

# Northumberland County **Affordable Housing Strategy**

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Final Report

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Prepared by



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# 1.0 Introduction

Northumberland is located east of Durham Region, south of Kawartha Lakes and Peterborough County, and west of Prince Edward County. It has easy access to the Greater Toronto Area. Northumberland is composed of seven member municipalities: the Township of Alnwick/Haldimand, Municipality of Brighton, Town of Cobourg, Township of Cramahe, Township of Hamilton, Municipality of Port Hope, and Municipality of Trent Hills.

As the upper tier municipality and the Service Manager, Northumberland County is responsible for housing and homelessness services in the area. The County also manages the centralized waiting list for subsidized housing, social housing programs, and non-mandated affordable housing programs.

## Purpose of the Study

The primary goal of this project is to develop an affordable housing strategy with a focus on increasing the supply of rental housing at a variety of affordability depths through a range of tools and incentives across Northumberland.

## Study Approach

This study is being undertaken in two phases. The first phase of work involves an assessment of the housing needs and gaps along the housing continuum in Northumberland. This phase of work also includes a range of engagement activities which are further described below. The second phase of work involves developing an affordable housing strategy for Northumberland as well as for each of the member municipalities.

## Research Questions

The following research questions were established to guide the development of this Affordable Housing Strategy.

1. What are the current and future housing needs and gaps in Northumberland along the housing continuum?
2. What does affordable housing mean in the Northumberland context?
3. How might we prioritize the key housing gaps in Northumberland to lead to actionable and impactful recommendations for all households along the housing continuum?
4. How might we optimize the use of tools and incentives to encourage the development of housing which addressed the gaps, including affordable rental housing?

## Sources of Information

This study uses data and information from the most reliable and relevant sources available, including custom tabulation data as well as readily available census profile data from Statistics Canada. Other sources include the Canada Mortgage and Housing Corporation's Housing Information Portal and data and information from the County, member municipalities, and non-profit housing providers. Data and information from the 2016 and 2018 homelessness enumerations undertaken by the County and community partners were also incorporated into the study.

In addition, the approach to this study included a series of engagement activities to gain information from Northumberland residents, key stakeholders and persons with lived experience. A total of sixteen engagement activities have been undertaken as part of this study and in addition to presentations to County and member municipal councils. First, an online survey of Northumberland residents was undertaken from May 14<sup>th</sup> to June 18<sup>th</sup>, 2018 which resulted in a total of 257 responses. Another survey was conducted with people with lived experience from May 30<sup>th</sup> to June 29<sup>th</sup>, 2018 which resulted in 19 responses. A third survey was undertaken by email and was targeted to community agencies and housing providers. This was conducted from May 30<sup>th</sup> to June 27<sup>th</sup>, 2018 and resulted in 35 responses. In addition to the survey, a meeting with the Northumberland Affordable Housing Committee was conducted on June 5<sup>th</sup>, 2018 to introduce the project to the committee and to explore the key housing issues in Northumberland. Two in-person engagement sessions were conducted with key stakeholders from the private, not-for-profit, and public sectors on June 24<sup>th</sup>, 2018 to present the preliminary findings and discuss ideas for addressing the housing gaps. Another engagement session was conducted with County and member municipal councillors and senior staff on September 19<sup>th</sup>, 2018 to further discuss the ideas for housing actions to address the key housing gaps. The Working Group was engaged to identify desired future outcomes and additional actions to achieve the identified outcomes. Another session with the Working Group took place on November 2, 2018 to review the draft strategy for the County. In addition, meetings with each member municipality will be conducted to review the individual strategies for the member municipalities.

## Study Area

This study looks at the housing needs and gaps for Northumberland as a whole as well as for each of the member municipalities. Ontario is used as a comparator to provide context to the findings for Northumberland.

**Figure 1: Study Area Map: Northumberland County; 2018**



## Report Format

This report includes the work for phases one and two of this study. The first part of the report includes the housing needs assessment for Northumberland as a whole as well as for each member municipality. Detailed data tables have been included in the appendix. As part of the work on phase two, the report includes an overview of the policy framework for the development of affordable housing in Northumberland. This report also includes the Affordable Housing Strategy, which identifies desired future outcomes and the action plan to achieve these outcomes.

## Housing Spectrum

Ideally, the housing supply in a community responds to the range of housing need. However, due to demographic, social, economic and geographic factors which impact housing need and demand, the private housing market does not always meet the full range of housing need in a community. This is particularly true for individuals and families with low incomes or for persons with unique housing and support service needs. The housing needs of these population groups are often met by non-market housing provided by the public and non-profit sectors. It should be noted that people can move back and forth along the housing spectrum through different stages of their lifetime. For example, a senior home owner may choose to sell their home and move to the private rental market. There may also be households who were in subsidized rental housing who are able to move to affordable ownership. As such, it is important for each community to have an adequate supply of units throughout the entire spectrum.

The different elements of the housing spectrum are:

### **Emergency Shelters**

These provide short-term accommodation (usually 30 days or less) for individuals and families who experience homelessness.

### **Transitional Housing**

This is housing with support services to help individuals move towards independence and self-sufficiency. Residents can stay in these beds/units for up to four years.

### **Supportive Living**

This is housing with support services to help people with special needs to live independently. The accommodation costs are usually, but not always, subsidized. This type of housing is generally for persons with physical, developmental, or cognitive disabilities as well as frail seniors and persons with mental health issues.

### **Community and Affordable Rental Housing**

This is rental housing which has received some capital funding from government sources and/or funding for its operations. This category includes social housing or rent-geared-to-income (RGI) housing units as well as below market rental housing units which are intended for households with low and moderate incomes (based on the household income limits set by the province) and are provided in public, non-profit, or co-operative housing developments. This category also includes private rental units with rent supplement agreements as well as seniors' lodges and licensed assisted living apartments.

### **Affordable Ownership Housing**

These are ownership housing units which are affordable to households with low and moderate incomes. Some, but not all, of these units have been built with some form of government assistance.

### **Market Rental Housing**

These are rental units in the private rental market and include purpose-built rental units as well as units in the secondary rental market, such as second suites and rented single detached dwellings.

### **Market Ownership Housing**

This refers to ownership units priced at average market values and purchased with or without a mortgage but without any government assistance.

**Figure 2: The Housing Continuum**



## 2.0 Housing Need Analysis



What is the nature of housing need in Northumberland?

Population and household characteristics are important elements which influence housing need in a community. This section examines the demographic and socio-economic characteristics and trends in Northumberland County and in each of the member municipalities and how these impact the need for housing. The indicators examined include the age of the population, household size, type and tenure, and household incomes.

### Population Trends and Projections

According to Statistics Canada, there were 85,598 people living in Northumberland in 2016; up by 5.7% from 2006. The population is expected to continue to increase by 24.2% to 106,330 people by 2041<sup>1</sup>. In comparison, the Ontario population increased by 10.6% from 2006 to 2016 and is expected to continue to increase by 37.4% to 2041<sup>2</sup>. This shows that Northumberland has grown at a much slower pace compared to the province as a whole.

The change in the number of people living in Northumberland can be partly attributed to people moving from outside of Northumberland, either from a different part of Ontario, from a different province or territory, or from a different country. There were a total of 18,260 people who moved into Northumberland from 2011 to 2016 and 91.2% of these movers were from a different part of the province while 5.7% were from another province and 3.1% were from another country.

Among the member municipalities, Brighton saw the highest rate of growth from 2006 to 2016; increasing by 15.5% while Hamilton had the lowest with a population decrease of 0.3%.

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<sup>1</sup> Watson and Associates (2014). Northumberland Housing Forecast by Area Municipality. Accessed from: [http://www.northumberlandcounty.ca/en/planning/resources/Official-Plan/Northumberland\\_Housing\\_Report\\_-\\_September\\_30\\_2014.pdf](http://www.northumberlandcounty.ca/en/planning/resources/Official-Plan/Northumberland_Housing_Report_-_September_30_2014.pdf)

<sup>2</sup> Ontario Ministry of Finance (2017). Population Projections for Ontario 2017-2041. Accessed from: <https://www.fin.gov.on.ca/en/economy/demographics/projections/table1.html>

**Table 1: Population Trends and Projections: Northumberland and Member Municipalities; 2006 - 2041**

Population Projections	2006	2011	2016	2031*	2036*	2041*	% Change (2006-2016)	% Change (2016-2041)
<b>Northumberland</b>	80,963	82,126	85,598	96,650	101,500	106,330	5.7%	24.2%
<b>Alnwick/Haldimand</b>	6,435	6,617	6,869	7,330	7,570	7,810	6.7%	13.7%
<b>Brighton</b>	10,253	10,928	11,844	11,930	12,270	12,610	15.5%	6.5%
<b>Cobourg</b>	18,210	18,519	19,440	24,120	25,980	27,840	6.8%	43.2%
<b>Cramahe</b>	5,950	6,073	6,355	6,660	6,860	7,050	6.8%	10.9%
<b>Hamilton</b>	10,972	10,702	10,942	11,740	12,080	12,430	-0.3%	13.6%
<b>Port Hope</b>	16,390	16,214	16,753	20,540	21,980	23,420	2.2%	39.8%
<b>Trent Hills</b>	12,247	12,604	12,900	13,860	14,290	14,700	5.3%	14.0%
<b>Ontario</b>	12,160,282	12,851,821	13,448,494	16,795,039	17,642,442	18,477,833	10.6%	37.4%

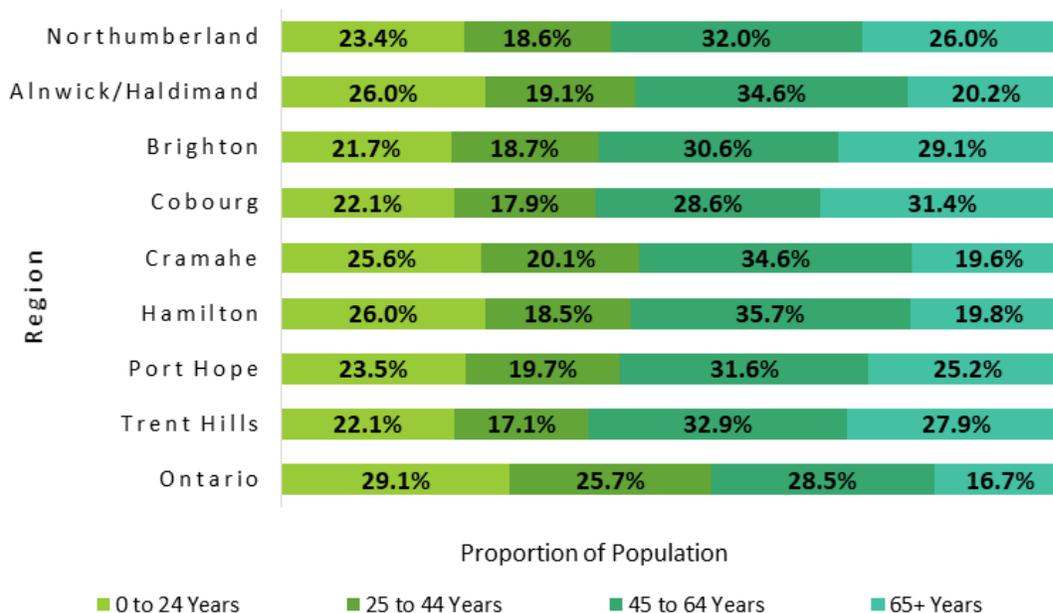
\*Please note: This is a projected number.

Source: Statistics Canada Community Profiles 2016 and Northumberland Housing Forecast by Area Municipalities 2014

## Population Age

In 2016, more than a quarter (26.0%) of the Northumberland population were seniors aged 65 years and older and 32.0% were aged 45 to 64 years. In comparison, 16.7% of Ontario’s population was aged 65 years and older in 2016 and 28.5% were aged 45 to 64 years. Adults aged 25 to 44 years made up 18.6% of all Northumberland residents in 2016 while youth 24 years and younger made up 23.4%. In comparison, adults made up 25.7% of Ontario’s population and youth made up 29.1% in 2016.

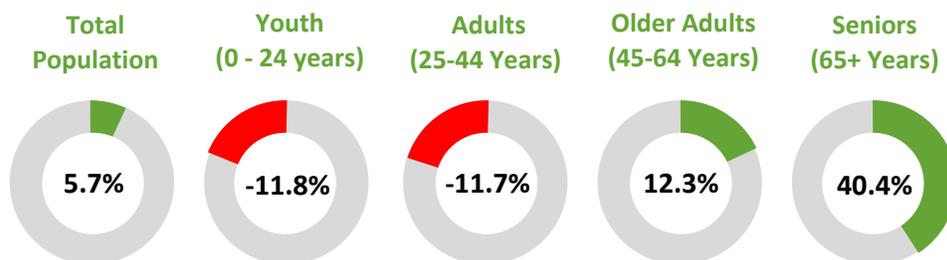
**Figure 3: Population by Age: Northumberland and Member Municipalities; 2016**



Source: Statistics Canada Community Profiles 2016

In addition, the number of adults and youth in Northumberland decreased by 11.7% and 11.8% respectively from 2006 to 2016 while older adults aged 45 to 64 years increased by 12.3% and seniors aged 65 years and older increased by 40.4% during the same time period. This suggests that Northumberland has an older population compared to the province as a whole and it will keep aging faster than Ontario as a whole in the next ten years. This data also shows that the working-age population in Northumberland is shrinking.

**Figure 4: Population Growth by Age: Northumberland; 2006 - 2016**



Source: Statistics Canada Community Profiles 2006 – 2016

Among the member municipalities, Cobourg has the largest share of seniors aged 65 years and older (31.4%) while Cramahe had the smallest (19.6%). However, Cramahe still had a larger proportion of seniors compared to Ontario as a whole.

### Indigenous Peoples

There were 2,275 Indigenous peoples in Northumberland in 2016, making up 2.7% of the total population. Similarly, Indigenous peoples made up 2.8% of the total population in Ontario in 2016.

### Franco-Ontarians

In 2016, 1,140 people in Northumberland had French as their first language, making up 1.3% of the total population. This is a smaller proportion compared to 3.7% in Ontario as a whole.

### People Who are Homeless or At-Risk

The Canadian Observatory on Homelessness defines homelessness as follows:

“The situation of an individual or family without stable, permanent, appropriate housing, or the immediate prospect, means or ability of acquiring it.”<sup>3</sup>

<sup>3</sup> Gaetz, Donadson, Richter, & Gulliver (2013), The State of Homelessness in Canada 2013. Accessed from: <http://homelesshub.ca/sites/default/files/SOHC2103.pdf>

Homelessness can take many forms. While people living on the street or in their cars are the most obvious forms of homelessness, people who have no permanent homes, such as those who are couch surfing or living in motels, are also considered part of the homeless population.

In 2018, the homelessness enumeration in Northumberland<sup>4</sup> surveyed<sup>5</sup> a total of 58 individuals and 19 families who were homeless over a one-week period. On average, these individuals had been homeless for twenty-one months while the families had been homeless for an average of seventeen months.

Of the individuals who were homeless, the largest proportion (26.9%) were couch surfing while 25% were staying in a motel. A total of 15.4% had other sleeping arrangements. In addition, 9.6% were sleeping outdoors. Of the families in Northumberland who were homeless, 50% reported they were couch surfing, 20% were in shelters, 20% were living outdoors, and 10% were in transitional housing.

Indigenous peoples made up 28.8% of the individuals who were homeless and 10% of the families who were homeless. This shows that Indigenous peoples are much more likely to be homeless considering that Indigenous peoples make up only 2.7% of the population in Northumberland.

The results also show that all the families who were homeless were single-parent families, 70% of whom were female-led.

A 2016 report on the state of homelessness in Northumberland used the VI-SPDAT self-reporting tool to assess the housing support need of homeless individuals and families. This showed the majority of individuals who were homeless (60%) required time-limited case management and/or financial supports (rapid rehousing). Sixteen individuals (28%) had high scores which means they would need permanent supportive housing. An additional 12% scored low and require mainstream housing with little to no supports. In contrast, 65% of the families required permanent supportive housing; 29% required rapid rehousing (temporary supports), and 6% required mainstream housing with minimal supports<sup>6</sup>.

## People at Risk of Homelessness

In addition to individuals who are homeless, results from the 2016 homelessness enumeration show that volunteers also spoke with 179 individuals and 48 families were at risk of

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<sup>4</sup> Northumberland 2018: Homelessness Enumeration

<sup>5</sup> It should be noted that enumeration data is reflective only of those individuals and families who spoke with volunteers during a one-week period, and who chose to complete the survey. The results should not be considered an exhaustive picture of households experiencing homelessness in our community.

<sup>6</sup> A Home for Everyone is Key: 2016 State of Homelessness in Northumberland County.

homelessness. Of those who were at risk of homelessness, 37% (66 people) of all individuals and 44% (21 families) of families had been homeless in the last three years. Indigenous peoples again made up a large share, with 16% of the individuals at risk and 23% of the families. In addition, single-parent families made up 73% of those who were at risk of homelessness<sup>7</sup>.

As part of the work on this Affordable Housing Strategy, a survey of people with lived experience was undertaken with the assistance of community agencies in Northumberland. While the results should be interpreted with caution, as there were only 19 respondents to the survey and not everyone answered every question, these results provide further insight on the challenges individuals and families face in terms of their housing. The largest number of respondents were families (4 responses) and half were lone parent families.

The responses to this survey show that the largest proportion of respondents (42% or 5 responses) were paying more than half of their income on housing costs, making them at risk of homelessness. In addition, 25% (3 responses) were currently homeless and staying in temporary accommodation such as with family, friends or a motel.

When asked for the main reason for their housing issues, half of the respondents (6) noted that it was because they could not afford rent and a third (4 responses) said it was because they could not afford utilities. Of those who responded, six (55%) had not been in this situation before while five (45%) had been in this situation before. Most of the respondents (82%) noted that ongoing financial assistance to pay rent would be one of the most important things that would help their housing situation. Just over a quarter (27% or 3 responses each) noted that eviction prevention and help finding a job would also significantly impact their housing situation. This response may be partly due to the fact that the majority (64% or 7 responses) were not employed.

This shows that, in addition to people who are absolutely homeless, there are also individuals and families in Northumberland who are at risk of homelessness and for many of them, housing affordability is the main issue.

## Household Trends and Projections

While population trends and characteristics are important indicators of housing need, the characteristics of households are more directly related to housing need as each household requires a housing unit. As such, it is important to understand the trends in the number, tenure, size, and type of households in a community to understand the housing need in that community.

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<sup>7</sup> A Home for Everyone is Key: 2016 State of Homelessness in Northumberland County.

There were 35,685 households in Northumberland in 2016; increasing by 13.1% from 31,550 in 2006. Similarly, the number of households in Ontario increased by 13.5% during the same time period. The increase in the number of households in Northumberland is much higher than the increase in the population (13.1 vs. 5.7%). This indicates that households are getting smaller.

Of the member municipalities, Brighton saw the highest rate of increase from 2006 to 2016; increasing by 20.4% while Hamilton saw the lowest rate of increase (7.0%).

The number of households in Northumberland is expected to continue to increase by 28.4% to 45,811 by 2041. Cobourg is expected to see the highest rate of increase from 2016 to 2041 (46.8%) followed by Port Hope (45.6%) while Brighton is expected to see the slowest rate of growth at 12.2% in the next 25 years.

**Table 2: Household Trends and Projections: Northumberland County and Member Municipalities; 2006 - 2041**

Locality	2006	2011	2016	2031*	2036*	2041*	% Change 2006 - 2016	% Change 2016 - 2041
<b>Northumberland</b>	31,550	33,310	35,685	41,136	43,702	45,811	13.1%	28.4%
<b>Alnwick/ Haldimand</b>	2,375	2,470	2,615	2,801	2,880	3,034	10.1%	16.0%
<b>Brighton</b>	3,965	4,375	4,775	5,043	5,223	5,359	20.4%	12.2%
<b>Cobourg</b>	7,300	8,045	8,640	10,914	12,011	12,686	18.4%	46.8%
<b>Cramahe</b>	2,260	2,375	2,570	2,732	2,821	2,920	13.7%	13.6%
<b>Hamilton</b>	3,995	3,935	4,275	4,440	4,555	4,997	7.0%	16.9%
<b>Port Hope</b>	6,290	6,550	7,075	8,863	9,648	10,304	12.5%	45.6%
<b>Trent Hills</b>	5,140	5,335	5,510	6,113	6,334	6,499	7.2%	17.9%

\*Please note: These are projected numbers.

Source: Statistics Canada Community Profiles 2016 and Northumberland Housing Forecast by Area Municipalities 2014

## Age of Household Maintainers

In 2016, the largest proportion of households in Northumberland were led by adults aged 45 to 64 years. Senior households (aged 65 years and older) made up 36.5% while households led by adults 25 to 44 years made up 20.3% of all households. Seniors aged 65 to 74 years saw the highest rate of increase from 2006 to 2016; increasing by 47.5%. Older adults aged 55 to 64 years and seniors aged 75 years and older also saw a significant increase (37.6% and 25.4% respectively) during the same time period. In contrast, adults aged 45 to 54 years decreased by 7.4%, adults aged 35 to 44 years decreased by 22.0%, and youth aged 15 to 24 decreased by 14.6% from 2006 to 2016. Households led by younger adults aged 25 to 34 saw only a very small increase of 1.7% during the same time period. Similar to population trends, this suggests that the need for housing which is suitable for seniors and which will facilitate aging in place is increasing and will continue to increase in the next ten years. These trends also show that households led by working-age adults are decreasing.

