land Acquisition Study and review of its portfolio and report back with findings is provided in this report.

- c) The Human Services Planning Board of York Region (Planning Board) is a non-profit partner organization created by York Region Council that has a mandate to improve the lives of low to moderate income households. In its work plan *Making Ends Meet in York Region: A Road Map for 2015 to 2018*, the Planning Board has identified housing affordability as an area of focus. Through advocacy work, research and workshops, including the *Make Rental Happen* campaign, the Planning Board works toward producing affordable housing options in York. The 2016-2018 Action Plan has renewed its focus on affordable housing with an emphasis on incentives research to assist the private sector in producing affordable housing.
 - d) In response to Provincial initiatives as well as growing concern over affordability in the Regional housing market, York Region established the York Region Local Municipal Housing Working Group (Working Group). Launched by Long Range Planning and the Human Services Planning Board, the Working Group was formed to examine the implementation of inclusionary zoning and has expanded its mandate to address a range of affordable housing issues concerning the mid-range housing market segment (\$78,517-\$114,648 - 2015 annual household income). Comprised of York Region staff and representatives from the nine local municipalities, the Working Group is scheduled to meet six times over the course of 2017. The objective of the Working Group is to develop an Affordable Ownership and Rental Housing Incentives Framework to encourage the private sector to produce affordable housing units.
- 3) City of Vaughan – Affordable Housing Status Update

- a) Section 7.5 *Housing Options* of Vaughan Official Plan 2010 (VOP 2010) provides the policy approach to the housing market in Vaughan. These policies were approved at the Ontario Municipal Board and now apply to new residential development applications. In conformity with YROP 2010, Section 7.5 *Housing Options* requires the provision of a mix and range of housing types and tenures. The policies emphasize the goal of developing complete communities that can accommodate the needs of residents from all age groups. Section 7.5 *Housing Options* also contains specific policies concerning affordable housing. Section 7.5.1.2 includes minimum affordable housing targets as required in the YROP 2010. Section 7.5 forms Attachment 1 to this report. It is noted that this version of Section 7.5 does not include the amendments approved by Council to permit Secondary Suites.

Affordable housing contributes to the creation of a broader range of housing types, including more compact, sustainable development (VOP 2010 Section 2.1.3). Greater access to affordable housing can also impact transportation patterns and reduce congestion as more residents are able to access housing, allowing them to live and work in Vaughan (VOP 2010 Section 7.5.1).

- b) In addition to the policies of Section 7.5, the City is striving to create more affordable housing through the implementation of the Council approved Secondary Suites Program. Staff commenced work on secondary suites in 2010, reporting to Council on January 25, 2010 and February 16, 2010. City staff followed this initial work on secondary suites in January 2012, by formally launching the City-wide Secondary Suites Study as required by Provincial legislation (File 15.112). The Study included a public consultation process and input from a Task Force, Technical Advisory Committee and project team comprised

of internal City Departments, external agencies including the Province and York Region. On February 27, 2017 Council approved the draft Official Plan Amendment, Zoning Standards and Implementation Strategy to permit secondary suites in Vaughan. Once fully implemented, secondary suites will increase the stock of rental housing and provide for greater access to affordable housing throughout the City.

- c) In addition to the ongoing work regarding the City-wide Secondary Suites Study, city staff reported to Committee of the Whole on June 21, 2016 regarding Bill 7, "*Promoting Affordable Housing Act*". This report provided Council with an update on the potential implications of the Provincial legislation (see Provincial context discussion above). Staff provided comments directly to the Ministry of Municipal Affairs in August 2016.
 - d) Policy Planning and Environmental Sustainability Staff are participating in the York Region Local Municipal Housing Working Group. Policy staff have attended all three scheduled meetings to date and presented the City's progress on the City-wide Secondary Suites Study at the first meeting.
- 4) Community Interest
- a) Recently at the April 4th, 2017 Committee of the Whole meeting, Habitat for Humanity requested that the City take a more active role in working with the Region and Habitat for Humanity. Their deputation with recommendations is attached (Attachment 2). As a result of this interest Habitat for Humanity and other housing organizations have been invited to attend this Committee meeting.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report is consistent with the Term of Council Service Excellence Strategy objectives to:

- Create and manage affordable housing options.