**Figure 5: Household Growth by Age: Northumberland; 2006 - 2016**



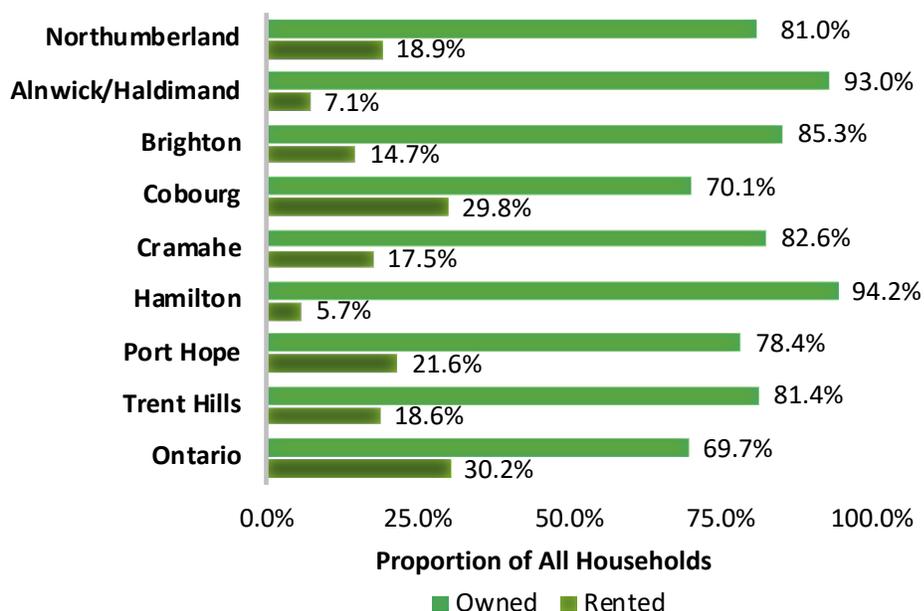
Source: Statistics Canada Community Profiles 2006 – 2016

### Household Tenure

In 2016, 28,920 households in Northumberland owned their homes, making up 81.0% of all households and the number of owner households increased by 12.7% from 2006. Renter households made up 18.9% of all households in Northumberland and the number of these households increased by 15.3% from 2006. In comparison, 69.7% of all households in Ontario are owners while 30.2% are renters. While the number of renter households in Northumberland did increase in the last ten years, they still made up a much smaller proportion of all households. This may be partly due to the more rural nature of many communities in Northumberland. However, it may also suggest a lack of rental housing.

Among the member municipalities, Cobourg had the largest proportion of renter households in 2016, at 29.8% of all households, while Hamilton had the smallest share at 5.7%.

Figure 6: Household Tenure: Northumberland and Member Municipalities; 2006 - 2016

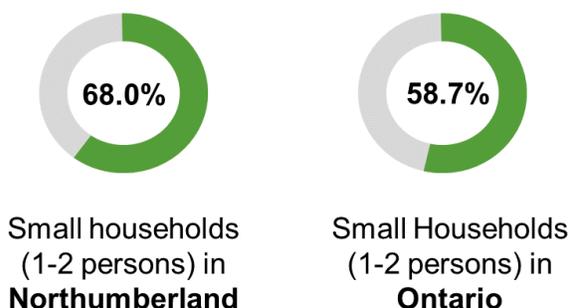


Source: Statistics Canada Community Profiles 2006 – 2016

## Household Size

Households with two persons made up the largest proportion of households in Northumberland in 2016; making up 42.7%, and one-person households made up 25.3%. In comparison, two-person households in Ontario made up 32.8% and one-person households made up 25.9% of all households in the province. Together, one- and two-person households made up 68.0% of all households in Northumberland compared to 58.7% in Ontario in 2016. In contrast, households with five or more people made up 6.2% of all households in Northumberland compared to 9.7% in Ontario. The larger proportion of smaller households in Northumberland may be partly due to the larger proportion of seniors and older adults.

Figure 7: Proportion of Small Households: Northumberland and Ontario; 2016

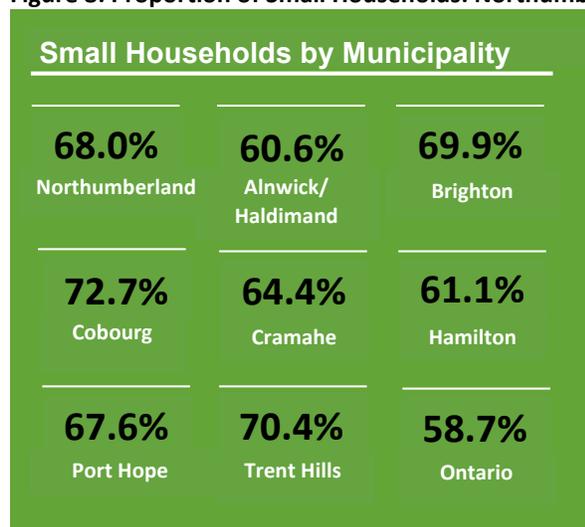


Source: Statistics Canada Community Profiles 2016

The number of households in Northumberland with three people or less saw an increase from 2006 to 2016, with two-person households seeing the highest rate of increase of 26.5% (compared to an overall increase of 13.1%). In contrast, the number of households with four or more persons decreased from 2006 to 2016.

Among the member municipalities, Cobourg had the largest share of one- and two-person households in 2016 (72.7%), followed by Trent Hills (70.4%) and Brighton (69.9%). As previously mentioned, Cobourg also had the highest share of senior-led households (42.1%) followed by Brighton (42.0%) among the member municipalities. On the other hand, Alnwick/Haldimand had the highest share of households with five or more people (9.1%) followed by Hamilton (8.3%) although this household category still made up a smaller share compared to Ontario as a whole. When compared to the age of household maintainers, Cramahe had the largest share of households led by adults 25 to 44 years (22.4%) while Hamilton had a fifth (20.9%) of its households led by adults 25 to 44 years, which is generally the age when families still have children living at home. This may partly explain why these member municipalities also had a higher proportion of larger households compared to Northumberland as a whole. In terms of housing need, this data shows that the greatest need is for housing suitable for smaller households.

**Figure 8: Proportion of Small Households: Northumberland and Member Municipalities; 2016**



Source: Statistics Canada Community Profiles 2016

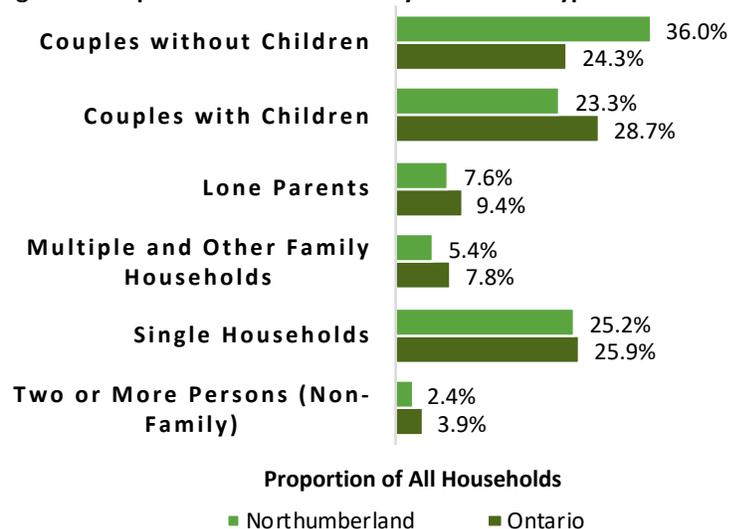
## Household Type

In 2016, couples without children made up 36.0% of all households in Northumberland compared to 24.3% in Ontario. Persons living alone made up a quarter (25.2%) of all households in Northumberland and the number of people living alone increased by 26.2% from 2006 to 2016. The highest rate of increase was seen for non-family households with two or

more persons, increasing by 35.2% from 2006 to 2016 although this household category made up only 2.4% of all households in Northumberland in 2016.

Couples with children made up 23.3% of all households in Northumberland in 2016; decreasing from 29.1% of all households in 2006. The total number of couples with children also decreased by 9.5% from 2006 to 2016, the one household type to see a decrease in numbers. This finding is supported by the population trends which show a decrease in the number of youth and working age residents in Northumberland as well as the lower growth rate for the population compared to the number of households.

**Figure 9: Proportion of Households by Household Type: Northumberland and Ontario; 2016**



Source: Statistics Canada Community Profiles 2016

Among the member municipalities, Brighton had the largest proportion of couples without children (41.6%) while Port Hope had the smallest proportion (32.8%). Hamilton had the largest proportion of couples with children (31.3%) while Cobourg had the smallest share (19.4%). Cobourg also had the largest share of people living alone (31.9%) while Alnwick/Haldimand had the smallest proportion (16.6%).

While households in each member municipality have different characteristics, in general in Northumberland, the greatest need is for housing which is suitable for smaller households with one or two persons as these households made up a total of 61.3% of all households in 2016. The need for smaller housing options is particularly true in Brighton, Cobourg and Trent Hills. However, couples with children and lone parent families made up a total of 30.9% of all Northumberland households. As such, housing for families is also needed, particularly in Hamilton, Alnwick/Haldimand, Port Hope, and Cramahe.

## Senior Households

Senior-led households made up 36.5% of all households in Northumberland in 2016 and the number of these households increased by 37.3% from 9,480 households in 2006 to 13,015 households in 2016. In comparison, senior-led households made up 25.4% in Ontario in 2016. This suggests that there is a need for housing options suitable for seniors and for aging in place. This is further supported by the results of the resident survey where 62% of respondents stated that one of the things they would change in the current housing system in Northumberland is the availability of housing options for aging seniors. These housing options would include mainstream housing with accessibility and Universal Design<sup>8</sup> features to facilitate aging in place as well as supportive housing options for frail seniors.

Among the member municipalities, Cobourg (42.0%), Brighton (41.8%), and Trent Hills (37.8%) had larger shares of senior-led households compared to Northumberland as a whole. In contrast, Cramahe (28.4%), Alnwick/Haldimand (29.2%), and Hamilton (30.2%) had smaller proportions of senior-led households. This suggests that the need for seniors housing is greater in Cobourg, Brighton and Trent Hills compared to other member municipalities.

## Youth Households

Youth-led households made up only 1.2% of all households in Northumberland; down from 1.6% in 2006. The number of youth-led households also decreased; decreasing by 13.7% from 2006 to 2016. In comparison, youth-led households made up 2.6% of all households in Ontario in 2016.

## Households with a Member with a Disability<sup>9</sup>

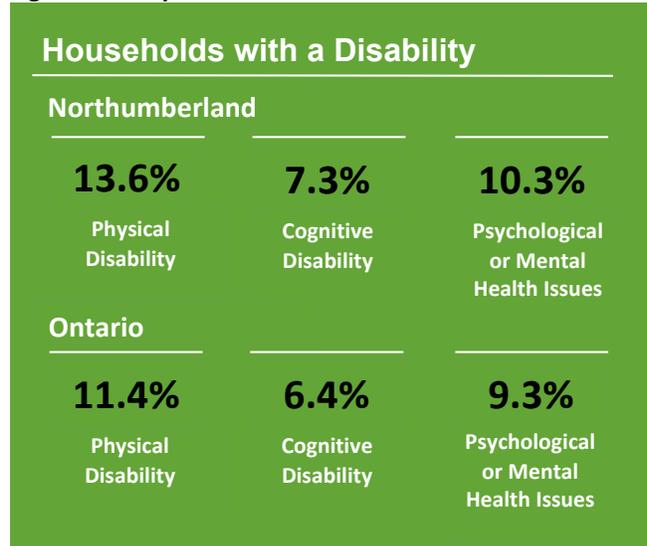
In 2016, 13.6% of all Northumberland households had a member with a physical disability compared to 11.4% of Ontario households. Similarly, 7.3% of all Northumberland households had a member with a cognitive disability and 10.3% had a member with a psychological or mental disability. In comparison, 6.4% of Ontario households had a member with a cognitive disability and 9.3% had a member with a psychological or mental disability. The greater proportions of households with a member with a disability may be partly due to the fact that Northumberland has a larger proportion of older households compared to the province as a whole. This suggests a greater need in Northumberland for housing and supports for people with disabilities. This need would include housing with accessibility and Universal Design features as well as supports to help people live as independently as possible.

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<sup>8</sup> Universal Design is the design and composition of an environment so that it can be accessed and used by all people regardless of their age, size, ability or disability.

<sup>9</sup> This refers to households with a member with a physical, cognitive, and/or psychological or mental activity limitation. Please note that double-counting is possible as one household can have a member with both physical and mental disabilities. Please also note that this is self-reported.

**Figure 10: Proportion of Households with a Member with a Disability: Northumberland and Ontario; 2016**



Source: Statistics Canada Custom Tabulations 2016

Among the member municipalities, Trent Hills (16.3%) and Brighton (15.5%) had larger shares of households with a member with a physical disability. This suggests that these municipalities would require larger shares of housing with accessible/ Universal Design features.

Member municipalities with a greater share of households with a member with a cognitive, psychological or mental disability compared to Northumberland as a whole are Trent Hills (20.3%), Cramahe (20.2%), Cobourg (18.2%), and Brighton (18.1%). This suggests that the need for support services for persons with mental health issues is greater in these municipalities. It should also be noted that Trent Hills and Brighton both have higher proportions of households with a member with a physical or mental health issue, suggesting that these two member municipalities have greater needs with regard to housing and support service options for persons with disabilities.

### Indigenous Households<sup>10</sup>

Indigenous households made up 2.4% of all households in Northumberland in 2016; up from 1.9% in 2006. The number of Indigenous households also increased by 46.6% from 590 households in 2006 to 865 households in 2016. Similarly, Indigenous households make up 2.6% of all households in Ontario. While Indigenous households make up only a small share of all households in Northumberland, they are increasing at a much faster rate compared to the overall household count. This may be partly due to Indigenous individuals and families moving out of the Alderville First Nations reserve, which is north of Cobourg. The increasing number of

<sup>10</sup> Data presented for Indigenous households represent households in Northumberland who are living off-reserve.

Indigenous households in Northumberland suggests a need to consider culture in the design of housing and support services. This is particularly important given that the results of the 2016 homelessness enumeration show that Indigenous individuals and families make up a significant proportion of the population who are homeless or at risk of homelessness in Northumberland. This suggests that cultural considerations should also be extended to the design of affordable housing.

Among the member municipalities, Cramahe had a larger share of Indigenous households compared to Northumberland as a whole (3.5% vs. 2.4%).

### Immigrant Households

Immigrant households made up 13.9% of all households in Northumberland in 2016; down from 15.5% in 2006. However, the number of immigrants living in Northumberland increased slightly by 1.2% from 4,905 in 2006 to 4,965 in 2016. In comparison, immigrant households made up 34.2% of all households in Ontario in 2016. Of the immigrants living in Northumberland in 2016, less than 1.0% (0.9%) were recent immigrants<sup>11</sup>. While immigrants make up a smaller proportion of all households in Northumberland compared to Ontario, there are still a significant number of these households, suggesting a need to consider cultural appropriateness when in the design of housing and support services.

Among the member municipalities, Cobourg (17.2%) and Brighton (15.2%) had larger proportions of immigrant households compared to Northumberland as a whole.

### Lone Parent Households

Lone-parent households made up 7.6% of all households in Northumberland in 2016 compared to 9.4% of all households in Ontario. The share of lone parent households in Northumberland increased slightly from 7.4% in 2006 although the number of these households saw a higher rate of increase; increasing by 15.8% during the same time period.

Among the member municipalities, Cobourg (9.1%) and Port Hope (8.8%) have a higher proportion of lone-parent households compared to Northumberland as a whole. In terms of housing need, this suggests that these communities have a greater need for affordable housing for families as these households generally would have to rely on just one income earner to support the family. This assumption is supported by the fact that a very large share of families who were homeless or at risk of homelessness based on the 2016 homelessness enumeration results were lone-parent families.

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<sup>11</sup> Recent immigrants are defined as immigrants who moved to Canada in the last five years from the census year.

## Economic Context

Changing economic conditions influence the demand for housing in a community in terms of the number of housing units required, the type and tenure of housing units, as well as the ability of households to afford housing.

The primary labour market sectors in Northumberland are retail trade, which accounts for 12.3% of the labour market, manufacturing (12.1%), health care and social assistance (11.8%), construction (9.1%), accommodation and food services (6.9%), educational services (6.3%), and public administration (5.6%). Among these employment sectors, health care and social assistance saw the highest rate of increase from 2006 to 2016; increasing by 23.5% in its share of the labour market. Construction and public administration both saw increases from 2006 to 2016; increasing by 20.5% and 20.0% respectively. However, the real estate, rental and leasing sector saw the highest increase overall; increasing by 28.3% from 2006 to 2016, although this sector accounts for only 1.7% of the labour market employment. Manufacturing jobs, which made up 12.1% of the labour market in 2016, saw a decrease of 29.6% from 2006 to 2016. Other sectors which saw decreases include information and cultural industries (down by 17.7%), other services not including public administration (down by 16.0%), agriculture, forestry, fishing and hunting (down by 11.8%), and administrative and support (down by 9.0%).

The Manpower Group's Employment Outlook Survey<sup>12</sup> (Q1 2018), which reports on the results of a survey of 1,927 employers across Canada, found that hiring prospects in Northumberland County decreased by 7% from the previous quarter<sup>13</sup>. In contrast, the results from the first quarter of 2017 show that the hiring plans of Northumberland employers improved by 13% compared to the previous quarter<sup>14</sup>. This might indicate employers are finding it difficult to hire workers with the skills they need. A diverse housing stock has been shown to help attract a diverse workforce to an area, which in turn leads to easier hiring practices for local employers.

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<sup>12</sup> All survey participants were asked, "How do you anticipate total employment at your location to change in the three months to the end of March 2018 as compared to the current quarter?"

<sup>13</sup> Manpower Group (2018). Employment Outlook Survey Canada. Accessed from: <https://manpowergroup.ca/meos/2018/Q1-docs/meos-report.pdf>

<sup>14</sup> Manpower Group (2017). Employment Outlook Survey Canada. Accessed from: <https://manpowergroup.ca/meos/2017/Q1-docs/meos-report.pdf>.

**Table 3: Proportion of Jobs by Employment Sector: Northumberland; 2016**

Sector	% of the Labour Market	% Change 2006-2016
Total Employment	100.0%	0.8%
Retail trade	12.3%	9.7%
Manufacturing	12.1%	-29.6%
Health care and social assistance	11.8%	23.5%
Construction	9.1%	20.5%
Accommodation and food services	6.9%	3.1%
Educational services	6.3%	6.0%
Public administration	5.6%	20.0%
Professional, scientific and technical services	4.8%	5.1%

Source: Statistics Canada Community Profiles 2006 - 2016

## Labour Participation and Unemployment

In 2015, 56.7% of the population 15 years and older in Northumberland were in the labour market, either as employees or as people looking for jobs. This proportion decreased from 61.4% in 2005 and is much lower than the proportion in Ontario in 2015 (64.7%). This trend may be partly due to the aging of the population and the fact that seniors make up a larger proportion of the population in Northumberland. This may also be due to limited work opportunities in Northumberland, particularly as the unemployment rate<sup>15</sup> increased from 6.0% in 2005 to 7.3% in 2015.

Of those who are working, just over half (51.8%) work full-time while 48.3% work part-time. These proportions are comparable to those seen in Ontario in 2015 (52.3% and 47.7% respectively).

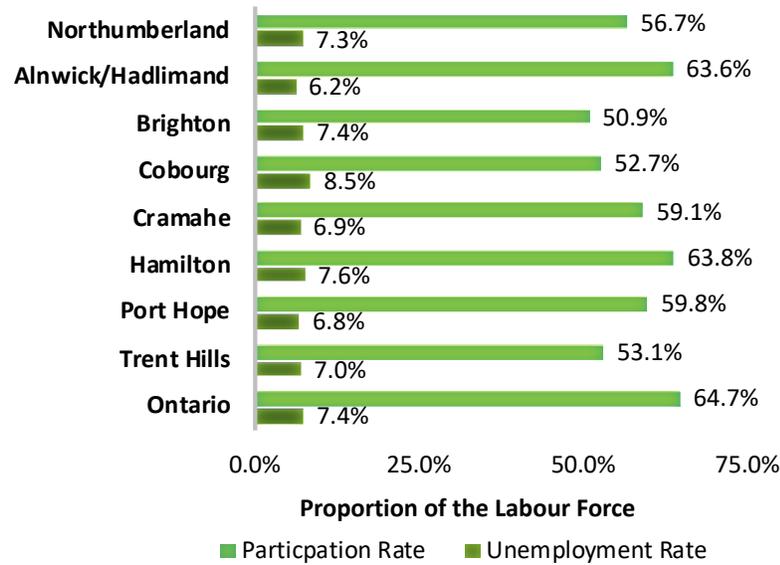
Among the member municipalities, the unemployment rate is highest in Cobourg (8.5%) and lowest in Alnwick/Haldimand (6.2%). In addition, Hamilton (7.6%), and Brighton (7.4%) also have unemployment rates which are higher than that of Northumberland as a whole. The labour participation rate<sup>16</sup> is lowest in Brighton (50.9%) and highest in Hamilton (63.8%). As

<sup>15</sup> Statistics Canada defines the unemployment rate as the total number of unemployed individuals in a group, expressed as a percentage of the total labour force in that group.

<sup>16</sup> Statistics Canada defines the labour force participation proportion of the working-age population (15 and over) that is working or looking for work.

employment has a significant impact on a household’s ability to afford housing, this data suggests a greater need for affordable housing options in Cobourg, Brighton, and Hamilton.

**Figure 11: Participation and Unemployment Rates: Northumberland and Member Municipalities; 2015**

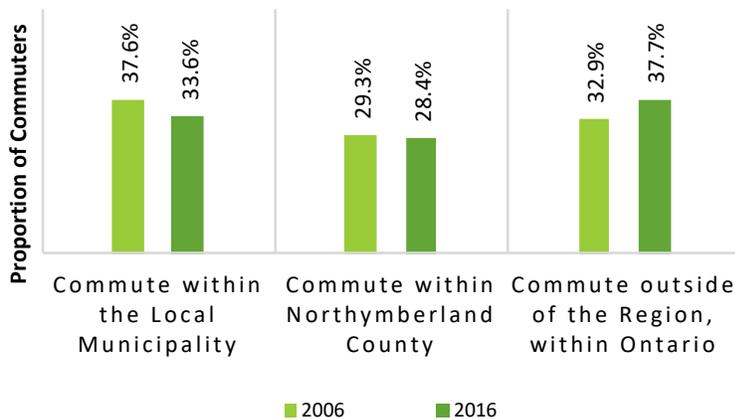


Source: Statistics Canada Community Profiles 2016

### Journey to Work

In 2016, 37.7% of Northumberland residents worked outside of Northumberland; 33.6% worked in the same member municipality as their residence; and 28.4% worked in a different member municipality within Northumberland. The proportion of the population who commuted to another region outside of Northumberland for work increased from 32.9% in 2006. The increase in the number of Northumberland residents commuting to a different region may be partly due to the availability of employment in Northumberland. It may also be due to lower house prices in Northumberland compared to adjacent areas such as the GTA.

**Figure 12: Trends in Work Commutes: Northumberland; 2016**



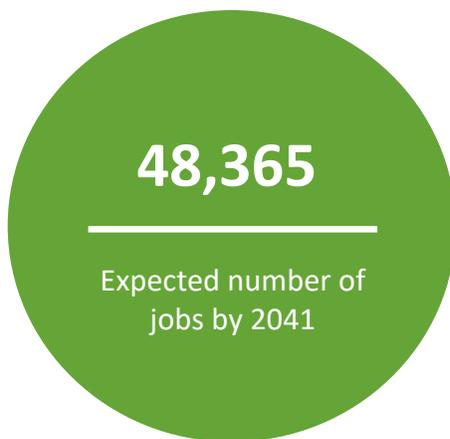
Source: Statistics Canada Community Profiles 2006 - 2016

Similarly, the results of the resident survey showed that more than half (59.2%) of respondents worked within Northumberland, either in the same municipality where they lived or in a different municipality. The largest proportion of respondents (37.1%) worked in Cobourg. In addition, 15.5% worked outside of Northumberland.

## Employment Projections

Employment projections in the Northumberland County Official Plan show an increase of 18.3%

**Figure 13: Projected Number of Jobs: Northumberland County; 2041**



from 40,880 in 2016 to 48,365 in 2041<sup>17</sup>. In comparison, overall employment in Northumberland increased by 0.8% from 2006 to 2016. The availability of housing options in a community has a significant impact on the economic growth of a community and the ability of local employers to attract a labour force. While the decrease in the working age population in Northumberland and the fact that more than a third of residents work outside of Northumberland may be due to several reasons, this also suggests a need to ensure there are a range of housing options to support economic growth to meet the County's employment projections. This is supported by stakeholders who have noted some concern related to attracting workers and retaining the younger, working

population.

## Household Income

The financial capacity of a household is an important element in determining housing need. As such, this section looks at the income of households in Northumberland. Household income has been calculated for 2018 using the growth rate in the consumer price index for Ontario for 2015 to 2018<sup>18</sup> of 5.4%.

### Average and Median Household Income

The estimated average household income in Northumberland in 2018 was \$91,002 while the median household income was \$74,010. In comparison, the estimated average household

<sup>17</sup> Northumberland 2014: County Official Plan. Accessed from:

<http://www.northumberlandcounty.ca/en/planning/Northumberland-County-Official-Plan.asp>

<sup>18</sup> The average CPI was taken for January to May 2018 and this was used to calculate the growth rate from 2015 to 2018.

income in Ontario in 2018 was \$103,156 while the estimated median household income was \$78,310. In addition, the average household income in Northumberland increased by 29.1% from \$66,858 in 2005 to \$91,002 in 2015 compared to an increase of 40.7% in Ontario.

**Figure 14: Average Household Income: Northumberland and Ontario; 2005 - 2018**

Average Household Income		
Northumberland		
<b>\$66,858</b>	<b>\$91,002</b>	<b>29.1%</b>
2005	2018	Growth (2005 - 2015)
Ontario		
<b>\$69,548</b>	<b>\$103,156</b>	<b>40.7%</b>
2005	2018	Growth (2005 - 2015)

Source: Statistics Canada Community Profiles 2006 - 2016

Among the member municipalities, Hamilton has the highest estimated average household income at \$112,560 in 2018 followed by Alnwick/Haldimand at \$108,776 and Port Hope at \$93,526. In contrast, Trent Hills had the lowest average household income in 2018 at \$77,284. However, Trent Hills also saw the highest rate of increase in the average household income between 2005 and 2015; increasing by 38.8%. The average household income in Alnwick/Haldimand also saw a higher rate of increase compared to Northumberland as a whole; increasing by 35.2%.

**Figure 15: Estimated Average Household Income by Municipality: Northumberland and Member Municipalities; 2018**

Household Income by Municipality		
\$91,002	\$108,776	\$85,558
Northumberland	Alnwick/ Haldimand	Brighton
\$86,391	\$88,045	\$112,560
Cobourg	Cramahe	Hamilton
\$93,526	\$77,284	\$103,156
Port Hope	Trent Hills	Ontario

Source: Statistics Canada Community Profiles 2016

## Household Income Deciles

While the average and median household income provides a general sense of a household’s economic capacity, looking at the distribution of income within the local context provides greater detail of the economic capacity of households in Northumberland and their ability to afford housing. Household income deciles divide the total universe of households into ten equal portions of income groups. This means that there is a tenth (or 10%) of all households in each income decile. These income deciles are used throughout the following sections and in the affordability analysis to provide a more detailed picture of the economic profile of Northumberland households. Household incomes for 2018 were estimated based on the growth rate of the Ontario CPI.

Please note that in all tables and graphs, the upper range of each income decile is used except for the tenth household income decile as the upper range has been suppressed based on Statistics Canada’s confidentiality rules. The tenth income decile represents all household incomes which are one dollar or more than the upper range of the ninth income decile.

For the purposes of this study, **households with low incomes** refers to households with incomes in the **first to the third income deciles** (i.e. earning \$48,519 or less in 2018); **households with moderate incomes** refers to households with incomes in the **fourth to sixth income deciles** (i.e. earning from \$48,520 to \$88,087 in 2018); and **households with high**

**incomes** refers to households with incomes in the **seventh to tenth income deciles** (i.e. earning \$88,088 or more in 2018).

**Table 4: Household Income Decile Thresholds: Northumberland; 2005 - 2018**

		2005	2015	2018	% Change 2005-2015
<b>Low Income</b>	Decile 1	\$17,963	\$22,830	\$24,066	27.1%
	Decile 2	\$28,121	\$35,336	\$37,250	25.7%
	Decile 3	\$37,937	\$46,026	\$48,519	21.3%
<b>Moderate Income</b>	Decile 4	\$46,563	\$57,754	\$60,882	24.0%
	Decile 5	\$55,802	\$70,173	\$73,974	25.8%
	Decile 6	\$66,637	\$83,561	\$88,087	25.4%
<b>High Income</b>	Decile 7	\$79,861	\$99,999	\$105,415	25.2%
	Decile 8	\$97,219	\$122,146	\$128,761	25.6%
	Decile 9	\$124,192	\$161,310	\$170,047	29.9%

Source: Statistics Canada Custom Tabulations 2006 - 2016

The following graph shows the proportion of households with low, moderate and high incomes in each of the member municipalities based on Northumberland household income deciles. This shows that Trent Hills (36.7%) and Cobourg (33.6%) both have higher proportions of households with low incomes compared to Northumberland as a whole. This may be partly due to the fact that these member municipalities have a greater proportion of people living alone compared to the other member municipalities. In addition, Cobourg has a much larger share of renters and renters, in general, have lower household incomes compared to owners.

In comparison, Hamilton (53.5%) and Alnwick/Haldimand (52.1%) have higher shares of households with high incomes compared to Northumberland as a whole. These two member municipalities also had the highest average household incomes in 2018. This may be partly due to the fact that these two member municipalities have the highest rates of ownership in Northumberland and owners, in general, have higher incomes compared to renters. Alnwick/Haldimand and Trent Hills also have the highest shares of couples with children and this household type often has two income earners.

**Table 5: Proportion of Households by Household Income Decile: Northumberland and Member Municipalities; 2015**

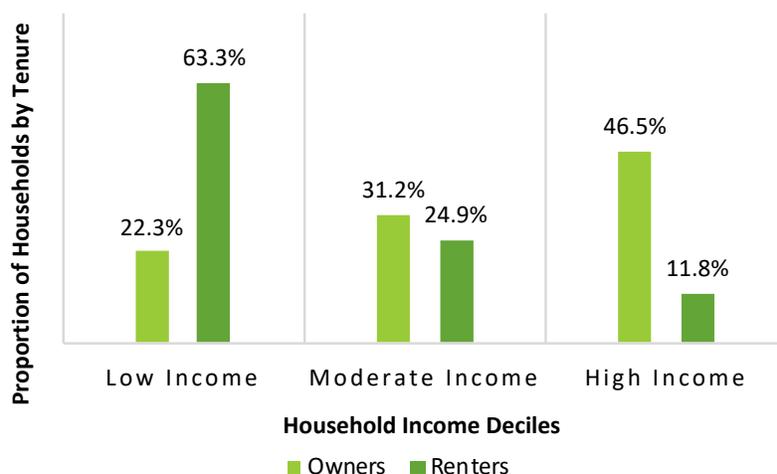
	Low	Moderate	High
<b>Northumberland</b>	<b>30.0%</b>	<b>30.0%</b>	<b>40.0%</b>
<b>Trent Hills</b>	<b>36.7%</b>	31.9%	31.3%
<b>Cobourg</b>	<b>33.6%</b>	30.9%	35.6%
<b>Cramahe</b>	29.8%	29.2%	40.9%
<b>Brighton</b>	29.0%	34.0%	36.8%
<b>Port Hope</b>	28.8%	29.2%	<b>42.2%</b>
<b>Alnwick/ Haldimand</b>	23.1%	25.4%	<b>52.1%</b>
<b>Hamilton</b>	20.5%	26.3%	<b>53.5%</b>

Source: Statistics Canada Custom Tabulations 2016

### Household Income Deciles by Tenure

The majority (63.3%) of renter households in Northumberland have low incomes in 2015 compared to just over a fifth (22.3%) of owner households. In contrast, almost half of owners (46.5%) in Northumberland have high incomes compared to 11.8% of renters. The proportion of renter households who have low incomes increased from 58.3% in 2005 while the proportion of owners decreased slightly from 23.5%. This suggests that there is a greater need for rental housing options which are affordable to households with low incomes.

**Figure 16: Proportion of Households by Household Income Deciles and Tenure: Northumberland County; 2015**

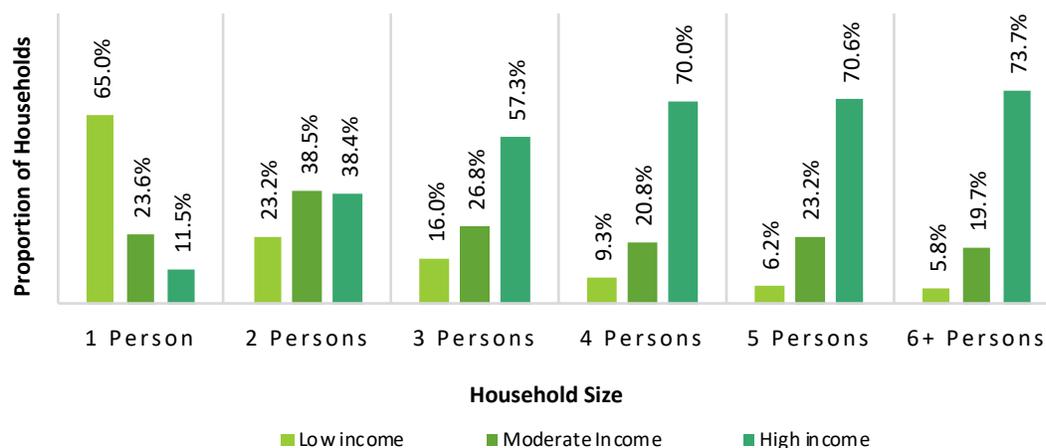


Source: Statistics Canada Custom Tabulations 2016

## Household Income Deciles by Size

As can be expected, household incomes increase as household size increases. This is most likely due to having more income earners. In 2015 in Northumberland, the majority (65.0%) of people living alone had low incomes and only 11.5% had high incomes. Less than a quarter (23.2%) of households with two people had low incomes and 38.4% had high incomes. This suggests that the need for affordable housing is greatest among one- and two-person households.

**Figure 17: Proportion of Households by Household Income Deciles and Household Size: Northumberland County; 2015**

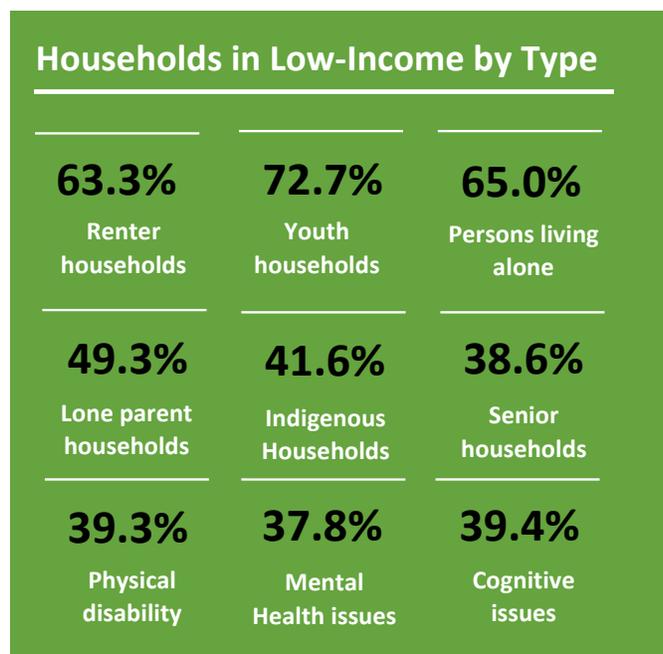


Source: Statistics Canada Custom Tabulations 2016

## Household Income Deciles by Type

Certain household types are more likely to have low incomes. In addition to people living alone, households with a much greater proportion with low incomes include youth-led households (72.7%), lone-parent households (49.3%), Indigenous households (41.6%), households with a member with a cognitive disability (39.4%), households with a member with a physical disability (39.3%), households with a member with a psychological or mental health issue (37.8%), senior-led households (38.6%), and immigrant households (34.3%). This indicates that these household types have a greater need in terms of affordable housing. This also shows that the housing affordability challenges faced by these groups are compounded by a need for support services, dwellings with accessibility features, and culturally-appropriate services and dwellings. These findings also support the findings from the 2016 homelessness enumeration where lone-parent families, youth, and Indigenous households made up a much greater proportion of individuals and families who were homeless or at risk of homelessness.

Figure 18: Proportion of Households with Low-Income by Household Type: Northumberland; 2015



Source: Statistics Canada Custom Tabulations 2016

## Incidence of Low Income

The incidence of low income in a community is measured through Statistics Canada’s after-tax low income measure (LIM-AT). This measure is adjusted by an equivalence scale to take into account economies of scale. The adjustment for different household sizes reflects the fact that a household’s needs increase, but at a decreasing rate, as the number of members increases<sup>19</sup>.

In 2015, 11.5% of the population in Northumberland had low income status, up from 5.7% in 2005. The number of Northumberland residents who fell into this category also increased by 114.8% from 2005. The proportion of Northumberland residents with low income status is lower than the proportion in Ontario as a whole (14.4%) in 2015. Northumberland also had lower rates of youth (15.4% vs. 18.4%) and seniors (9.0% vs. 12.0%) who had low income status compared to Ontario but a higher rate of adults aged 18 to 64 years (11.4% vs. 13.7%) in 2015.

**114.8%**  
increase in the number of low-income residents between 2005 and 2015

<sup>19</sup> Statistics Canada (2017). Dictionary: Census of Population 2016. Accessed from: <https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/index-eng.cfm>

Among the member municipalities, Hamilton (6.4%) and Alnwick/Haldimand (9.9%) had the lowest share of residents with low incomes while Trent Hills (15.5%), Cramahe (12.9%), and Cobourg (12.9%) had higher rates compared to Northumberland as a whole. This supports the previous findings which suggest that some member municipalities, such as Trent Hills and Cobourg, are more likely to require affordable housing options compared to other member municipalities, such as Hamilton and Alnwick/Haldimand.

## Social Assistance

In 2017, 761 Northumberland residents received Ontario Works (OW) benefits and 2,523 received Ontario Disability Support Program (ODSP) benefits. The number of people receiving OW benefits decreased by 15.5% from 901 recipients in 2013 while the number of people receiving ODSP benefits increased by 15.9% from 2,176 in 2013. The increase in the number of people receiving ODSP benefits may be partly due to the larger share of households with a member with a physical, cognitive or mental disability compared to Ontario as a whole. Recipients of OW and ODSP fall in the first and second income deciles as per the 2018 maximum rate for these programs<sup>2021</sup>.

**Figure 19: Number of Social Assistance Recipients: Northumberland; 2013-2017**



Source: Northumberland County 2018

<sup>20</sup> The Province of Ontario (2018). Ontario Disability Support Program – Income Support. Retrieved from: [https://www.mcsc.gov.on.ca/en/mcsc/programs/social/directives/odsp/is/6\\_1\\_ODSP\\_ISDirectives.aspx](https://www.mcsc.gov.on.ca/en/mcsc/programs/social/directives/odsp/is/6_1_ODSP_ISDirectives.aspx)

<sup>21</sup> The City of Toronto (2018). Ontario Works Rate Chart. Retrieved from: <https://www.toronto.ca/wp-content/uploads/2017/11/99bb-ontario-works-rate-chart-oct2017-tess.pdf>

## Key Findings: Housing Demand

This section provides a brief overview of the nature of housing demand in Northumberland.

### **The population of Northumberland is increasing but at a slower rate compared to Ontario.**

- Between 2006 and 2016 the population in Northumberland grew by 5.7% compared to 10.6% in Ontario
- Brighton (15.5%) saw the highest rate of growth while Hamilton saw a population decreased by 0.3%.

### **Seniors make up a large proportion of Northumberland's population and the share of seniors is expected to continue to increase in the next five to ten years. This indicates an increasing need for housing options for seniors.**

- In Northumberland, 26.0% of the population is 65 years or older compared to 16.7% in Ontario.
- Working-age adults (25-44) make up a smaller share (18.6%) of Northumberland's population compared to Ontario (25.7%) and this population group decreased by 11.7% between 2006 and 2016.
- Cobourg has the largest share of seniors (31.4%) while Cramahe has the smallest (19.6%).

### **The number of individuals and families who are homeless is increasing and a large proportion of them are Indigenous peoples and lone-parent families. This indicates a need for cultural awareness and understanding of the specific housing needs for these groups in the design of housing and support programs.**

- In 2018 there were 58 individuals and 19 families who were homeless in Northumberland.
- There is a significant number of individuals and families who are at risk of homelessness (179 individuals and 48 families in 2016).
- A total of 28.8% of homeless individuals were Indigenous peoples and 70.0% of homeless families were single mothers.
- According to results of a survey conducted among persons with lived experience, 42.0% of respondents were paying more than half of their income on housing costs, putting them at risk of becoming homeless in the near future.

**Household sizes in Northumberland are shrinking and the majority of households are made up of couples without children and persons living alone. This suggests a need for smaller dwelling sizes.**

- Two-person households saw the highest rate of increase between 2006 and 2016 (22.7%) while households with four or more persons decreased by 10.5%.
- Cobourg (72.7%), Trent Hills (70.4%) and Brighton (69.9%) have the largest shares of smaller households while Alnwick/Haldimand (9.1%) and Hamilton (8.3%) have the highest shares of households with four or more people.
- With 36.0%, couples without children made up the largest share of households in Northumberland in 2016. Persons living alone made up the second largest share of Northumberland households (25.2%) and this household type saw the second highest rate of increase (26.2%).
- The number and share of couples with children decreased from 2006 to 2016 by 9.5%.

**Northumberland has a higher share of households with a disability compared to Ontario. This suggests a need for appropriate housing and support services for these households.**

- Households with a person with a physical made up 13.6% of all households in Northumberland compared to 11.4% in Ontario.
- Households with a member with a cognitive disability or mental health issue made up 17.6% of all households in Northumberland compared to 15.7% in Ontario.