Regional Implications

The Presentation associated with this Report has been developed by York Region Long Range Planning, the Human Services Planning Board of York Region and Housing York Inc., to inform Council of their collective efforts to support the development of affordable housing.

Conclusions

Access to affordable housing is an important issue in York Region. In response to rising housing prices, there is considerable policy development underway at the Provincial and Regional level to develop the tools and incentives necessary to increase the stock of affordable housing. City staff will continue to participate in Region-led initiatives regarding affordable housing, including the remaining Working Group meetings. Council will be provided updates regarding ongoing affordable housing work at the City, including the implementation of the City-wide Secondary Suites Study, as well as any required municipal response to Provincial or Regional policy developments.

Attachments

1. Section 7.5 "Housing Options" – Vaughan Official Plan 2010
2. Habitat for Humanity Presentation – Committee of the Whole (April 4, 2017)

Report prepared by:

Cameron Balfour, Planner I, ext. 8411
Arminé Hassakourians, Senior Planner, ext. 8368

Respectfully Submitted,

JOHN MACKENZIE
Deputy City Manager
Planning and Growth Management

MARK CHRISTIE
Director of Policy Planning and
Environmental Sustainability

/lm

7.5 Housing Options

7.5.1 Ensuring a Range of Housing Options

The transformation of Vaughan to a healthy, sustainable and vibrant urban place includes ensuring there is a diversity of housing options to accommodate all those who choose to make Vaughan their home. A wider variety of housing choices will mean that children who grow up in Vaughan will be able to stay close to their family as young adults, and seniors who have lived in the community can remain here in housing that best meets their needs. More housing choices will also mean less congestion on roads as more people who work in the City can also find housing opportunities here too.

Increasing housing choices means more options in three areas:

- **Housing Type:** adding a greater range of housing types and sizes, including more townhouses, stacked townhouses and multi-unit buildings, to the existing housing stock which still primarily consists of single-detached and semi-detached houses.
- **Housing Tenure:** adding more rental units, as currently only 7% of Vaughan's current housing stock is rental.
- **Housing Affordability:** adding more *affordable* housing options, as currently over a quarter of Vaughan residents spend more than 30% of their gross income on housing (a common threshold for affordability) and there are fewer than 500 units of *social housing* in the City.

Improving housing choice and access is a priority at both the Provincial and Regional level. Both the Provincial Growth Plan and the York Region Official Plan require municipalities to plan for a range and mix of housing options, including *affordable* housing. Among other tools such as setting *affordable* housing targets, municipalities are required to encourage *secondary suites* in the built-up area.

It is the policy of Council:

- 7.5.1.1. To encourage and support the provision of a full range of housing options including ownership and *rental housing*, *social housing*, housing for seniors, *supportive housing*, emergency shelters for women and families, accessible housing that meets the needs of people with disabilities and other types of housing that meets the needs of Vaughan's diverse population.
- 7.5.1.2. To work with York Region in implementing its *affordable* housing policies as follows:

- a. requiring 25% of all new housing units in Vaughan be *affordable* and that a portion of these units should be accessible for people with disabilities ;
- b. requiring that a minimum of 35% of new residential units in *Key development areas* be *affordable* housing units;
- c. requiring a housing strategy within all Secondary Plans, which will demonstrate how *affordable* housing targets will be met; and
- d. assisting with the provision of *affordable* housing, where appropriate.

7.5.1.3. To require that all *significant developments* that include a residential component demonstrate their contribution to meeting the City's housing objectives through the preparation of a housing options statement. Housing options statements will be required for all Block Plan, Plan of Subdivision, Official Plan Amendment and Zoning By-law Amendment applications, and describe the following:

- a. the total distribution of housing types;
- b. tenure types and distribution;
- c. the range of unit sizes, both in terms of floor area and number of bedrooms;
- d. special residential components, such as social or senior housing; and
- e. the proposed unit type and anticipated unit/sale price at the time of preparing the housing options statement. Further guidance on performance metrics for *affordable* housing will be established through the *affordable* housing implementation framework referenced in Policy 7.5.1.7.

7.5.1.4. To support and prioritize the following housing initiatives:

- a. the *development* of housing appropriate for seniors, such as *affordable* ownership, and *affordable* rental, within existing and new communities;
- b. the provision of family-sized housing units, which are appropriate for families with children, in ***Intensification Areas***;
- c. considering *universal accessibility* and accommodations for people with disabilities in the *development* of design guidelines and standards for new residential *development*; and
- d. allowing *secondary suites* where deemed appropriate by a City-initiated study.

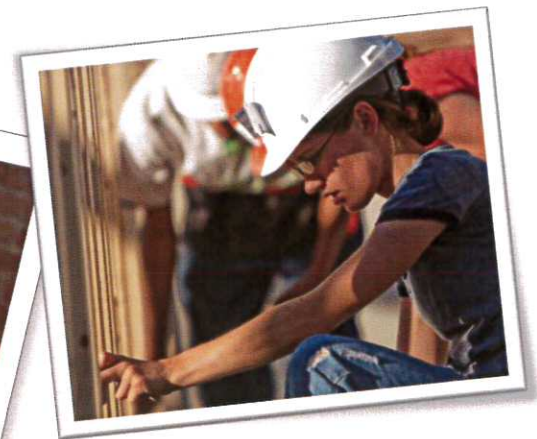
7.5.1.5. That housing for vulnerable populations is protected by permitting emergency shelters for women and families and group homes for people with *developmental* disabilities in all land use designations where residential uses are permitted, subject to the policies in Chapter 9 of this Plan.

- 7.5.1.6. To protect existing *rental housing* consisting of greater than 6 rental units from both demolition and conversion to condominium ownership or non-residential use by prohibiting such demolitions or conversions that would result in a rental vacancy rate of less than 3% City-wide.
- 7.5.1.7. To work with York Region to develop a housing needs study and an *affordable* housing implementation framework to achieve the *affordable* housing needs policies of this Plan.

Supporting Vaughan's Affordable Housing Challenge

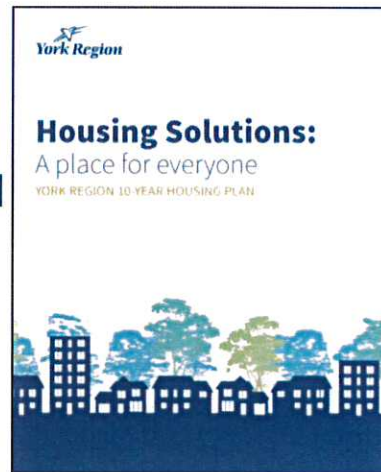
Presentation to the City of Vaughan Committee of the Whole