**The average household income in Northumberland is less than that in Ontario and certain population groups were more likely to have low incomes, which may indicate a need for affordable housing options for these groups.**

- Hamilton (\$112,560) had the highest average household income followed by Alnwick/Haldimand (\$108,776) and Port Hope (\$93,526). Trent Hills (\$77,284) had the lowest average household income although it did see the highest rate of increase from 2005 to 2015; increasing by 38.8%.
- Trent Hills (36.7%) and Cobourg (33.6%) had the highest rates of households with low incomes while Hamilton (53.5%) and Alnwick/Haldimand (52.1%) had the highest rate of households with high incomes.
- Renters, people living alone, youth-led households, lone-parent households, Indigenous households, households with a disability, senior-led households, and immigrant households were more likely to have low income than other households in Northumberland.

## 3.0 Housing Supply Analysis

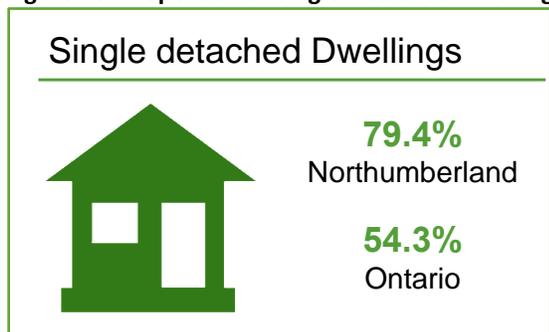
**?** What is the nature of the housing supply in Northumberland?

Housing supply is measured by the available housing options in a community. An important aspect of assessing housing supply is to examine recent housing activity, the tenure and condition of dwellings, and the supply of housing for residents with unique needs. This allows an analysis of the extent to which housing supply matches housing need and helps identify gaps in the current housing supply.

### Overall Housing Supply

There were a total of 35,690 homes in Northumberland in 2016; up by 13.1% from 31,550 in 2006. Single detached dwellings made up the majority at 79.4% of all dwellings in Northumberland in 2016. This is a much higher share compared to 54.3% in Ontario as a whole. In addition, low density dwellings<sup>22</sup> made up 82.3% of all dwellings in Northumberland compared to 60.2% in Ontario as a whole. The larger proportion of low density dwellings in Northumberland may partly explain why the largest proportion of respondents to the resident survey picked the character of residential communities in Northumberland as one of the elements that is working well. However, the analysis of housing need shows that Northumberland households are becoming more diverse in terms of housing need. This includes the aging population, a shift to smaller households, housing for persons with physical and mental disabilities, and culturally-appropriate housing.

**Figure 20: Proportion of Single Detached Dwellings: Northumberland and Ontario; 2016**

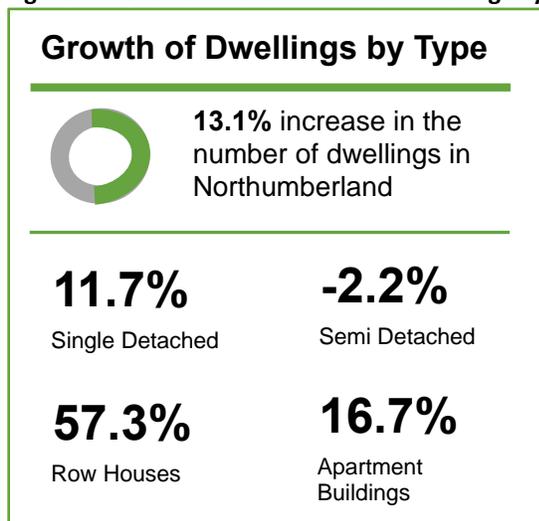


Source: Statistics Canada Community Profiles 2016

<sup>22</sup> For the purposes of this study, low density dwellings refer to single detached, semi-detached, and other single attached dwellings.

Row houses made up only 4.7% of the entire housing supply in Northumberland in 2016 although the number of row houses saw the highest rate of increase (increasing by 57.3% from 2006) among all dwelling types. Other dwelling types which saw an increase from 2006 to 2016 include apartments with less than five storeys (up by 18.6%), duplex apartments (up by 13.4%), single detached dwellings (up by 11.4%), and apartments with five or more storeys (up by 8.9%). In contrast, the number of certain dwelling types decreased from 2006 to 2016; including semi-detached dwellings (down by 2.2%), other single-attached homes (down by 4.0%), and movable dwellings (down by 9.4%). These trends suggest that the housing supply in Northumberland is seeing more diversification even though low density dwellings still dominate the supply.

**Figure 21: Growth in the Number of Dwellings by Type: Northumberland; 2006 - 2016**



Source: Statistics Canada Community Profiles 2006 – 2016

Single detached homes made up a much larger proportion of homes in certain member municipalities compared to Northumberland as a whole, including Alnwick/Haldimand (97.3%), Hamilton (94.5%), Cramahe (89.1%), Trent Hills (88.0%), and Brighton (87.4%). In contrast, Cobourg (22.9%) and Port Hope (15.5%) had a higher share of apartments compared to Northumberland as a whole.

## Age and Condition of Dwellings

The majority (69.6%) of dwellings in Northumberland were built before 1991 and only 5.5% of dwellings were built between 2011 and 2016. In comparison, 66.8% of Ontario dwellings were built before 1991 while 6.4% were built between 2011 and 2016.

Among the member municipalities, Trent Hills had the largest share of older dwellings built before 1991 (79.9%). Other member municipalities which had larger shares of older dwellings compared to Northumberland as a whole include Port Hope (76.7%) and Hamilton (74.7%).

In 2016, 7.1% of all dwellings in Northumberland required major repairs. This is higher than the proportion in Ontario as a whole (6.1%). In addition, the number of dwellings requiring major repairs in Northumberland increased by 11.2% from 2006 to 2016.

Among the member municipalities, Alnwick/Haldimand had the highest proportion of dwellings requiring major repairs (8.8%) followed by Cramahe (8.0%) while Brighton had the lowest (4.7%). One reason why Brighton had the lowest share of dwellings requiring major repairs may be due to the fact that this member municipality also had the largest share of dwellings built between 2011 and 2016 (7.2%) and the lowest share of older dwellings built before 1991 (56.9%). This is supported by the fact that there were no applications for the Renovate Northumberland program from Brighton.

**Figure 22: Dwellings that Require Major Repairs: Northumberland County and Member Municipalities; 2016**

Dwellings that Require Major Repairs		
<b>7.1%</b>	<b>8.8%</b>	<b>4.7%</b>
Northumberland	Alnwick/ Haldimand	Brighton
<b>6.5%</b>	<b>8.0%</b>	<b>7.6%</b>
Cobourg	Cramahe	Hamilton
<b>7.6%</b>	<b>7.7%</b>	<b>6.1%</b>
Port Hope	Trent Hills	Ontario

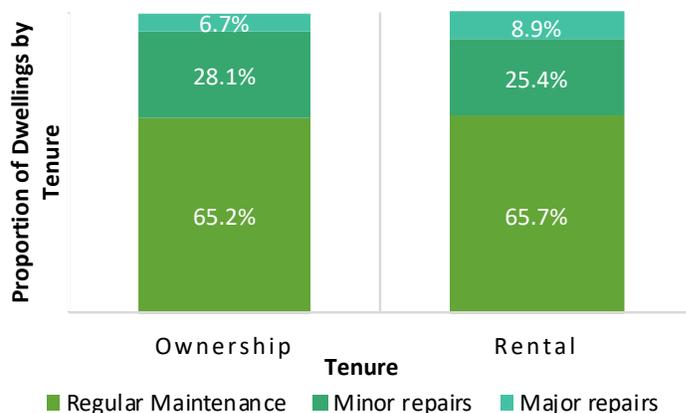
Source: Statistics Canada Community Profiles 2016

## Condition of Dwellings by Tenure

In general, owned dwellings are in better condition compared to rented dwellings. In 2016, 8.9% of all rented dwellings in Northumberland required major repairs compared to 6.7% of all owned dwellings. In comparison, 8.8% of all rented dwellings and 4.9% of all owned dwellings in Ontario required major repairs. In addition, a greater proportion of owned dwellings in

Northumberland (28.1%) required minor repairs compared to 25.4% of rented dwellings. While there may be many reasons for having dwellings which are in need of repairs, one of the main reasons is a lack of financial resources to make repairs. The results of the resident survey show that 9.0% of respondents found it challenging to pay for needed repairs to their homes. Stakeholders also noted that the condition of dwellings is an issue for some households, particularly those in more rural areas of Northumberland.

**Figure 23: Dwelling Condition by Tenure: Northumberland; 2016**



Source: Statistics Canada Community Profiles 2016

## Funding for Renovations

Northumberland County offers financial assistance to complete much needed home repairs, energy efficiency upgrades, and accessibility upgrades for persons with disabilities through the Renovate Northumberland program. This program provides assistance in the form of a forgivable loan for home repairs up to a maximum of \$25,000 or a grant for accessibility upgrades (under \$5,000)<sup>23</sup>. In 2017, a total of 23 home owners were assisted through the Renovate Northumberland program<sup>24</sup>. As noted above, there were no applications for this program from Brighton. In contrast, applications from Trent Hills made up the largest share (34%) followed by Cramahe (19%) and Port Hope (16%). Applications from Cobourg and Alnwick/Haldimand each made up 13% of all the applications to the Renovate Northumberland program while applications from Hamilton made up 6%.

In addition, Habitat for Humanity Northumberland has a ReNew It home repair program which helps home owners with low incomes maintain their current housing by providing affordable

<sup>23</sup> Northumberland County (2018). Renovate Northumberland. Accessed from: [http://www.northumberlandcounty.ca/en/departments\\_communitysocialservices/renovate-northumberland.asp](http://www.northumberlandcounty.ca/en/departments_communitysocialservices/renovate-northumberland.asp).

<sup>24</sup> Northumberland County (2018). Northumberland County 2017 Housing and Homelessness Annual Report.

loans and support to complete much needed home repairs. As of June 2018, Habitat's ReNew It program has helped a total of 21 families<sup>25</sup>.

## New Homes

According to Statistics Canada, a total of 4,140 homes were built from 2006 to 2016 in Northumberland. This would include both market units and subsidized non-market units. Of these new homes, single detached dwellings accounted for 71.5%, apartments made up 15.0%, and row houses made up 14.7%. In comparison, single detached dwellings accounted for only 41.3% of all new homes built in Ontario from 2006 to 2016. This suggests that while there is some diversification of homes being built in Northumberland, the majority is still single detached homes.

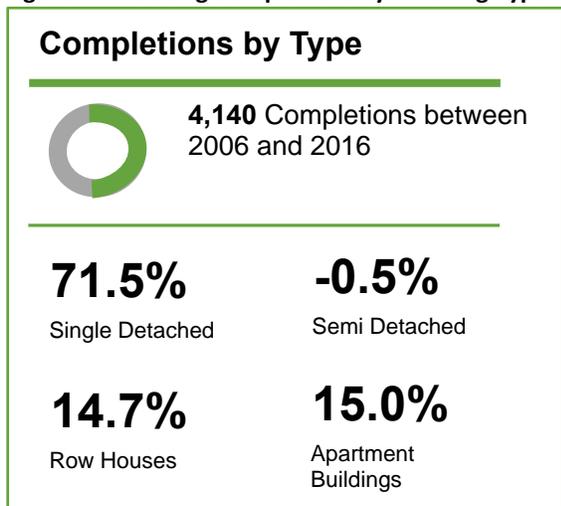
While single detached homes may be the ideal for many households, particularly families with children, they may not be the most appropriate dwelling type for other households, such as seniors, persons with disabilities, or persons living alone. Single detached homes are generally less accessible due to the presence of stairs and the need for more maintenance inside and outside the home. In addition, single detached homes are generally less affordable compared to other dwelling types, such as condominium apartments or row houses. As such, having a housing supply which is predominantly single detached homes limits the options for certain households.

Most of these new homes added between 2006 and 2016 were owned homes, making up 78.6% of the total supply. Rented dwellings made up 21.6% of the new dwellings added to the housing supply in Northumberland.

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<sup>25</sup> Northumberland Affordable Housing Strategy Survey of Community Agencies, June 2018 – Response from Habitat for Humanity Northumberland.

**Figure 24: Housing Completions by Dwelling Type: Northumberland; 2006 - 2016**

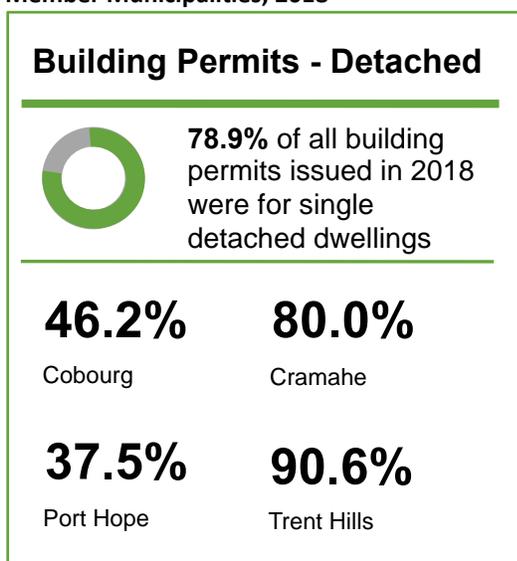


Source: Statistics Canada Custom Tabulations 2006 - 2016

### Residential Building Permits

Building permit data was provided for Cobourg, Cramahe, Port Hope, and Trent Hills. This data shows that as of June 2018, permits for single detached homes made up 78.9% of all building permits issued. This is down from 90.0% in 2013 but up from 66.4% in 2017. The high percentage of building permits issued for Single Detached dwellings indicates single detached units will remain the predominant dwelling type in Northumberland for the foreseeable future.

**Figure 25: Proportion of Building Permits for Single Detached Dwellings by Municipality: Northumberland and Member Municipalities; 2018**



Source: Northumberland Member Municipalities 2018

## Residential Development

The Northumberland Official Plan (2014) sets out a target of at least 40% of all residential development to occur within the built boundaries of the six urban areas of the County. This is expected to occur through intensification. Northumberland County has set intensification targets for all areas with higher targets for the urban areas. Port Hope (50%) and Brighton (42%) have the highest targets followed closely by Cobourg (39%), while Campbellford, Colborne, and Hastings have the lowest (31%) among the urban areas.

**Table 6: Minimum Intensification Targets for Urban Areas: Northumberland County; 2015**

Municipality	Minimum Intensification Target
Brighton	42%
Campbellford	31%
Cobourg	39%
Colborne	31%
Hastings	31%
Port Hope	50%

Source: Northumberland County Official Plan 2014

## Available Land

An inventory conducted by Northumberland County of Member Municipal Official Plans indicates there is a sufficient land available to meet the need for residential development in the coming 20 years<sup>26</sup>. When looking at the residential land supply, the number of units in approved plans indicate there is space for an additional 9,873 units in the County of Northumberland as a whole. The majority of available land for future units is located in Cobourg (73.6%) and Port Hope (12.9%)<sup>27</sup>.

**Figure 26: Available Designated Residential Land Expressed in Units: Northumberland; 2018**

Municipality	Units	Percentage
Northumberland	9,873	100%
Alnwick/Haldimand	0*	0.0%
Brighton	480	4.9%
Cobourg	7262	73.6%
Cramahe	267	2.7%
Hamilton	0*	0.0%
Port Hope	1269	12.9%
Trent Hills	289	2.9%

\*Note: No data was supplied for Hamilton and Alnwick/Haldimand

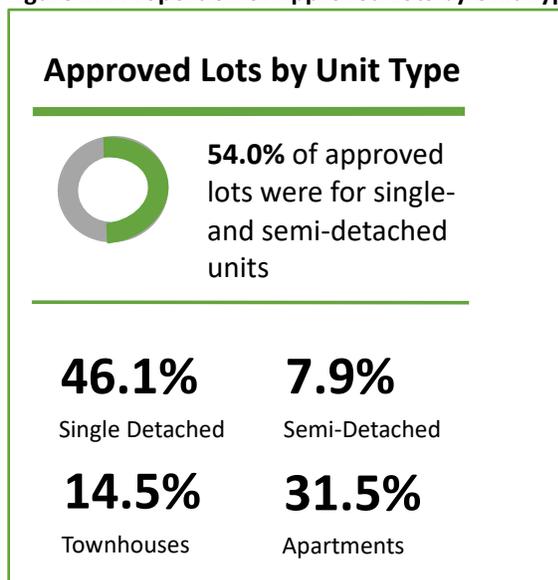
<sup>26</sup> Northumberland County (2014). Official Plan. Accessed from: <http://www.northumberlandcounty.ca/en/planning/resources/planning/Official-Plan-full-version.pdf>

<sup>27</sup> The Town of Cobourg (2018). Summary of DGA Residential Land Supply in Northumberland

Source: Town of Cobourg Planning and Development Division

Based on registered vacant lots, draft approved lots and land designated for future residential development, the data show a large number of lots is designated for single- and semi-detached units (54.0%). A total of 14.5% of the approved lots were for town-houses and 31.5% for apartment buildings. This suggest that in the near future, the housing stock will remain predominantly focused on single detached dwellings whereas the need in Northumberland is more focused on housing options for smaller households.

**Figure 27: Proportion of Approved Lots by Unit Type: Northumberland County; 2018**



Note: No data was provided for Alnwick/Haldimand and Hamilton.

Source: Town of Cobourg Planning and Development Division

When looking at the data by municipality, there are significant differences between rural and urban areas in Northumberland. Cobourg (26.7%) and Port Hope (37.7%) had the lowest number of lots designated to single- and semi-detached dwellings, while Cramahe (100.0%) and Trent Hills (75.9%) had the highest. In addition, 74.4% of lots designated for townhouses and 91.9% of lots designated to apartment buildings were located in Cobourg and Port Hope. This indicates that the diversification of the housing stock is expected to predominantly occur in urban member municipalities while the housing stock in rural member municipalities will remain focused on single- and semi-detached units.

### Site Plan Applications and Development Charges Forecasts

In addition to available land, site-plan application data and development charges forecasts also provide an indication into the housing supply in the near future. Data was provided for the municipalities of Cobourg, Cramahe and Port Hope.

### Cobourg

The Town of Cobourg conducted a study into the forecasted revenues collected from development charges. This study was completed in 2016. The analysis includes a section on the forecasted housing mix of the Town. Based on the unit mix in historical developments, household forecasts from the County's Official Plan, and discussions with municipal staff on anticipated development trends, it is determined that between 2017 and 2037, 24% of new development will be low density (single- semi-detached), 45% medium density (townhouses etc) and 31% high density (apartments). This seems to be in line with the previous analysis on available land where 26.7% of the available land is designated to low density units and 73.3% for medium and high-density unit types.

### Port Hope

The Municipality of Port Hope provided an overview of residential site plan applications by unit type between 2013 and 2018. The data show 49 residential site plan applications were received during that time. The majority were for single detached units (93.8%), while some (6.2%) for multiple residential units. This suggests the majority of new housing stock in the near future will be single or semi-detached. This seems to be in conflict with the available designated land for townhouses (10.9%) and apartments (51.4%), as well as the intensification target of 50% set out for Port Hope by the County.

### Cramahe

Cramahe Township provided an overview of the number of residential development applications between 2013 and 2018. A total of a 111 applications were received which will result in 29 new dwellings. No breakdown of residential development applications by unit type were provided.

## Non-Market Housing Supply

Non-market housing is made up of emergency accommodation and permanent housing units where monthly rent rates are geared-to-income or set at below-market rates. These housing units are generally provided by the non-profit and public sectors.

## Emergency Housing

The need for emergency and transitional housing is driven by many factors, such as family break-up, loss of employment, illness, domestic violence, or recent release from the hospital or the correctional system. While these factors contribute to the need for emergency shelters and transitional housing, in general, the main factor which influences the need for these housing types is the lack of permanent affordable housing in a community.

There are currently three emergency shelters serving Northumberland residents with a total capacity of up to 48 men, women and children. The Cornerstone Family Violence Prevention Centre allows a stay of up to six months while the Anishnaabe Kwe-way Gamig shelter allows a stay of up to eight weeks.

Transition House, the County’s only emergency shelter serving adult men and women, re-opened in November 2018. Transition house has 22 beds. Due to the short time since the re-opening and the writing of this report, no length of stay and occupancy data could be collected. However, it is anticipated that occupancy rates will reach 100% by the end of 2019.

**Figure 28: Number of Shelter Beds: Northumberland; 2018**

Shelters in Northumberland		
Transition House - Emergency Shelter		
<b>22</b>	<b>N/A</b>	<b>**</b>
Beds	Length of Stay	Occupancy
Cornerstone Family Violence Prevention Centre		
<b>17</b>	<b>3-6 months</b>	<b>103%</b>
Beds	Length of Stay	Occupancy
Anishnaabe Kwe-way Gamig Inc.		
<b>9</b>	<b>8 weeks</b>	<b>80%</b>
Beds	Length of Stay	Occupancy

Source: Northumberland County 2018

The County also provides funding for other homelessness programs administered by community agencies, including the Canadian Mental Health Association (CMHA), Transition House, and Salvation Army. This includes assisting a total of 235 households through emergency motel stays.

The 2017 Annual Update on the Northumberland Housing and Homelessness Plan shows that the County and its community partners assisted a total of 489 households through the Shelter Benefit in 2017; up from 368 in 2016. In addition in 2017, 229 households moved from homelessness or transitional housing to long-term housing and 12 households moved from an emergency shelter to long-term housing. Furthermore, 230 households who were at risk of homelessness were helped to maintain their housing. An additional 197 individuals and

families were also assisted through the Enhanced Homelessness Support Worker Program which is administered by Cornerstone Family Violence Prevention Centre and funded by the County.

## Need for Emergency Housing

Following the 2018 homelessness enumeration, there were 58 individuals and 19 families who were identified as experiencing homelessness in Northumberland (including existing individuals and families on the By-Name List and newly surveyed households).