April 4th, 2017



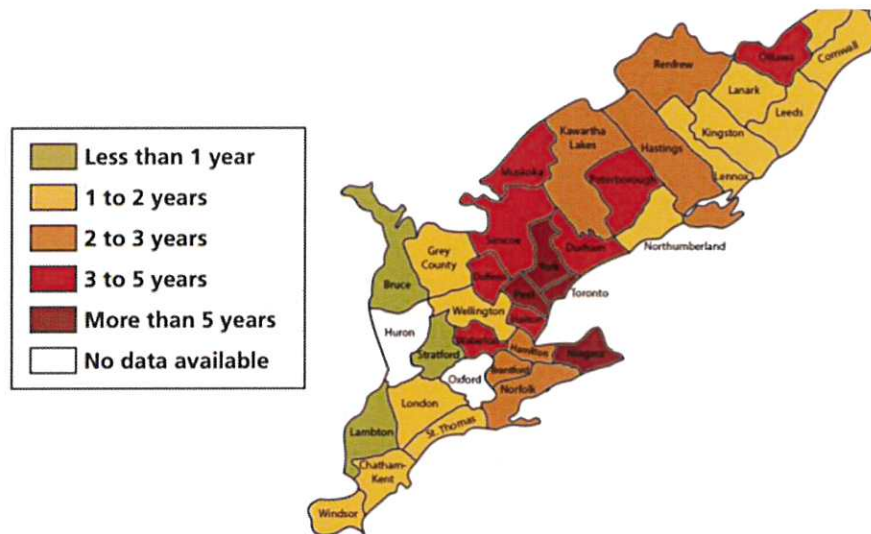
York Region's Challenge

York Region has a strong vision and solid road-map for housing



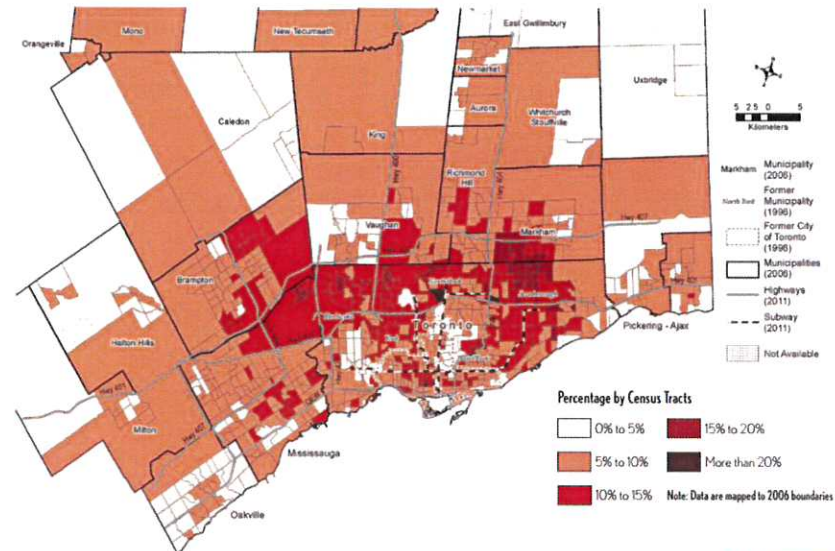
.... But it faces significant and growing challenges in achieving its housing goals ...

.... the Region's wait time for affordable housing are among the highest in Ontario



Source: 2015 Waiting Lists Survey, Ontario Non-Profit Housing Association.

... and the number of low income households is growing, particularly in the south of the Region.



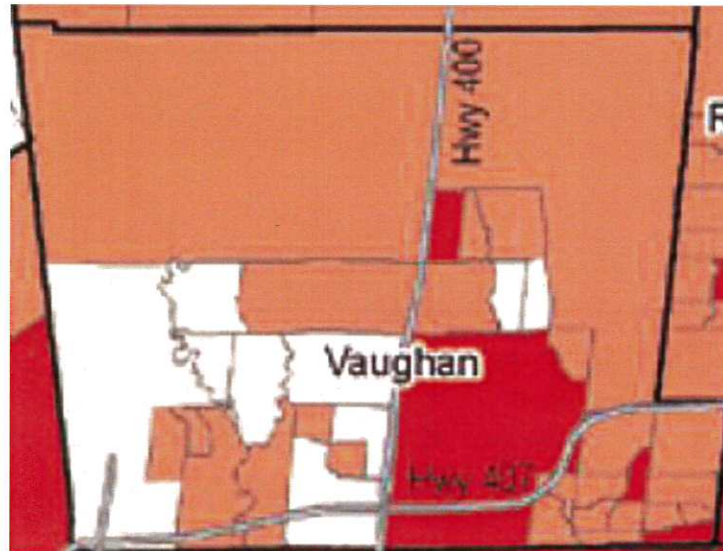
Source: Mapping the Working Poor in Toronto Region, The Metcalf Foundation, April 2015



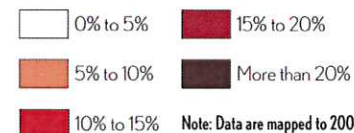
Working Poor in Vaughan

Vaughan: Percentage of Working Poor Individuals Among the Working-Age Population After Tax

2006	6.0%
2012	7.1%
% Change	18.3%



Percentage by Census Tracts



Note: Data are mapped to 2006 boundaries

Source: Mapping the Working Poor in Toronto Region, The Metcalf Foundation, April 2015

Note: Working age population defined as individuals who are between 18 and 64, non-students and living on their own. Working status refers to persons having earnings no less than \$3,000. Poor status refers to individuals with census family income below the Low Income Measure (50% of adjusted after-tax median income of all Canadians). Working poor status 2006 and 2012 determined from taxfiler data (T1FF)



Our Proposition

The growing affordable housing demands facing the City of Vaughan are a threat to the City's economic wellbeing and vitality.

Affordable home ownership can and should be a critical plank of ensuring residents of Vaughan have safe and affordable options for places to live:

- It creates “off-ramps” for low income households from affordable rental housing, thus, freeing up capacity to absorb new affordable housing demands arising from population growth
- It unleashes unrealized human capacity as low income households are enabled to move towards middle income.
- It gives rise to more mixed-income communities which can lead to a stronger municipality.

Habitat for Humanity GTA can be part of this solution and has demonstrated our capacity to do so in both Peel Region and Toronto.

York Region and its municipalities are essential partners in realizing the benefits of affordable homeownership.



Who We Are

- Habitat for Humanity Greater Toronto Area was formed in 2014, after amalgamating with three affiliates: Brampton Caledon, Toronto, and York.
- The organization's mission is to break the cycle of poverty by producing affordable homeownership opportunities for working poor families.
- To-date, Habitat GTA has produced 336 homes, with another 58 under development.
- Currently we are focused on increased density build forms: stacked, back-to-back townhomes, mid-rise, and other multi-unit construction.
- Our goal is to become a housing provider capable of delivering over 100 home ownership opportunities per year, every year.



Who We Serve

Habitat partner families are led by hard-working parents who are providing critical services to communities like Vaughan while struggling to raise their children on very low incomes.

Average 2 Bed Apartment	\$1322 per month ¹
Average 3 Bed Apartment	\$1488 per month ¹

Occupation	Average GTA Salary ²	Housing as a % of Salary
		3 Bed Apt.
Dental Assistant	\$37,440	48%
Nursing Aid	\$39,686	45%
Bus Driver	\$44,928	40%
** Two minimum wage earners	\$45,600	39%
Executive Assistant	\$50,391	35%
Roofer	\$58,240	31%

Source:

¹CMHC Rental Market Report, GTA, 2016

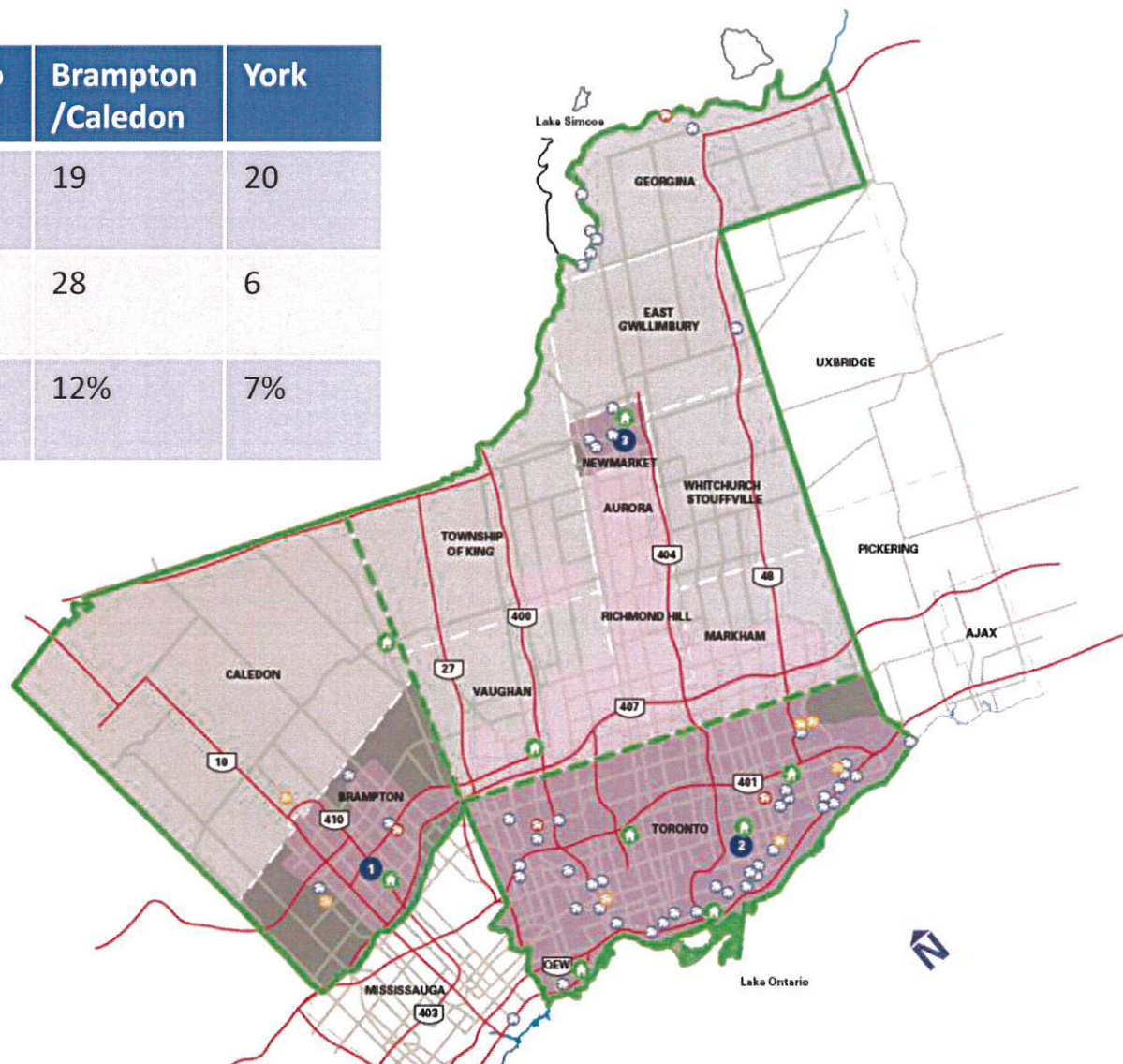
²<https://www.livingin-canada.com/work-salaries-wages-canada.html>



Habitat for Humanity GTA

Building in Brampton, Caledon, Toronto and York Region

	Toronto	Brampton /Caledon	York
Homes completed	297	19	20
Under development	30	28	6
Total %	82%	12%	7%



How we make it work

We remove the barriers to home ownership for families through ...

- ✓ 500 hours “sweat equity” instead of cash down payment
- ✓ Zero interest mortgages
- ✓ Mortgage payments adjusted to 30% of household income (net of property tax, insurance, and condo fees)
- ✓ Equity sharing formula for any remaining principle at the end of 20 year mortgage term

We lower the cost of building homes through ...

- ✓ Volunteer labour
- ✓ Donations of cash, building materials and services
- ✓ Creative arrangements with municipalities relating to land acquisition and fees
- ✓ Proceeds from ReStores which pay all of our administrative and fundraising overhead
- ✓ Mortgage payments from Habitat homeowners



Ways Municipal Governments Can Help

Land

- Access to surplus municipal land

Government Fees*

- Development charges
- Parkland dedication
- Site plan applications / Building permits

* Either deferrals or exemptions

Developer Partnerships

- Incorporating affordable housing requirements in the approvals process.
- Swapping density bonuses, service allocations, or other tools for “Habitat units”