**41.7%** of survey respondents with lived experience spend more than 50% of their income on housing

Please note, the above numbers do not reflect the transitions in and out of homelessness at any given time in Northumberland. For example, from January to June 2017, a total of 36 individuals and 13 families were housed that had been experiencing homelessness. In addition, there are individuals who the County is aware are experiencing homelessness yet who were not captured during the homeless enumerations.

Furthermore, there are individuals and families who are at risk of homelessness. As previously mentioned, there are many factors which contribute to homelessness but one of the main reasons is a lack of housing which is affordable to households with low incomes. This is supported by the findings from the survey of persons with lived experience where 41.7% of the respondents were paying more than half of their income for housing, which puts them at great risk of homelessness. In addition, 94.5% of respondents to the resident survey noted the need for housing options which are affordable to households with low and moderate incomes in Northumberland.

In December 2017, the shelter operated by Cornerstone Family Violence Prevention Centre had an occupancy rate of 126% and 103% as of May 2018. The shelter operated by Anishnaabe Kwewag Gamig had an occupancy rate of 50% in December 2017 and 80% in May 2018. This further indicates a need for more housing options which are affordable to households with low incomes.

## Supportive Living

Supportive housing is permanent housing which may have accessibility design features as well as support services to help people with unique needs to live as independently as possible. There are a number of organizations in Northumberland which provide supportive housing with a total of 347 beds or units. These supportive housing options are available for people with mental health issues who have been homeless or who are at risk of homelessness, survivors of

domestic violence, and people with developmental disabilities. There are currently 40 supportive housing beds/units in Cobourg for survivors of domestic violence and individuals with mental health issues. There are also 30 beds/units in seven group home throughout Port Hope for individuals with a developmental disability. In addition, the County of Northumberland provides rent supplements for various agencies serving people who require supportive housing. As of June 2018, there were a total of 13 supportive rent supplement agreements with private landlords throughout Northumberland.

**Table 7: Supportive Housing Units by Municipality: Northumberland County and Member Municipalities; 2018**

Municipality	Agency	Target Population	Beds/Units
<b>Cobourg</b>	Cornerstone Family Violence Prevention Centre	Survivors of domestic violence	13
	Northumberland Hills Hospital Community Mental Health Services	Individuals with mental health issues	27
	Legion Village*	Seniors in frail health	199
<b>Port Hope</b>	Access Community Services	Individuals with a developmental disability	30
<b>Trent Hills</b>	Campbellford Memorial Multicare Lodge	Seniors with dementia and individuals with physical disabilities	49
<b>Various</b>	Ministry of Social and Community Services/Ministry of Health	Homeless individuals and families/Individuals with a developmental disability/Individuals with mental health issues	28
		<b>Total</b>	<b>347</b>

Source: Community Agency Survey 2018

Please note: Not every organization who was sent the survey submitted a response, hence the total number of supportive units might be higher than what is represented in this table and report.

## Long Term Care Homes

A long-term care home is permanent accommodation for people who need 24-hour nursing and personal care with onsite supervision or monitoring to ensure their safety and who have care needs which cannot be safely met in the community through publicly-funded community-based services and other caregiving support<sup>28</sup>. People who need long-term care are placed in homes through Community Care Access Centres (CCAC) by the province.

Accommodation rates for long term care range from about \$60.78 to \$86.82 per day or \$1848.73 to \$2640.78 per month. The province provides a subsidy through the Long Term Care

<sup>28</sup> Queen’s Printer for Ontario (2012-2018). Find a long term care home. Accessed from: <https://www.ontario.ca/page/find-long-term-care-home#section-3>.

Rate Reduction Program to individuals who do not have enough income to pay for the basic rate.

**Table 8: Long Term Care Daily and Monthly Rates: Ontario; 2018**

Type of accommodation	Daily rate	Monthly rate
Long-stay Basic	\$60.78	\$1,848.73
Long-stay Semi-private	\$73.27	\$2,228.63
Long-stay Private	\$86.82	\$2,640.78
Short-stay	\$39.34	N/A

Source: Queen’s Printer for Ontario 2018

There are a total of 581 long term care beds in Northumberland. The largest proportion of long-term care beds (48.0%) are in Port Hope while 37.9% of beds are in Cobourg. The average wait time for a long-term care bed is almost five years.

### Seniors Housing

There were a total of 815 seniors housing or retirement home spaces in 14 residences<sup>29</sup> in Northumberland in 2018<sup>30</sup>. The capture rate<sup>31</sup> for these seniors housing spaces in 2018 was 7.6%. In comparison, the capture rate for Ontario as a whole was 5.5%.

The overall vacancy rate for these seniors housing spaces was 7.8% in 2018; up from 3.7% in 2017. In 2018, the highest vacancy rate was for private/studio units (12.3%) while the lowest was for units with two or more bedrooms (3.6%). The increase in vacancy rates may be partly due to the increase in the number of spaces from 763 in 2017 to 815 in 2018.

The average rent for all units in 2018 was \$3,005; down by 3.4% from \$3,111. Rents ranged from \$2,619 for a private/studio unit to \$4,516 for a two bedroom unit.

<sup>29</sup> Please note that some of these residences may already be included in the supply of supportive housing.

<sup>30</sup> Seniors housing refers to facilities which have at least one unit that is not subsidized, has been in operation for at least one year, has at least ten rental units, offers an on-site meal plan, does not offer high levels of health care (defined as 1.5 hours or more of care per day) to all its residents (so nursing homes and long term care homes are not included), offer rental units (life lease units and owner-occupied units are not included), and has at least 50% of its residents who are 65 years or older.

<sup>31</sup> The capture rate is the ratio of the total number of residents living in the survey universe divided by the estimated population aged 75 years and older. The population aged 75 years and older is used as the majority of seniors living in these residences are aged 75 years and older.

## Support Services

In addition to supportive housing units provided by community agencies or Northumberland County through rent supplements, there are a large number of community agencies in Northumberland which provide support services to assist individuals and families. These agencies provide a range of services, including assistance with searching for housing, eviction prevention, legal assistance, referrals to housing and other support services, food banks, clothing and furniture banks, life skills training, employment supports, and counselling.

## Need for Supports Services and Supportive Living

Despite the supply of supportive housing options in Northumberland, During the November 2016 homelessness enumeration, volunteers spoke with fifteen individuals and ten families who are homeless required long-term/permanent supports. The results of the survey of community agencies also show that most respondents (88.6%) indicated that a lack of appropriate housing and supports were an issue in Northumberland.

In addition, there were a total of 949 people on the waiting list of long term care beds in Northumberland as of May 2018. Wait times for these beds range from about six months to four years with an average wait of two years.

The largest proportion of long term care beds are in Port Hope (48.0%) and Cobourg (37.9%). These two communities also had the majority of supportive housing beds and units. In comparison, Cobourg had the largest share of seniors aged 65 years and older (31.4%) followed by Brighton (29.1%). Trent Hills had the largest share of households with a person with a physical disability (16.3%) followed by Brighton (15.5%). Trent Hills also had the highest share of households with a person with a cognitive or mental health issue (20.3%) followed by Cramahe (20.2%).

**88.6%** of  
community agencies  
indicated there is a  
lack of appropriate  
housing and supports  
in Northumberland

Additionally, almost half (48.6%) of respondents to the survey of community agencies noted that people with mental health issues were among the groups who were more likely to face challenges accessing affordable, appropriate housing in Northumberland. Other groups identified include individuals and families who are homeless (25.7% and 22.9% of respondents respectively) and seniors (25.7% of respondents).

This data suggests a need for more supportive housing options to address the needs of persons with disabilities, mental health issues, and frail seniors. Furthermore, the data indicates that Trent Hills, Brighton and Cramahe have a greater need among the member municipalities for appropriate housing and support services for people with unique needs.

In addition to the need for more housing options and support services, the results of the survey of community agencies suggest that there is also a need to re-examine the process to access existing housing and support services. Of those who responded to the survey, 34.3% stated that one of the barriers to accessing these units and services is having inadequate staff to meet the need. In addition, 28.6% of respondents noted that residents do not know where to go for help and 25.7% stated that the complex process acted as a barrier. Similarly, the results of the resident survey showed that 62.7% of respondents did not know where to refer someone who needed help paying their rent or who needed a place to stay.

## Community and Affordable Rental Housing

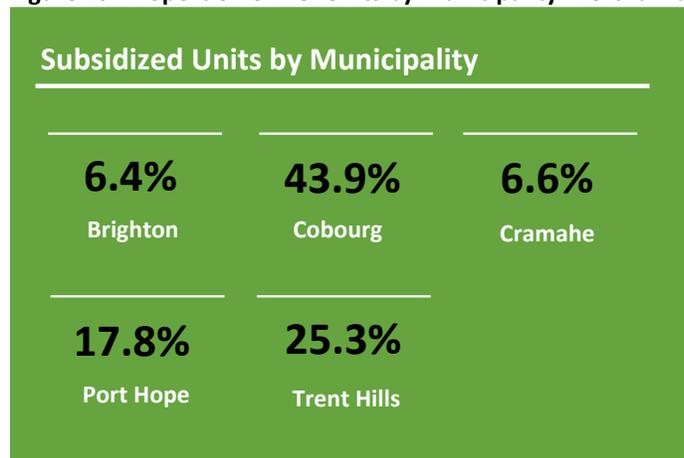
Community and Affordable Rental housing refers to housing which has received some form of subsidy from Northumberland County or other levels of governments. These units are usually provided by non-profit organizations or private landlords who have rent supplement agreements. The County also has its own housing corporation which manages the majority of subsidized units in Northumberland. These subsidized units have rent rates which are geared to income (RGI), where the household pays no more than 30% of their income for housing costs, or are affordable units where the rent is at 80% of the average market rent for the area. For the purposes of this report, subsidized housing includes units owned and/or operated by the Northumberland County Housing Corporation or other non-profit organizations, social housing units, units built under the Investment for Affordable Housing (IAH) Program, and rent supplement units with private landlords.

There are a total of 893 social and affordable housing units in Northumberland as of May 2018<sup>32</sup>. Of these units, 80.7% are RGI units while 19.3% are affordable or market rate units. Of the 893 units, 3.0% are accessible to persons with disabilities. Most of these units (392 units) are located in Cobourg while Trent Hills has 226 units, Port Hope has 159 units, Brighton has 57 units, and Cramahe has 59 units.

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<sup>32</sup> Please note: This number does not include any rent supplements. For an overview of rent supplements in Northumberland, see the rent supplement section below.

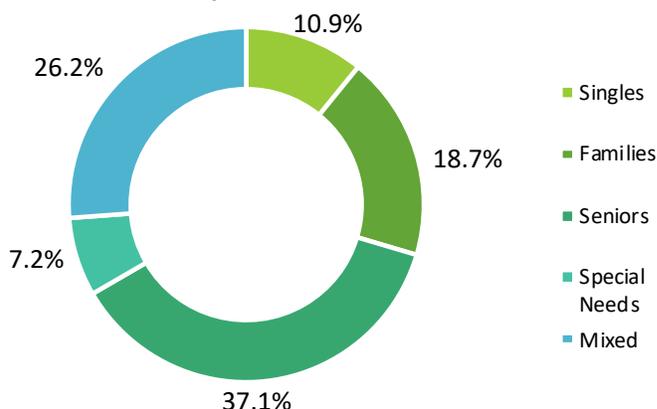
**Figure 29: Proportion of RGI Units by Municipality: Northumberland and Member Municipalities; 2018**



Source: Northumberland County 2018

The largest proportion of these units (37.1%) are mandated for seniors. In addition, 18.7% are for families, 10.9% are for singles, and 26.2% are mixed (i.e. seniors, singles and families). There is also 7.2% for individuals and families with special needs. The turnover rate for these units in 2017 was 10% and turnover has been relatively stable since 2013.

**Figure 30: RGI Units by Mandate: Northumberland; 2018**



Source: Northumberland County 2018

Almost half (47.7%) of RGI units are owned and/or administered by the Northumberland County Housing Corporation. Another 40.8% are with non-profit housing providers and 11.5% are with cooperatives. While this distribution of RGI units is similar to what is seen in other communities, there is a need to ensure that the units with non-profit housing providers and cooperatives, making up 52.3% of all RGI units, remain rent-geared-to-income units even after operating agreements end. At that point, housing providers may, notwithstanding requirements in funding agreements for affordability levels, have the option to turn these units into market rate units to ensure the financial feasibility of the entire project.

## Rent Supplement Units

Northumberland County's Rent Supplement Program offers eligible applicants on the County's centralized waitlist RGI accommodation in privately owned buildings. The rent supplement pays the difference between the affordable rent and the market rent for the unit. The rent supplement is connected to the unit rather than the households. This means that the program does not allow for applicants to be subsidized in their current private unit and if they move out of the rent supplement unit, they cannot take their subsidy with them.

Northumberland County has three rent supplement programs. These are the following.

- Commercial Rent Supplement Units
- Strong Communities Rent Supplement Units
- Rent supplements for agencies which have service agreements, including Northumberland Hills Hospital Community Mental Health, Cornerstone Family Violence and Prevention Centre, and Community Living<sup>33</sup>.

As of June 2018, there were a total of 79 rent supplements provided by Northumberland County. The majority of units (84.8% or 67 units) were for single individuals and 12 rent supplement units were for families.

Of the total rent supplement units, 21 were provided through the Strong Communities Rent Supplement Program. This program provides funding from the province to Service Managers until 2023 to deliver rent supplements based on local needs. Another 41 units are provided through the Commercial Rent Supplement program and 17 are provided through the Social Infrastructure Fund.

## Housing Allowances

Northumberland County also has a Housing Allowance Program which is delivered by the Ministry of Finance through the IAH – Extension Program. This housing subsidy is not specifically geared to income. However, the goal of the program is to assist household types who have been identified as priority households by the Service Manager. As of June 2018, 38 households in Northumberland received a housing allowance while a total of 44 received a housing allowance in 2017. The average monthly allowance for each household is approximately \$190.

In addition, Northumberland County delivers housing allowances through the Social Infrastructure Fund. This housing subsidy is not geared to income, however is designed to

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<sup>33</sup> Northumberland County (2018). Rent Supplement. Accessed from: [http://www.northumberlandcounty.ca/en/departments\\_communitysocialservices/css\\_rents supplement.asp](http://www.northumberlandcounty.ca/en/departments_communitysocialservices/css_rents supplement.asp).

support housing stability for households throughout the County. The goal of the program is to provide temporary financial assistance to households at risk of homelessness and stabilize their housing situation within the maximum 5-year period the funding is available. Intensive case management is a key component of this program. As of June 2018, 53 households received a housing allowance and the average monthly allowance was approximately \$300.

## Affordable Housing and Investment in Affordable Housing Program

There were a total of 81 affordable housing units in Northumberland built through the Affordable Housing Program (AHP) and the Investment in Affordable Housing (IAH) program, with an additional 31 units to be occupied in early 2019. These units are built and managed by private sector developers. These landlords are required to maintain affordability for 20 years at 80% of the CMHC Average Market Rent, including utilities. Including the units currently in development, 54.5% are located in Cobourg, 21.4% in both Port Hope and Trent Hills, and 3% in Cramahe. Each of these member municipalities have implemented their own municipal capital facilities by-laws to provide property tax exemptions for 20 years for these projects.

## Affordable Ownership Housing

Habitat for Humanity Northumberland has supported a total of 54 families in achieving affordable home ownership since 1998 and is currently working to support 25 families to achieve home ownership in five years<sup>34</sup>. The Northumberland Housing and Homelessness Plan notes that this is a very high rate of affordable home ownership production for a community of Northumberland's size<sup>35</sup>. In addition, there are five families on the wait list to purchase a home in the next twelve months and another three families on the wait list for home ownership in the next 24 months. Northumberland County continues to support Habitat for Humanity Northumberland's program through the Home Ownership program, providing down payment assistance to prospective families as funding is available.

## Need for Subsidized Housing

As of August 2018, there were 825 households on the centralized waiting list for subsidized housing; up by 27.1% from 649 households at the end of 2017. The number of households on the waiting list for subsidized housing has increased by 258.7% in the last ten years (from 2008 to 2018). Some stakeholders have noted that the significant increase in the number of applicants on the centralized waiting list may be partly due to addition of individuals and families who are identified as homeless or at risk of homelessness through the bi-annual

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<sup>34</sup> Northumberland Affordable Housing Strategy Survey of Community Agencies (2018) – Response of Habitat for Humanity Northumberland.

<sup>35</sup> Northumberland Housing and Homelessness Plan 2014-2023.

homelessness enumeration. However, stakeholders do agree that despite this, there is still definitely a need for more subsidized housing units.

**Figure 31: Growth of the Centralized Wait List: Northumberland; 2008 - 2018**



Source: Northumberland County 2018

As of November 2018, there were 851 households on the waitlist for RGI housing in Northumberland County. Of these households, 41% were non-seniors (15% of which were 2 person households<sup>36</sup> and 85% were single person households), 37% were seniors<sup>37</sup> and 22% were families. In comparison, non-senior one-bedroom units made up only 10.9% of the total supply of RGI units. Units mandated for seniors made up 37.1% and units mandated for families made up 18.7%. Special needs units made up 7.2% and mixed mandate units made up 26.2%. The supply of rent supplement units more closely reflects the demand for subsidized units, with 84.8% allocated for singles. There are also more IAH units allocated for singles (34.2%) while units for seniors make up 36.8% and units for families made up 15.8%.

These trends show that there is definitely a need for housing which is affordable to households with low incomes. This is supported by the findings from the resident survey where 94.5% of respondents noted that the availability of housing options which are affordable to households with low and moderate incomes was an issue. In addition, 41.7% of respondents to the survey of persons with lived experience were paying more than half of their income for housing. Furthermore, when asked what supports would help the most with their current housing situation, 81.8% of respondents said ongoing financial assistance to pay the rent would help. Additionally 27.3% noted that eviction prevention would help and another 27.3% stated that employment services or help finding a job would help.

<sup>36</sup> Depending on the household status and requirements – households may be waiting for a one or two-bedroom unit.

<sup>37</sup> Seniors are able to apply to both senior-designated units and non-senior units.

## Market Housing

The majority of housing units in a community are private market housing units and include both rental and ownership units.

### Private Rental Market

Rental housing fulfills a number of important roles in the housing market in a community. It offers a flexible form of accommodation, provides relief from day-to-day maintenance, and often provides more modest-sized units. In addition, rental housing is generally more affordable compared to ownership housing. In most cases, rented dwellings tend to have lower monthly costs and only require the first and last months' rent as deposit. The flexibility and affordability of rental housing is ideal for some households, such as seniors wishing to downsize or who are on a fixed income, young adults starting their career, or people living alone.

Until the mid-1970's, rental housing as a tenure was more prevalent than it was today, particularly in urban areas. It was common to rent even among high-income earners<sup>38</sup>. However, a reform of the Canadian tax code in 1972 shifted the balance in the housing market to an ownership-based model which provided tax incentives for home owners while removing tax incentives for the construction of purpose-built rental apartments. Recent changes in provincial legislation have provided more support for rental housing and more security for tenants, however, there is still a very strong focus on home ownership, particularly in more rural communities.

### Universe

The private rental market in a community is generally made up of the primary or purpose-built rental market and the secondary rental market. The primary rental market includes all self-contained rental units where the primary purpose of the structure is to house tenants. The primary rental market includes purpose-built rental apartments and townhouses. The secondary rental market represents self-contained units which were not built specifically as rental housing but are currently being rented out. These units include rented single-detached, semi-detached, row/townhouses, duplex apartments (i.e. separate dwelling units located within the structure of another dwelling), rented condominium units, and one or two apartments which are part of a commercial or other type of structure.

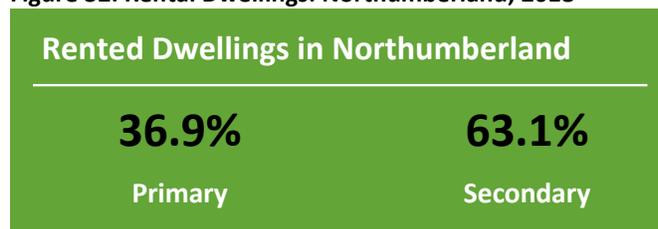
There were a total of 6,760 renter households in Northumberland in 2016, making up 18.9% of all dwellings in Northumberland. Rental housing data from CMHC was not available for all of

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<sup>38</sup> Suttor G. 2015. Rental Paths from Post-war to Present: Canada Compared. Retrieved from: <http://www.urbancentre.utoronto.ca/redirects/rp218.html>

Northumberland. However, based on the available data for Brighton, Cobourg, and Port Hope and assumptions based on other similar communities, the primary rental market in Northumberland makes up about 40% of all rented dwellings while the secondary rental market makes up about 60%.

**Figure 32: Rental Dwellings: Northumberland; 2018**



Source: Canada Mortgage and Housing Corporation 2018 and SHS Estimations based on CMHC Data

The secondary rental market is a good source of rental units, particularly in more rural communities. In addition, it generally offers a more diverse supply as these units include single and semi-detached homes as well as secondary units compared to predominantly apartment and townhouse units in the primary rental market. However, units in the secondary rental market are generally not as stable in tenure as units in the primary rental market.

Secondary suites are self-contained rental units which are located within the same structure as another dwelling, referred to as the primary dwelling/suite. Secondary suites are often more affordable than market rent and help municipalities to create housing options for households with lower incomes in particular in rural areas where apartment buildings are not suitable or economically feasible. In many rural municipalities, secondary suites are the only affordable option for low income households.

The Northumberland Official Plan of 2014 requires member municipalities to adopt Official Plan and Zoning By-Law policies that allow for secondary suites in primary residential buildings. Cobourg and Cramahe also require owners to register their secondary suite. Based on provided information, there are 37 secondary suites in these towns. A total of 33 are located in Cobourg while 4 are located in Cramahe.

Other municipalities either mentioned they do not track the number of secondary suites or did not provide information. However, member municipal planners estimate that there are many more unregistered secondary suites throughout all member municipalities than the 37 mentioned in this report. For example, while Trent Hills does not require registration, they have been getting numerous requests about adding a secondary suite, either in an existing dwelling or in a separate structure within the same property.

## Average Rents

As previously mentioned, CMHC data was only available for Brighton, Cobourg and Port Hope. Based on this data, the total average market rent of units in the primary rental market was \$1,019 in 2017; up by 4.0% from 2016. This increased by 33.6% from 2008. The average market rent for apartments with three or more bedrooms saw the highest rate of increase; increasing by 107.2% from 2008 to 2017 followed by an increase of 42.9% in the average market rent of bachelors.

**33.6%** increase in  
CMHC Average Market  
Rent since 2008

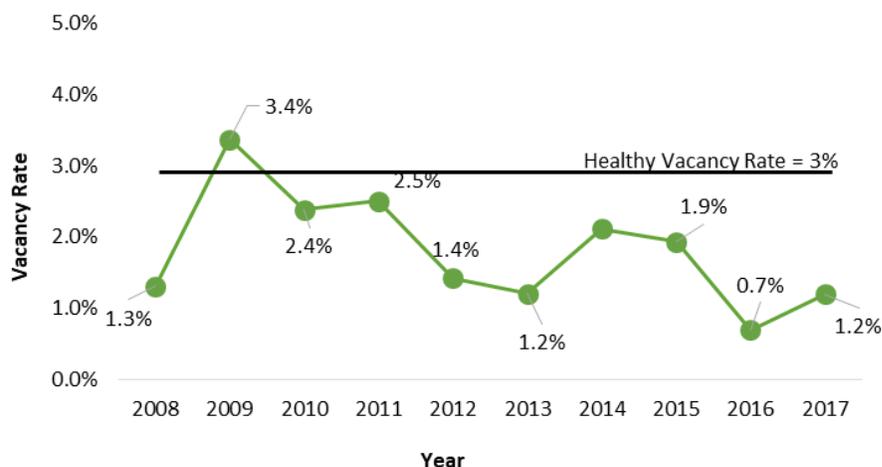
While CMHC data was not available for the other member municipalities, The Help Centre compiles weekly rental ads. While this data is based on a very limited number of units (301 units in 2017 and 162 units in 2018), this provides further insight on the cost of rental housing in Northumberland. Based on this data, the average market rent of an available unit in Northumberland in 2018 was \$1,324; up by 8.3% from \$1,222 in 2017. The \$200 difference in the average market rent reported by CMHC and the results of the scan undertaken by The Help Centre may be due to the fact that the scan of rental ads would include units in both the primary and secondary rental markets. The difference in average rents is particularly evident in the rent for larger units, where CMHC reports an average rent of \$1,392 for units with three or more bedrooms while the scan of rental ads shows an average of \$1,964 for these units, a difference of \$572. This may be partly due to the fact that rents for a three-bedroom apartment would be much less than rents for a three-bedroom single or semi-detached home. The difference in average rents may also be due to the fact that CMHC data includes both occupied and vacant units. The increase in rents for occupied units would be governed by rent control guidelines whereas rental ads would identify the asking price for a unit.

Based on the results of the scan of rental ads, the lowest average market rent of available units in 2018 could be found in Hamilton (\$923) followed by Cramahe (\$958) while the highest rents were in Alnwick/Haldimand (\$1,525) and Cobourg (\$1,436). However, it should be noted that this is based on very few units. For example, the data for Hamilton is based on only three rental ads in 2018.

## Vacancy Rates

A 3.0% vacancy rate in a community is generally accepted as a 'healthy' vacancy rate as it shows a balance between the demand and supply of rental housing. Based on CMHC data for Brighton, Cobourg and Port Hope, Northumberland had a vacancy rate of 1.2% in 2017. Average vacancy rates in Northumberland have gradually declined since 2009, which was the last year the vacancy rate averaged above 3.0%. This indicates the demand for purpose built rental housing has increased significantly in the last 10 years.

**Figure 33: Rental Vacancy Rate Over Time: Northumberland; 2008 - 2018**



\*Note: This is an approximation based on vacancy rates for Brighton, Cobourg and Port Hope  
Source: Canada Mortgage and Housing Corporation 2018

The lowest rate was seen in Brighton, at 0.5% while Port Hope had a rate of 1.6% and Cobourg had a rate of 1.1%. While this is only a sample and only represents the primary rental market, these vacancy rates indicate a significant need for rental housing in Northumberland. This finding is supported by the fact that 87.6% of respondents to the resident survey noted that the availability of rental housing throughout Northumberland needed to be improved. The results of the resident survey show that this issue is second only to the need for affordable housing options for households with low- and moderate incomes.

**Figure 34: Rental Vacancy Rates: Northumberland and Member Municipalities; 2017**

### Vacancy Rates



**1.2%** Average vacancy rate in 2017

**0.5%**

Brighton

**1.1%**

Cobourg

**1.6%**

Port Hope

Source: CMHC Housing Market Information Portal 2017

Concern was raised among some stakeholders regarding the increase in temporary rentals which may be contributing to the limited supply of permanent rental units in Northumberland. However, the results of the resident survey show that most of the respondents (95.2%) of the respondents do not rent out their home and only 1.0% (two respondents) rented all or part of their home on a short term basis, such as through AirBnB. A total of 209 respondents replied to

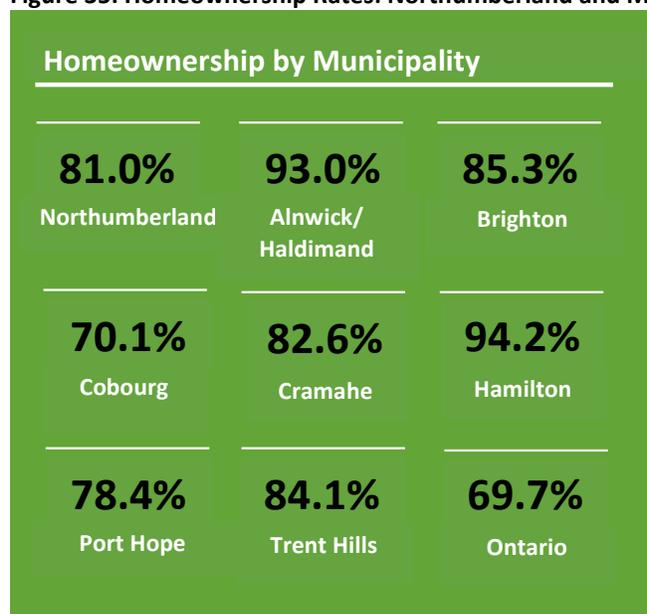
this question and only three (1.4%) said they rent out a secondary suite on a long term basis (i.e. six months or longer) and two (1.0%) said they rent out a room in their home on a long term basis.

## Market Ownership Housing

Home ownership is a valuable form of personal investment and is often viewed as the most important way to build personal assets. For many households, home ownership is the ideal form of housing and can offer a form of investment, security of tenure, and quality in accommodation.

In 2016, there were a total of 28,920 owned homes (81.0%) in Northumberland. In comparison, 69.7% of all households in Ontario owned their own home. Hamilton had the largest proportion of owned homes (94.2% of all dwellings in Hamilton) followed by Alnwick/Haldimand (93.0%).

**Figure 35: Homeownership Rates: Northumberland and Member Municipalities; 2016**



Source: Statistics Canada Community Profiles 2016

## Average House Prices

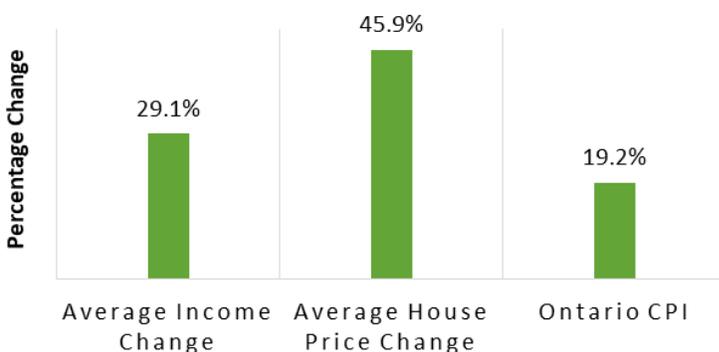
The average house price in Northumberland in the first 9 months of 2018 was \$454,040; up by 33.6% from 2016. In comparison, the growth rate of the consumer price index in Ontario was 3.5% from 2016 to 2018.

The average value of all dwellings in Northumberland in 2016 was \$339,962; up by 45.9% from 233,072 in 2006. In comparison, the average value of all dwellings in Ontario increased by

70.2% from 2006 to 2016. The highest rate of increase in property values in Northumberland were seen in the value of townhouses; increased by 55.9% from 2006 to 2016. The lowest increase was seen in the value of low-rise apartments; increasing by 20.9%.

While the average property values for all dwellings in Northumberland increased by 45.9% from 2006 to 2016, the average household income increased by 29.1% and the Ontario CPI increased by 19.2% during the same time period. This indicates that incomes are not keeping pace with the increase in house prices and home ownership is becoming less affordable to households with low and moderate incomes in Northumberland.

**Figure 36: Average House Price Change Compared to the Increase of the Ontario CPI and Household Incomes: Northumberland; 2006 - 2016**



Source: Statistics Canada Census Topical Tabulations 2006 - 2016

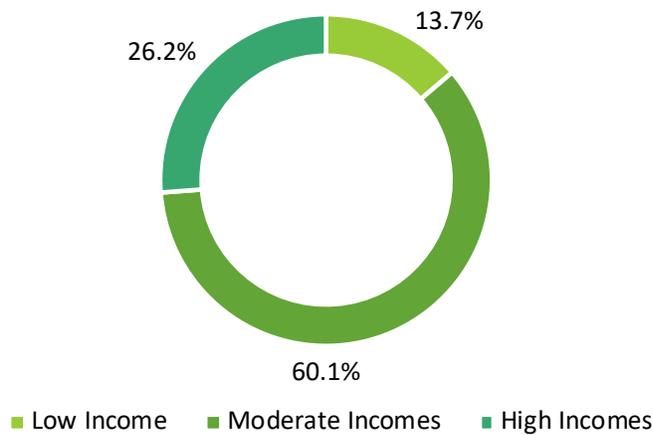
## Supply by Affordable House Prices

The figure below shows the current supply of dwellings in Northumberland County based on the assessed value of dwellings and the affordable house price for each household income decile. The assessment data shows, 13.7% (4,046 units) of all owned dwellings were affordable to households in the first three income deciles (households with incomes below \$48,519). However, this group represents 30% of all households in Northumberland which indicates a strong need for rental housing and affordable ownership for households in these deciles.

The assessment data also shows that 60% of dwellings are affordable to households with moderate incomes and 26.2% of dwellings are affordable to households with high incomes. While there seems to be an oversupply of ownership options for households with moderate incomes, some of these dwellings may currently be owned by households with low incomes who are paying more than 30% of their income for housing costs. Other dwellings may be owned by households with high incomes, preferring to spend less than 30% of their income on housing.

In addition, assessment data and actual market value are often different. As of June 2018, the average house price in Northumberland was \$454,040<sup>39</sup>. This is only affordable to households in the eighth income decile or higher. This suggests that, despite the assessment data, there is actually a need for rental and ownership options for households with moderate incomes who do not currently own homes or who are paying too much for housing.

**Figure 37: Proportion of Dwellings Affordable by Household Income Deciles: Northumberland County; 2018**



Source: Northumberland County Property Value Assessment Data 2018

## Key Findings: Housing Supply

This section provides a brief overview of the nature of housing supply in Northumberland

**The majority of homes in Northumberland are single detached dwellings and the focus on single detached dwellings is expected to continue in the near future.**

- Low density single- and semi-detached dwellings made up the majority of homes in Northumberland (79.4%) and single detached homes saw an increase of 11.7% between 2006 and 2016.
- A total of 82.1% of building permits issued in 2018 were for single- or semi-detached units. This suggests the focus on low density homes will continue in the foreseeable future.
- Row houses (4.7%) and apartment buildings (12.4%) made up only a small share of all dwellings in Northumberland but these dwelling types saw the highest rate of increase between 2006 and 2016.

<sup>39</sup> Northumberland Hills Association of Realtors (2018). MLS Resale Data

**There are many individuals and families in Northumberland who are homeless or at risk of homelessness.**

- There are currently three emergency shelters in Northumberland with a total of 48 beds for adult males, females and survivors of domestic violence and children. There are also a range of support services available for individuals and families who are homeless or at risk of homelessness.
- However, during the 2018 homelessness enumeration, volunteers identified 58 individuals and 19 families who were homeless in Northumberland. In addition, a 2017 report based on the 2016 homelessness enumeration found there were 179 individuals and 48 families at risk of homelessness.
- A total of 42.0% of respondents to the survey of persons with lived experience were paying more than half of their income on housing costs.
- A survey among residents in Northumberland found 94.5% indicated a need for housing options which are affordable to households with low and moderate incomes in Northumberland.

**There are a range of supportive living options in Northumberland but key findings show an increasing need for more options with accessibility features and support services.**

- There are a range of supportive housing options in Northumberland, including options for people with mental health issues, people with developmental disabilities, formerly homeless individuals, and survivors of domestic violence.
- Despite the existing supportive housing options in Northumberland, volunteers of the 2016 homelessness enumeration spoke with fifteen individuals and ten families who are homeless and required long-term/permanent supports<sup>40</sup>.
- The results of the survey of community agencies also show that most respondents (88.6%) indicated that a lack of appropriate housing and supports were an issue in Northumberland.
- Lastly, there were a total of 949 people on the waiting list of long term care beds in Northumberland as of May 2018. Wait times for these beds range from about six months to four years with an average wait of two years.

**There is a need to increase the supply of purpose built affordable and market rate rental housing in Northumberland.**

- Renters make up 18.9% of all households in Northumberland compared to 30.2% in Ontario.
- Alnwick/Haldimand (7.1%) and Hamilton (5.7%) have much smaller shares of renter households. While this may be partly due to a preference for ownership housing, it is also due to the very limited rental housing stock available in these communities.

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<sup>40</sup> 2016 Northumberland homeless enumeration

- The number of rental dwellings in Northumberland increased from 2006 to 2016 however an estimated 63.1% of these dwellings are part of the secondary rental market.
- The average vacancy rate for purpose-built rental units in Northumberland has remained below 3% since 2010 and was 1.2% in 2017. Brighton (0.5%) had the lowest vacancy rate while Port Hope had the highest (1.6%). This indicates a strong demand for rental housing in Northumberland.
- The wait list for RGI units increased by 258.7% to 825 individuals and families between 2008 and 2018. This indicates a strong need for rental dwellings affordable to households with low incomes.

## 4.0 Housing Affordability Analysis



What is the nature of housing affordability in Northumberland?

Housing is the largest monthly expenditure for most households in Canada. According to Statistics Canada's Survey of Household Spending, a household's spending on shelter<sup>41</sup> made up 21.2% of all expenditures by Canadian households in 2015<sup>42</sup>.

Housing affordability is an important factor in the wellbeing of all residents and an adequate supply of affordable housing greatly contributes to healthy and economically prosperous communities.

### What is Affordable Housing

The Northumberland County Official Plan (Sec. C1.5.4) defines affordable housing as:

In the case of ownership housing, the least expensive of:

- a) Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate income households; or,
- b) Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area.

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

- a) A unit for which the rent does not exceed 30% of gross annual household income for low and moderate households; or
- b) A unit for which the rent is at or below the average market rent of a unit in the regional market area.

Low and moderate income households are defined in the Provincial Policy Statement, 2014 as:

- a) In the case of ownership housing, households with incomes in the lowest 60% of the income distribution for the regional market area; or
- b) In the case of rental housing, households with incomes in the lowest 60% of the income distribution for renter households for the regional market area.

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<sup>41</sup> This includes rent or mortgage payments, repairs and maintenance, property taxes, insurance, and utilities.

<sup>42</sup> Statistics Canada (2017). Table 203-0021: Survey of household spending (SHS), household spending, Canada, regions and provinces, annual (dollars), CANSIM. Accessed from: <http://www5.statcan.gc.ca/cansim/a47>.

In Northumberland, this means that households with an annual gross household income of **\$48,519 or less in 2018** are households with **low incomes** and households with incomes from **\$48,520 to \$88,087** are households with **moderate incomes**.

To calculate low and moderate income renter households as per the definition of the Provincial Policy Statement mentioned above, renter household income deciles were used. In 2018 in Northumberland, renter households with low incomes are those households with incomes of \$24,953 or less and those with moderate incomes were earning between \$24,954 and \$45,620 annually.

Based on the provincial definition, the affordable housing thresholds for Northumberland are **\$1,019** for rental housing and **\$316,190** for ownership housing. The rental threshold is the average market rent reported by CMHC and the ownership threshold is the maximum house price which households with moderate incomes can afford.

**Figure 38: Affordable Price Thresholds: Northumberland County; 2018**

AFFORDABLE PRICE THRESHOLDS		
	Rental	Ownership
100 <sup>th</sup>		
90 <sup>th</sup>		
80 <sup>th</sup>		
70 <sup>th</sup>		
60 <sup>th</sup>	<b>\$1,019</b>	<b>\$316,190</b>
50 <sup>th</sup>	housing that does not exceed 30% of household income for the lowest 60% of household income levels	
40 <sup>th</sup>		
30 <sup>th</sup>		
20 <sup>th</sup>		
10 <sup>th</sup>		

## Household Income Spent on Housing

Statistics Canada defines “income spent on shelter” as the proportion of a household’s average monthly income which is spent on housing costs. This percentage is calculated by dividing the total shelter-related expenses by the household’s total monthly income. These expenses include the monthly rent or mortgage payments, property taxes and condominium fees, the cost of electricity, heat, water and other municipal services<sup>43</sup>. CMHC defines affordable housing as housing that costs less than 30% of before-tax household income<sup>44</sup>.

In 2015, 22.2% of all households in Northumberland were spending 30% or more of their before-tax household income on housing costs. This proportion is down slightly from 22.5% in

<sup>43</sup> Statistics Canada (2017). Dictionary, Census of Population, 2016. Accessed from: <http://www12.statcan.gc.ca/census-recensement/2016/ref/dict/az1-eng.cfm#S>.

<sup>44</sup> CMHC (2014). Housing in Canada Online: Definition of Variables. Accessed from: [http://cmhc.beyond2020.com/HiCODefinitions\\_EN.html# Affordable dwellings 1](http://cmhc.beyond2020.com/HiCODefinitions_EN.html# Affordable dwellings 1).

2005. However, the number of households facing housing affordability issues (i.e. spending 30% or more of household income on housing costs) increased by 11.8% from 7,090 in 2005 to 7,925 in 2015. In comparison, 27.3% of all households in Ontario were facing housing affordability issues in 2015. While the number of households facing housing affordability issues in Northumberland increased from 2005 to 2015, the percentage growth of households facing affordability issues was lower than the percentage growth of all households in Northumberland over that same period (13.1%).

Among the member municipalities, Cobourg (26.4%), Trent Hills (24.5%), and Port Hope (23.0%) had higher shares of households facing housing affordability issues compared to Northumberland as a whole. This may be partly explained by the fact that Trent Hills and Cobourg also had higher rates of households with low incomes compared to Northumberland as a whole (36.7% and 33.6% vs. 30.0%) in 2015.

In contrast, Hamilton (14.4%) and Alnwick/Haldimand (18.5%) had the lowest rates of households facing housing affordability issues in Northumberland in 2015. This could partly be explained by the relatively higher incomes in these areas compared to the other member municipalities in Northumberland.

**Figure 39: Proportion of Households Spending 30% or More on Housing Costs; Northumberland and Member Municipalities; 2015**

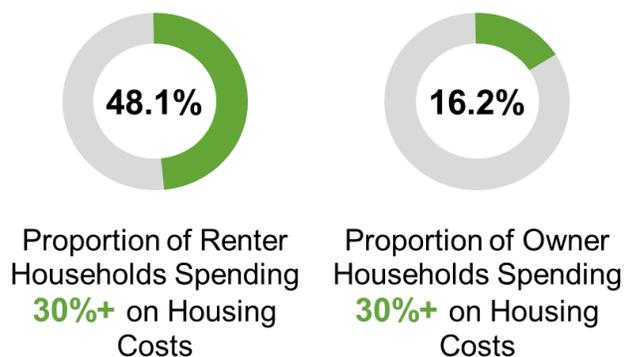
Affordability by Municipality		
<b>22.2%</b>	<b>18.5%</b>	<b>20.0%</b>
Northumberland	Alnwick/ Haldimand	Brighton
<b>26.4%</b>	<b>22.4%</b>	<b>16.9%</b>
Cobourg	Cramahe	Hamilton
<b>23.0%</b>	<b>24.5%</b>	<b>27.3%</b>
Port Hope	Trent Hills	Ontario

Source: Statistics Canada Community Profiles 2016

As previously mentioned, renter households generally have lower incomes compared to owner households. This may partly explain why 48.1% of all renters in Northumberland in 2015 were facing housing affordability issues compared to 16.2% of all owners. The proportion of renters

facing housing affordability issues increased from 42.5% in 2005 while the proportion of owners decreased slightly from 17.9% in 2005. In addition, 20.7% of all renters were facing severe housing affordability issues compared to 5.9% of all owners in Northumberland.