Other

- “Fast track” approvals
- Inclusionary zoning

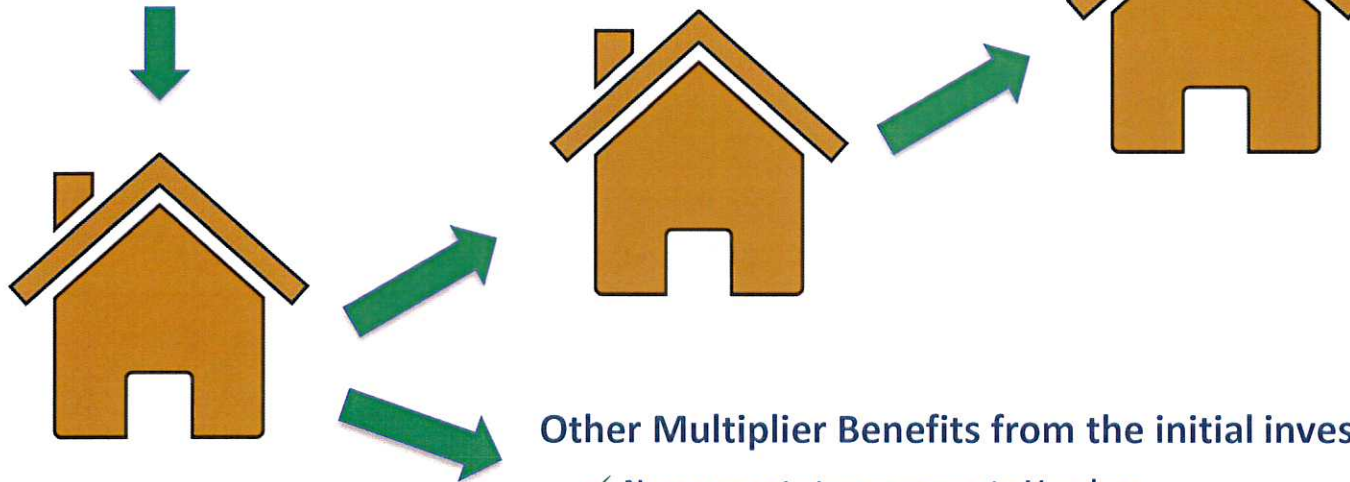


The Economics of Habitat for Humanity Builds in the City of Vaughan

When a city provides support to Habitat, the value of these contributions are fully recovered through mortgage payments by our homeowners, and reinvested in the next home..... and the next home.....



VAUGHAN
\$\$\$ / Support



Other Multiplier Benefits from the initial investment

- ✓ New property tax revenues to Vaughan
- ✓ Low income rental unit freed up for next family
- ✓ Reduced reliance on social programs
- ✓ 2nd and 3rd generation benefit as cycle of poverty is broken



The Peel Success Story (2014-2018): Impact of Regional and Municipal participation:



	Region of Peel	Municipality of Brampton	Municipality of Caledon
LAND		Surplus land – 18 homes (2015)	Secondary Plan policy requiring 1 acre of serviced land to be allocated to Habitat GTA
FUNDING	\$90k per door for 50 homes over 5 year period		
RELIEF	Regional development charges and other fees are offset through the funding agreement.	Grant in lieu of development charges and a waiver of fees and charges related to the development (*relief of cash in lieu of parkland; building permit fees; planning application fees; amongst other fees)	Deputation request for grant in lieu of development charges and a waiver of fees and charges related to the development



The Peel-Caledon-Brampton Success Story

Impact of Regional and Municipal participation:

2004 – 2013 (10 years)	2014 – 2018 (5 years)
3 homes built	44 homes built

It is our desire to replicate this partnership in Vaughan and York Region, and provide similar benefits to deserving families.



Requests of Council

1. Surplus land review
2. Policy review of opportunities to include affordable home ownership as a condition of planning approvals



For more information, contact:

Daniel Ger

Vice President, Land

Habitat for Humanity Greater Toronto Area

155 Bermondsey Road | Toronto, ON M4A 1X9

Daniel.Ger@habitatgta.ca

T: (416) 755 7353 x 229





THANK YOU!



Building in
Brampton, Caledon,
Toronto & York Region