**Figure 40: Proportion of Households Spending 30% or More on Housing Costs by Tenure: Northumberland; 2015**



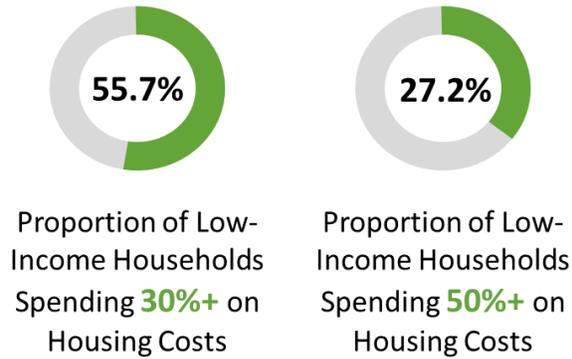
Source: Statistics Canada Custom Tabulation 2015

This indicates that there is a greater need for rental housing which is affordable to households with low and moderate incomes compared to ownership housing. In addition, the need is greater in Cobourg, Trent Hills and Port Hope.

## Housing Costs by Household Income Deciles

In 2015, 55.7% of households with low incomes in Northumberland were facing housing affordability issues and 27.2% were facing severe housing affordability issues (i.e. spending 50% or more of their household income on housing costs). In comparison, 65.2% of households with low incomes in Ontario were facing housing affordability issues and 35.5% were facing severe housing affordability issues. In addition, 15.7% of Northumberland households with moderate incomes were facing housing affordability issues and 1.6% were facing severe housing affordability issues. This suggests the need for affordable housing is greater among households with low incomes.

**Figure 41: Proportion of Households with Low Incomes Spending 30% or More of Household Income on Housing: Northumberland; 2015**

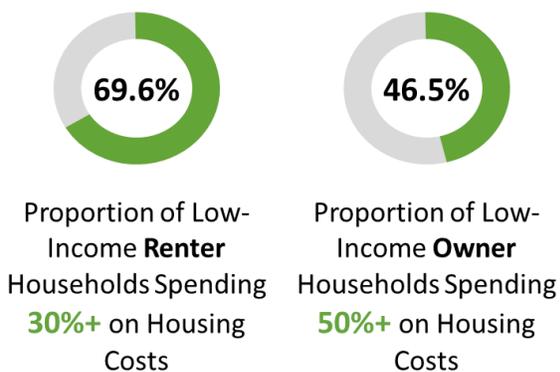


Source: Statistics Canada Custom Tabulation 2016

### Housing Costs by Household Tenure

Among renters in Northumberland with low incomes, 69.6% were facing housing affordability issues and 32.0% were facing severe housing affordability issues. In comparison, among owners with low incomes, 46.5% are facing housing affordability issues and 24.0% were facing severe housing affordability issues. Furthermore, among renters with moderate incomes, 14.8% were facing housing affordability issues and 1.8% were facing severe housing affordability issues. Among owners with moderate incomes, 15.8% were facing housing affordability issues and 1.6% were facing severe housing affordability issues. This data suggests that while the need for affordable rental housing, particularly for households with low incomes, is definitely more significant, there is also a need for affordable ownership options.

**Figure 42: Proportion of Households with Low Incomes Spending 30% or More of Household Income on Housing by Tenure: Northumberland; 2015**



Source: Statistics Canada Custom Tabulations: Northumberland: 2015

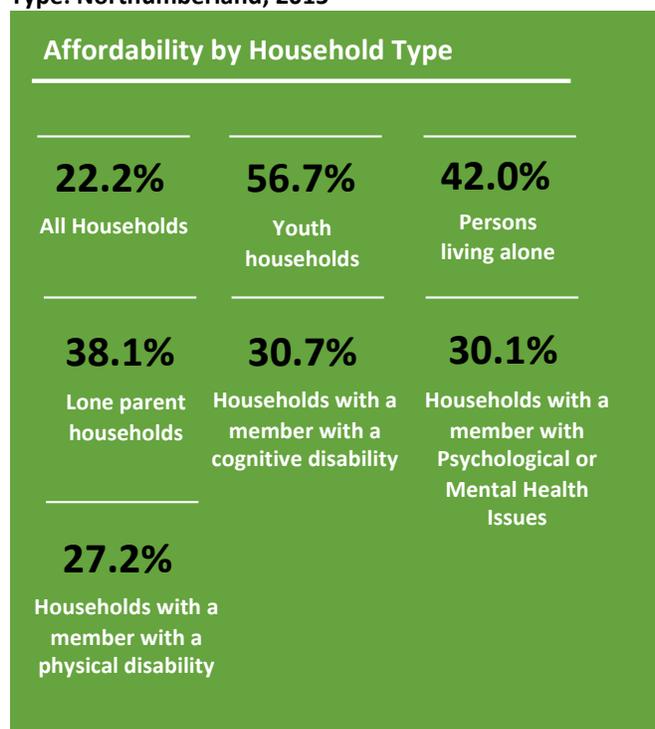
## Housing Costs by Household Type

Among the different household types, there are certain households who have a greater share with low incomes. These include youth-led households, Indigenous households, households with disabilities, senior-led households, immigrant households, persons living alone, and lone parent households. In addition, among households with low incomes, there are certain household types who are more likely to be facing housing affordability issues. These households include couples with children, multiple and other family households, non-family households with two or more persons, lone parent households, persons living alone, youth-led households, and households with disabilities.

While Indigenous households, senior-led households, and immigrant households have higher shares among households with low incomes, these household types who have low incomes have lower shares who are facing housing affordability issues compared to all households in general.

In comparison, youth-led households, lone-parent households, households with a disability, and persons living alone have both higher shares with low incomes and, among those households with low incomes, higher shares who are facing housing affordability issues. This indicates a greater need for affordable housing options among these households.

**Figure 43: Proportion of Households Spending 30% or More of Household Income on Housing by Household Type: Northumberland; 2015**



Source: Statistics Canada Custom Tabulations 2015

There are also households who are less likely to have low incomes, yet, among those households that belong to these categories who do have low incomes, higher shares were facing housing affordability issues. For example, of all the couples with children, only 8.1% have low incomes yet of these households, 69.6% are facing housing affordability issues. Similarly, only 9.3% of multiple and other family households have low incomes but of these households, 63.9% are facing housing affordability issues. Among non-family households with two or more persons, 26.6% have low incomes and among these households, 63.0% are facing housing affordability issues. This trend may be partly due to the fact that these household types require larger dwellings which, in general, are less affordable. Thus, requiring the household to spend more than 30% of their income on housing costs.

### Housing Costs by Household Age

In addition to youth-led and senior-led households, some households led by adults aged 25-44 years and adults aged 45-64 years face housing affordability challenges. While these two groups have a smaller share of households with low incomes (21.7% and 25.4% respectively), 70.1% of households with low incomes led by adults aged 25-44 years and 63.1% of households led by adults aged 45-64 years are facing housing affordability challenges.

This analysis shows that, in general, the need for affordable housing options is greatest among households with low incomes. In particular, the need is greatest among youth-led households, lone-parent households, persons living alone, and households with a member with a physical and/or cognitive/mental disability.

## Core Housing Need

A household is said to be in core housing need if its housing falls below one of the adequacy, suitability, or affordability standards<sup>45</sup> and it would have to spend more than 30% of its before-tax income to pay the median rent for alternative housing in the area which meets the three standards.

Please note that the proportions in this section may not add up to 100% as a household can fall below more than one housing standard.

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<sup>45</sup> According to CMHC, **adequate housing** is housing that does not require any major repairs. **Suitable housing** is housing with enough bedrooms for the size and make-up of the household. **Affordable housing** is housing which costs less than 30% of a household's income.

In 2016, 11.9% of all households in Northumberland fell below one or more of the core housing need standards and most (94.1%) fell below the affordability standard. In comparison, 14.5% of Ontario households were in core housing need.

Among the member municipalities, Cobourg had the highest share of households in core housing need (15.6%) followed by Port Hope (14.3%) and Trent Hills (12.7%). This may partly be explained by the fact that many of the community agencies providing housing-related supports are located in these member municipalities. In addition, these member municipalities have the highest rates of households with low incomes.

The data also shows that 15.0% of households in Northumberland in 2016 fell below the adequacy standard, which measures the condition of housing. Among the member municipalities, Hamilton had the highest share of households falling below the adequacy standard (19.0%) followed by Alnwick/Haldimand (17.6%).

**Table 9: Core Housing Need: Northumberland and Member Municipalities; 2015**

	in Core Need	Below Affordability Standard	Below Adequacy Standard	Below Suitability Standard
<b>Northumberland</b>	<b>11.9%</b>	<b>94.1%</b>	<b>15.0%</b>	<b>4.8%</b>
Alnwick/Haldimand	6.5%	94.1%	17.6%	5.9%
Brighton	9.5%	96.7%	13.2%	2.2%
Cobourg	15.6%	94.1%	15.2%	5.9%
Cramahe	10.5%	96.3%	7.4%	3.7%
Hamilton	6.8%	93.1%	19.0%	3.4%
Port Hope	14.3%	92.1%	15.8%	5.9%
Trent Hills	12.7%	95.0%	15.0%	3.6%
Ontario	14.5%	91.2%	12.4%	14.0%

Note: Households can fall below more than one standard so proportions do not add up to 100%

Source: Statistics Canada Custom Tabulations 2016

## Core Need by Household Income Deciles

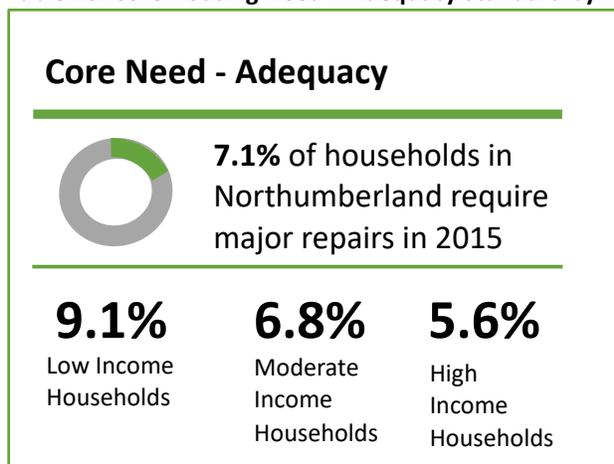
Of the households in Northumberland in core housing need in 2016, 97.6% are households with low incomes. Among households with low incomes, 38.8% are in core housing need. Less than 1% (0.9%) of households with moderate incomes were in core housing need in 2016 and these households all have incomes within the 4<sup>th</sup> household income decile (i.e. earning between \$48,520 and \$60,882 in 2018). This supports the previous findings which suggest the need for affordable housing options is primarily focused on households with low incomes.

## Housing Condition by Household Income Deciles

Among the 35,685 households in Northumberland in 2016, 7.1% were living in housing which needed major repairs. A much smaller proportion (1.8%) were in core housing need falling below the adequacy standard, which are households living in housing requiring major repairs and who cannot afford to move to housing in better condition. While this suggests that the issue with affordability combined with housing condition is not as significant, it does suggest that there are households, for reasons other than affordability, who are living in housing that is in bad condition.

When this data is examined by household income deciles, 9.1% of all households with low incomes are in housing needing major repairs. Additionally, 6.8% of households with moderate incomes and 5.8% of households with high incomes are in housing needing major repairs. While the proportion of households with low incomes is higher than the proportion of households with moderate and high incomes, the data indicates that the issue is experienced across all income levels. Many of the households with low incomes most likely have no choice with regard to the condition of their home. However, for households with moderate and high incomes, the issue may be more related to capacity to make the repairs. For example, frail seniors living in their own, single detached homes may not be capable of undertaking major repairs. A more diverse housing supply would help ensure that there are options for households with a range of needs.

**Table 10: Core Housing Need – Adequacy Standard by Household Income Deciles: Northumberland; 2015**



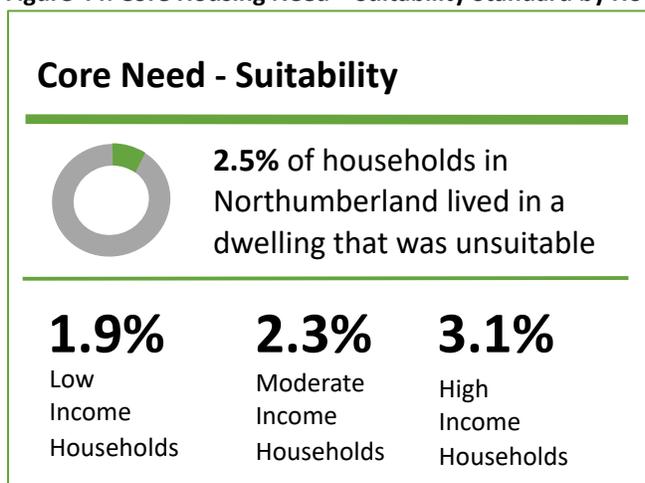
Source: Statistics Canada Custom Tabulation 2016

## Housing Suitability by Household Income Deciles

Housing is suitable if the dwelling has enough bedrooms for the size and composition of the households<sup>46</sup>. In 2016, 2.5% of all Northumberland households were living in housing which was not suitable for their household although less than 1% (0.6%) were in core housing need falling below the suitability standard.

Among households with low incomes, 1.9% were living in unsuitable housing. Based on the previous findings on housing affordability, it is highly likely that these households are in unsuitable dwellings because they cannot afford a better option. However, larger proportions of households with moderate and high incomes (2.3% and 3.1% respectively) are living in housing that is not suitable. Similar to the findings on housing condition, this may be more related to the range of housing options available in Northumberland rather than affordability.

**Figure 44: Core Housing Need – Suitability Standard by Household Income Deciles: Northumberland; 2015**



Source: Statistics Canada Custom Tabulations 2016

## Rental Housing Affordability

The following graph shows the top range of each renter household income decile and what monthly rent is affordable for each income decile. Renter household income deciles were used as renter household incomes are lower than owner household incomes or total household incomes. In addition, the Provincial Policy Statement (PPS) defines affordable rental housing as housing which is affordable to renters with low and moderate incomes.

As previously noted, CMHC does not have data for all Northumberland member municipalities. However, the following analysis is predominantly based on the available CMHC data as this data

<sup>46</sup> Statistics Canada (2017). Dictionary, Census of Population 2016. Accessed from: <https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage029-eng.cfm>

is based on a much larger sample size compared to the data from the scan of rental ads. However, the scan of rental ads is also referenced where appropriate. Based on CMHC data and renter household incomes, renters with incomes in the 1<sup>st</sup> to the 5<sup>th</sup> income deciles (i.e. earning gross annual incomes of \$38,491 or less in 2018) cannot afford the average market rent in Northumberland without spending more than 30% of their income on housing costs.

Renters with low incomes (i.e. in the 1<sup>st</sup> to 3<sup>rd</sup> income deciles and earning \$24,953 or less in 2018) would not be able to afford rental housing in the private rental housing market while renter households with incomes in the 4<sup>th</sup> income decile or higher would be able to afford a bachelor unit and renter households in the 5<sup>th</sup> income decile or higher would be able to afford a one-bedroom unit. Renter households would have to be earning high incomes (i.e. \$45,621 or more) to be able to afford a rental unit with three or more bedrooms. This means that even families with moderate incomes would have to spend more than 30% of their household income on rent to afford a suitable unit (i.e. with enough bedrooms). This partly explains why, among couples with children, 69.6% of those with low incomes and 22.8% of those with moderate incomes are facing housing affordability issues. In addition, among lone-parent households, 59.2% of those with low incomes and 25.7% of those with moderate incomes face housing affordability issues.

**Table 11: Affordable Rent by Renter Household Income Deciles Compared to Average Market Rent: Northumberland; 2018**

	2018 Incomes	Affordable Rent	Total \$1,019	Bachelor \$690	1 Bedroom \$928	2 Bedrooms \$1,053	3 Bedrooms + \$1,392
Low	Decile 1	\$14,638	N	N	N	N	N
	Decile 2	\$20,042	N	N	N	N	N
	Decile 3	\$24,953	N	N	N	N	N
Moderate	Decile 4	\$31,199	N	Y	N	N	N
	Decile 5	\$38,491	N	Y	Y	N	N
	Decile 6	\$45,620	Y	Y	Y	Y	N
High	Decile 7	\$56,481	Y	Y	Y	Y	Y
	Decile 8	\$69,109	Y	Y	Y	Y	Y
	Decile 9	\$93,013	Y	Y	Y	Y	Y
	Decile 10	\$93,014	Y	Y	Y	Y	Y

Source: Statistics Canada Custom Tabulation 2016; CMHC Housing Information Portal 2017; SHS estimates of household income based on the increase in the Ontario CPI from 2015-2018; SHS estimates based on spending 30% of income on housing costs  
\*Note: average market rents for Northumberland are based on the average market rents for Brighton, Port Hope and Cobourg.

Looking at the rental rates gathered by The Help Centre from rental ads, this data supports the finding that average market rents for bachelor units in Northumberland are not affordable to renters with low incomes. Furthermore, this data shows that renters would have to be earning incomes in the 6<sup>th</sup> income decile to afford a one-bedroom apartment and renters would have to be earning incomes in the 8<sup>th</sup> income decile to afford a two-bedroom apartment. Additionally,

only renters with incomes in the 9<sup>th</sup> and 10<sup>th</sup> income deciles would be able to afford units with three or more bedrooms. While these findings should be read with caution given the small sample size, these findings are in line with the results based on CMHC data.

This indicates a need for rental housing which is affordable to households with low incomes. In addition, consideration should be given to providing affordable rental units which are suitable for both small and larger households.

**Table 12: Affordable Rent by Renter Household Income Deciles Compared to Average Secondary Market Rent: Northumberland; 2018**

		2018 Incomes	Affordable Rent	Total \$1,324	Bachelor \$628	1 Bedroom \$1,085	2 Bedrooms \$1,447	3 Bedrooms \$1,990	4 Bedrooms + \$1,990
Low	Decile 1	\$14,638	\$366	N	N	N	N	N	N
	Decile 2	\$20,042	\$501	N	N	N	N	N	N
	Decile 3	\$24,953	\$624	N	N	N	N	N	N
Modera	Decile 4	\$31,199	\$780	N	Y	N	N	N	N
	Decile 5	\$38,491	\$962	N	Y	N	N	N	N
	Decile 6	\$45,620	\$1,140	N	Y	Y	N	N	N
High	Decile 7	\$56,481	\$1,412	Y	Y	Y	N	N	N
	Decile 8	\$69,109	\$1,728	Y	Y	Y	Y	N	N
	Decile 9	\$93,013	\$2,325	Y	Y	Y	Y	Y	Y
	Decile 10	\$93,014	\$2,325	Y	Y	Y	Y	Y	Y

Source: Statistics Canada Custom Tabulation 2016; The Help Centre 2018; SHS estimates of household income based on the increase in the Ontario CPI from 2015-2018; SHS estimates based on spending 30% of income on housing costs

\*Note: average market rents are based on the average from a scan of rental ads undertaken by the Help Centre from April 2017 to August 2018

## Ownership Housing Affordability

The following graph shows a comparison of the maximum affordable house price for each of the household income deciles compared to the average assessed value of different dwelling types in Northumberland as well as the average house price as of June 2018 for Cobourg and Port Hope. When the affordable house price is compared to the average house price, only households with incomes in the 8<sup>th</sup> income decile or higher would be able to afford housing in Northumberland without spending more than 30% of their income on housing costs.

Condominium and semi-detached dwellings are affordable to households with moderate incomes based on their average assessed value while households would have to be earning incomes within the 6<sup>th</sup> income decile or higher to afford the average assessed value of a single detached or townhouse dwelling. The chart also shows that households with low incomes would not be able to afford the average assessed value of dwellings without spending more than 30% of their income on housing costs.

**Table 13: Affordable House Price by Household Income Deciles Compared to Average Assessed Value of Dwellings: Northumberland; 2018**

		2018 Incomes	Maximum Affordable House Price	Average Assessed Value				Average House Price
				Single \$279,770	Semi \$210,666	Row/Town \$266,080	Condo \$218,488	\$454,040
Low	Decile 1	\$24,066	\$86,387	N	N	N	N	N
	Decile 2	\$37,250	\$133,710	N	N	N	N	N
	Decile 3	\$48,519	\$174,160	N	N	N	N	N
Moderate	Decile 4	\$60,882	\$218,538	N	Y	N	Y	N
	Decile 5	\$73,974	\$265,531	N	Y	N	Y	N
	Decile 6	\$88,087	\$316,190	Y	Y	Y	Y	N
High	Decile 7	\$105,415	\$380,856	Y	Y	Y	Y	N
	Decile 8	\$128,761	\$468,297	Y	Y	Y	Y	Y
	Decile 9	\$170,047	\$622,476	Y	Y	Y	Y	Y

Source: Statistics Canada Custom Tabulation Data order, 2016; Northumberland County Property Tax Assessment data, 2018; Northumberland Hills Association of Realtors; SHS estimates for 2018 household incomes based on the increase of the Ontario CPI (5.4%) from 2015 to 2018; and, SHS estimates based on a 5% down payment, 5.34% interest rate, and 25-year amortization period.

Note: The average house price is for June 2018 YTD for Cobourg and Port Hope

The following table shows a similar analysis using the median/typical assessed value of the different dwelling types in Northumberland. While median values are slightly more affordable compared to average values, the data still shows that home ownership is not affordable to households with low incomes unless they spend more than 30% of their income on housing costs or unless they have a down payment greater than 5% of the purchase price of the home. The data shows that the median/typical value of a dwelling in Northumberland is only affordable to households with incomes in the 5<sup>th</sup> income decile or higher. Similarly, the median value of a single detached or a row/townhouse dwelling is only affordable to households with incomes in the 5<sup>th</sup> income decile. Households with incomes in the 4<sup>th</sup> income decile would be able to afford the median value of semi-detached dwellings and condominium units.

**Table 14: Affordable House Price by Household Income Deciles Compared to Median/Typical Assessed Value of Dwellings: Northumberland; 2018**

	2018 Incomes	Maximum Affordable House Price	Median Assessed Value					
			Single \$258,000	Semi \$204,000	Row/Town \$245,000	Condo \$205,000	All Dwellings \$254,000	
Low	Decile 1	\$24,066	\$86,387	N	N	N	N	N
	Decile 2	\$37,250	\$133,710	N	N	N	N	N
	Decile 3	\$48,519	\$174,160	N	N	N	N	N
Moderate	Decile 4	\$60,882	\$218,538	N	Y	N	Y	N
	Decile 5	\$73,974	\$265,531	Y	Y	Y	Y	Y
	Decile 6	\$88,087	\$316,190	Y	Y	Y	Y	Y
High	Decile 7	\$105,415	\$380,856	Y	Y	Y	Y	Y
	Decile 8	\$128,761	\$468,297	Y	Y	Y	Y	Y
	Decile 9	\$170,047	\$622,476	Y	Y	Y	Y	Y

Source: Statistics Canada Custom Tabulation Data order, 2016; Northumberland County Property Tax Assessment data, 2018; SHS estimates for 2018 household incomes based on the increase of the Ontario CPI (5.4%) from 2015 to 2018; and, SHS estimates based on a 5% down payment, 5.34% interest rate, and 25-year amortization period.

## Key Findings: Housing Affordability

This section provides a brief overview of the nature of housing affordability in Northumberland

### More than a fifth of all households in Northumberland are facing housing affordability issues.

- In 2015, 22.2% of all households in Northumberland were spending 30% or more of their before-tax income on housing costs and 8.7% spent more than 50%.
- Households with low incomes (below \$48,519) were significantly more likely to face affordability issues. A total of 55.7% spent 30% or more of their household income on housing costs and 27.2% spent 50% or more in 2015.
- Cobourg (26.4%), Trent Hills (24.5%) and Port Hope (23.0%) had the highest share of households facing affordability issues while Hamilton (16.9%) and Alnwick/Haldimand had the lowest (18.5%).
- A total of 11.9% of all households in Northumberland in 2015 were in core housing need. Among low-income households this was 38.8%. From all households in core need, 94.1% fell below the affordability standard.

### Certain household types are more likely to be facing housing affordability issues than others.

- Renters with low and moderate incomes, youth households, persons living alone, lone parents and households with a member with a disability are more likely to face housing affordability issues compared to other households in Northumberland.

**Market rental rates are not affordable to households with low-incomes in Northumberland.**

- Renters with low incomes (below \$24,953) would not be able to afford market rental housing rates in the private rental market.
- Renter households with incomes from the 4th income decile (\$31,199 and up) would be able to afford a bachelor unit and renter households from the 5th income decile (\$38,491 and up) would be able to afford a one-bedroom unit.
- Renter households would have to earn incomes of \$45,621 or more to be able to afford a rental unit with three or more bedrooms.

**The average house price is not affordable to households with low or moderate household incomes.**

- The increase in average house price between 2006 and 2016 (45.9%) has significantly outpaced average income growth (29.1%) and inflation (19.2%), making home ownership less accessible to an increasing segment of households living in Northumberland.
- The average house price in Northumberland was \$454,040 in September 2018 which is unaffordable to the average household in Northumberland earning \$91,002 per year.

## 5.0 Housing Gaps in Northumberland



What are the current and emerging housing gaps in Northumberland?

The housing market can be viewed as a continuum where, ideally, supply responds to a range of needs in a community. However, the housing needs in a community are not always met in the private housing market. This is particularly true for households with low incomes and households with unique housing needs, such as those who need accessible options or support services to live independently.

This section shows a summary of the housing gaps along the housing continuum in Northumberland. Please note that proportions of households are based on Statistics Canada census data and are therefore for 2015. These proportions have been applied to the estimated number of households in 2018.

### Households with Low Incomes

Households with low incomes are those who earn \$48,519 or less in 2018. These households make up 30% of all households in Northumberland and there are approximately 10,900 households in this category in 2018. These households can afford monthly rents of up to \$1,213 and a maximum house price of \$174,160. In 2015, 55.7% of households with low incomes were facing housing affordability issues and 27.2% were facing severe housing affordability issues. Furthermore, 38.8% were in core housing need.

Household types who have larger shares with low incomes include persons living alone, lone-parent households, youth-led households, senior-led households, Indigenous households, and households with a person with a disability.

### Emergency and Transitional Housing

Any individual or family can be in need of emergency shelter or transitional housing. However, homelessness primarily impacts households with low incomes. There are three emergency shelters in Northumberland with a total of 48 beds. In addition, the County provides funding for emergency shelter stays. One of the three shelters in Northumberland operates at above 100% while the other, which is a shelter for survivors of domestic violence, was at 80% capacity as of May 2018. Due to its recent opening, occupancy and maximum stay data for the newly opened shelter is not yet available.

As of April 2018, the By-Name List<sup>47</sup> held the names of 58 individuals and 19 families who were known to be experiencing homelessness in Northumberland. In addition, there are households who are at risk of homelessness. In 2015, 27.2% of households with low incomes (approximately 2,969 households in 2018) were facing severe housing affordability issues. In addition, 38.8% of all households with low incomes (about 4,240 households in 2018) were in core housing need and most of these households were living in housing below the affordability standard. This indicates that these households would be at risk of homelessness.

While there will always be a need for emergency shelters for people in crisis, permanent housing options which are affordable to households with low and moderate incomes will significantly decrease the need for emergency shelters.

### **Supportive Living**

The need for supportive housing is experienced by individuals at all income levels. However, individuals and families with higher incomes have more options while households with low incomes are primarily dependent on the affordable housing and support service options available in their communities.

There are a total of 347 supportive housing options in Northumberland for people with mental health issues, developmental disabilities, and for seniors in frail health. There are also 13 rent supplements, 815 seniors housing beds/units, and 581 long term care beds for people who need a higher level of care. In addition, a large number of community agencies provide support services to Northumberland residents.

Despite the supply of supportive housing options, stakeholders have noted that these are not sufficient to meet the need. This is supported by the waiting list for long term care beds which show a total of 949 people waiting for a bed with a wait time of about two years. In addition, 15 individuals and ten families who were homeless as of December 2017 required long-term/permanent supports. The survey of community agencies also showed a waiting list of over 1,200 people for just three organizations, which suggests that there are many more who are in need of supportive housing.

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<sup>47</sup> The By-Name List was originally created using data from the 2016 homelessness enumeration, as households are identified as experiencing homelessness and seek services of a member agency on the Homelessness Coordinated Response Team (HCRT) they are added to the by-name list. The by-name list is used to identify individuals experiencing homelessness in Northumberland County in order to know each individual by name. The Homelessness Coordinated Response Team (HCRT) is a network that shares expertise and existing resources to support individuals and families experiencing homelessness in Northumberland County.

In addition, the demographic analysis shows that Northumberland has a larger share of seniors compared to Ontario and the number of seniors will keep increasing in the next five and ten years. Northumberland also has a higher share of households with a person with a physical, cognitive, or mental disability compared to Ontario. Many of these individuals will require appropriate housing and supports to continue to live independently in their community. Most of these housing and support service options have to be affordable given that senior households and households with a person with a disability have greater shares with low incomes compared to all households in Northumberland. Households with a person with a disability also have a larger proportion that are facing housing affordability issues.

The research indicates the need for supportive housing will continue to increase in the next five and ten years. As such, there is a need to increase the supply of accessible housing options, support services, and housing options which facilitate aging in place.

### **Community and Affordable Rental Housing**

There are a total of 948 subsidized housing units in Northumberland, including rent-geared-to-income (RGI) units, rent supplements, housing allowances, and units built under the Investment for Affordable Housing (IAH) Program.

However, the research shows that these subsidized housing options are still not adequate to meet the need. Residents and key stakeholders have noted the need for more affordable options. This is supported by the fact that the number of households on the centralized waiting list has increased by 258.7% in the last ten years with 825 households currently waiting for subsidized housing as of August 2018. In addition, 55.7% of households with low incomes were facing housing affordability issues in 2015 and 27.2% were facing severe housing affordability issues. Furthermore, 38.8% were in core housing need.

In general, all households with low incomes require subsidized housing. However, there are certain groups who are over-represented among those with low incomes and who are facing housing affordability issues. These households are people living alone, households with a person with a disability (physical, cognitive, and psychological disabilities and mental health issues), youth-led households, and lone-parent households.

The need for affordable housing will increase as house prices and market rents increase. The current composition of RGI units does not directly match the need in terms of mandate although IAH/AHP and rent supplement units better reflect the need. In addition, the demographic analysis shows a shift to smaller households, with one- and two-person households already making up the majority of households in Northumberland. Moving forward, new affordable units should be focused on smaller households while still maintaining a good supply of family-sized units, particularly for lone-parent households. A large share of any

new units built should also be accessible for persons with physical disabilities and to facilitate aging in place.

## Households with Moderate Incomes

Households with moderate incomes are those with incomes from \$48,520 to \$88,087 in 2018. These households make up 30% of all households in Northumberland and there are approximately 10,900 households in this category in 2018. These households can afford rents up to \$2,202 and house prices up to \$316,190. In 2015, 15.7% of households with moderate incomes were facing housing affordability issues and 1.6% were facing severe housing affordability issues.

Household types with larger shares with moderate incomes include couples without children, non-family households with two or more persons, and senior-led households.

## Market Rental Housing

There are approximately 4,800 market rental units in Northumberland in 2018. About 40% of these units are in the primary rental market and 60% are in the secondary rental market. According to CMHC, the total average market rent for these units in 2017 was \$1,019 although the weekly scan of rental ads in Northumberland shows a higher average of \$1,324. As such, while some of these units may be affordable to households with low incomes, particularly bachelor and one-bedroom units, most would be affordable to households with moderate incomes.

Residents and key stakeholders have stated that there is not enough rental housing in Northumberland. This is supported by the fact that the vacancy rate for units in the primary rental market was at 1.2% in 2017. Stakeholders have also expressed concern about attracting employees to Northumberland and the availability of rental housing plays a significant role in this.

In addition to the limited supply, the supply of primary rental units does not directly reflect the demand for these units. Based on CMHC data, almost 30% (29.8%) of these units are bachelor and one-bedroom units while 70.2% are two-bedroom units or larger. In comparison, one- and two-person households (those who would most likely need a bachelor or one-bedroom unit) made up 68.0% of all households in Northumberland.

There are also certain household types who are over-represented in the groups facing housing affordability issues despite having moderate incomes. These include lone-parent households, multiple and other family households, couples with children, and youth-led households. The

limited rental housing options may be pushing these households to homeownership even if they cannot afford it.

Moving forward, there is a need to increase the supply of market rental units in Northumberland. While the need is more significant for smaller households, there is also a need to increase the rental supply for larger households to ensure these households have an option besides home ownership. While the focus should be on increasing the supply of purpose-built rental units throughout Northumberland, supporting the development of secondary rental units such as secondary suites and coach houses, is also necessary as these would be more appropriate forms for some of the more rural communities in Northumberland. Increasing the supply of market rental housing may also encourage households with moderate incomes to move along the housing continuum, thus freeing up more affordable rental and ownership options for households with low incomes.

### **Affordable Ownership Housing**

There are 54 affordable ownership units in Northumberland developed by Habitat for Humanity and this organization is working to support another 25 families in the next five years. These Habitat units are affordable to households with low and moderate incomes. In addition, there are 4,046 owned units which are affordable to households with low incomes and 17,680 owned units affordable to households with moderate incomes based on assessment data. However, it is important to note that the assessed value of dwellings is often much less than the sale price. This is supported by the fact that the average house price reported by the Northumberland Hills Association of Realtors for June 2018 is \$168,222 more than the average assessed value of a single detached home in Northumberland.

The lack of affordable ownership options has pushed some of these households to spend more than they can afford on housing. This would partly explain why 15.8% of all owners with moderate incomes in Northumberland are facing housing affordability issues and 1.6% are facing severe housing affordability issues. While the focus should be on increasing the supply of both affordable and market rate rental units, consideration should also be given to encouraging the development of affordable ownership units throughout Northumberland. These affordable ownership units should include dwelling types which are appropriate for smaller households as well as larger households.

### **Households with High Incomes**

Households with high incomes are those households with incomes of \$88,088 or more in 2018. These households can afford monthly rents of \$2,203 or more and house prices of \$316,191 or more. While there were no households with high incomes in core housing need, 2.0% of these households were facing housing affordability issues in 2015.

Households with high incomes make up 40.0% of all households in Northumberland although there are certain household types who have greater shares with high incomes. These include couples with children and multiple and other family households. There are also households who, even with high incomes, are still spending 30% or more on housing costs. These households include Indigenous households, immigrant households, and households with a member with cognitive disabilities.

### **Market Ownership Housing**

Owned dwellings made up 81.0% of all dwellings in Northumberland in 2016 and this equates to about 29,500 dwellings in 2018. Most of these dwellings (91.0%) are single detached dwellings.

While single detached dwellings are the ideal dwelling type for many households, particularly families with children, they may not be the most ideal form for aging seniors, persons with disabilities, and persons living alone. In addition to challenges related to stairs and household chores, single detached homes may be more challenging to maintain in a state of good repair. This may partly explain why 5.8% of all households with high incomes were living in housing needing major repairs.

Single detached homes are also, in general, the least affordable of all dwelling types. Based on assessed values, a household would have to be earning an income in the 6<sup>th</sup> income decile to afford the average assessed value of a single detached homes. In addition, a household would have to be earning an income in the 8<sup>th</sup> income decile to afford the average house resale price in Northumberland.

While affordability is less of a concern for households with high incomes, moving forward, market ownership should include more diverse options, including options for both small and large households, particularly as smaller households already make up the majority of Northumberland households. In addition, providing a diversity of market ownership options may encourage the 11.8% of renters with high incomes to move to home ownership and possibly free up more rental units.

Figure 45: Summary of the Housing Gaps in Northumberland; 2018

	Low Income Households			Moderate Income Households		High Income Households
Household Income	\$48,519 or less			\$48,520 - \$88,087		\$88,088+
Housing Supply	Emergency and Transitional Housing	Supportive Housing	Subsidized/Affordable Housing	Market Rental	Affordable Ownership	Market Ownership
Number of Households	10,924 households			10,924 households		14,565 households
What they can Afford	rent = \$1,213    house price = \$174,160			rent = \$2,202 house price = \$316,190		rent = \$2,203+ price = \$316,191+
Who is in Need	6,000+ households (55.7%)			1,700+ households (15.7%)		280+ households (2.0%)
Spending 30%+	3,000 households (27.2%)			180 households (1.6%)		
Spending 50%+	4,200+ households (38.8%)			100 households (0.9%)		
Core Need	singles, seniors, youth, lone parents, Indigenous peoples, people with disabilities			seniors, couples without children, 2+-person non-family households		Indigenous, immigrants, persons with cognitive disabilities
Household Types						
What Housing is Required	affordable rental, smaller units, accessible units, housing with supports			purpose-built rental, affordable ownership, smaller units, accessible units, housing with supports		family-sized units, housing with supports

AMR = \$1,019

Average House Price = \$447,992

## Key Housing Gaps for Northumberland

Based on the previous analysis, the key housing gaps for Northumberland as a whole are as follows.

**There is a need for affordable rental housing options for households with low incomes as demonstrated by the number of people who are homeless or who are spending too much on housing costs.**

As of April 2018, the By-Name List<sup>48</sup> held the names of 58 singles and 19 families who were experiencing homelessness, while there are many more families and individuals in the community who were at risk of homelessness. In addition, more than a fifth of Northumberland households were facing housing affordability issues and almost 9% were facing severe housing affordability issues. The centralized waiting list has also increased by more than 200% in the last ten years and as of August 2018, there were 825 applicants on the list.

**There is a need for more purpose-built rental housing options throughout Northumberland.**

The overall rental vacancy rate for Northumberland was 1.2% in October 2017 and while this only represents the purpose-built rental units in Brighton, Cobourg, and Port Hope, this suggests a significant need for more purpose-built rental units. In addition, anecdotal information from key stakeholders and Northumberland residents suggest that there is definitely a need for more rental housing options in Northumberland. Stakeholders have expressed concern over younger people moving out and the difficulty local employers are having in finding employees. Having more purpose-built rental may attract more employees to Northumberland and encourage young adults to move out of their parents' homes while still remaining in Northumberland.

**There is a need for increased support services and supportive housing to allow people with special needs to live independently.**

The results of the 2016 homelessness enumeration show that a large proportion of individuals and families who were interviewed needed permanent supportive housing due to high acuity levels. Additionally, the results of the community agency survey show that over 1,200 people were on the waiting list for supportive housing for just three organizations, suggesting that there are even more people in need of this type of housing. Northumberland also has a higher share of households with a person with a disability, including people with physical, cognitive

and/or psychological disabilities and people with mental health issues. Having an adequate supply of supportive housing options as well as support services will allow individuals and families with special needs to remain in Northumberland and as independently as possible. These supportive housing options should include transitional housing options for people who only need short-term supports to help them move from homelessness to permanent housing as well as permanent supportive housing options.

**There is a need for accessible housing and a broader range of housing options for the aging population and people with disabilities.**

Northumberland's population is aging and seniors are growing at a much faster rate compared to the rest of the population. In addition, Northumberland has a higher share of households with a member with a disability compared to Ontario as a whole. However, the current housing supply is not fully addressing this need as most of the supply is made up of single detached homes, which may not be the best option for an aging population or for people with disabilities. Furthermore, there are limited accessible housing options throughout Northumberland.

**There is a need for a more diverse housing supply in Northumberland as shown by the shift to smaller households and the aging population.**

Northumberland is seeing a shift to smaller households as well as an aging of the population yet almost 80% of the existing housing stock is single detached dwellings, which is generally more appropriate for larger households and families with children. Stakeholders have also noted that there are senior residents who are hoping to downsize but who cannot find any options within Northumberland. Single detached dwellings are also, generally, less affordable than smaller dwelling types such as condominium apartments and townhouses. As such, a more diverse housing supply will help meet the broad range of needs of all residents.

**There is a need to ensure the existing housing stock, including existing affordable units, are in good condition.**

While the share of dwellings which require major repairs in Northumberland has remained the same in the last ten years, the number of these dwellings has increased. In addition, the proportion of dwellings requiring major repairs is greater than the proportion in Ontario as a whole. There is also a greater share of rental dwellings needing major repairs compared to owned dwellings. The condition of rental dwellings is even more of an issue in some member municipalities. Key stakeholders have also expressed concern about the condition of both ownership and rental dwellings in more rural communities.

## Key Housing Gaps for the Member Municipalities

This section provides a brief overview of the key findings and housing gaps for each of the member municipalities based on the housing needs assessment and engagement activities.

### Key Findings and Housing Gaps for Alnwick/Haldimand

The key findings and housing gaps in Alnwick/Haldimand are as follows.

#### Housing Demand and Supply

- Alnwick/Haldimand is growing faster and its residents are younger compared to Northumberland as a whole. The Township has one of the highest shares of youth aged 24 years and younger and a smaller share of seniors.
- In contrast to the population, the number of Alnwick/Haldimand households increased at a lower rate compared to Northumberland, which suggests that household size is increasing. This is supported by the fact that the Township has the highest share of households with three or more persons among all member municipalities (39.8%).
- Alnwick/Haldimand has higher shares of couples without children, couples with children, and multiple and other family households and lower proportions of lone parent households, persons living alone, senior-led households, and households with a person with a disability compared to Northumberland as a whole.
- The average household income in Alnwick/Haldimand was the second highest among all member municipalities in 2018 and more than half of all households (52.1%) had high incomes.
- The Township also had lower unemployment rates and higher labour participation rates compared to Northumberland.
- Almost all (97.3%) dwellings in Alnwick/Haldimand are single detached and most (92.9%) are owned. There are also no rent-geared-to-income (RGI) units in the Township.
- A smaller proportion of households in Alnwick/Haldimand are facing housing affordability issues compared to Northumberland as a whole (18.5% vs. 22.5%) and a much smaller share of households in core housing need (6.5% vs. 11.9%). However, there is a similar proportion facing severe housing affordability issues (8.2% vs. 8.7%) as there are in Northumberland as a whole.

- Among households with low incomes a smaller proportion (52.9% vs. 55.7%) are facing housing affordability issues but a greater proportion (31.4% vs. 27.2%) are facing severe housing affordability issues compared to Northumberland as a whole. Similarly, among households with moderate incomes in Alnwick/Haldimand, a greater share (22.6% vs. 15.7%) are facing housing affordability issues and severe housing affordability issues (3.0% vs 1.6%) compared to Northumberland as a whole.
- Household types who are more likely to be facing housing affordability issues include income persons living alone, lone parent households, non-family households with two or more persons, and households with a member with a cognitive disability or mental health issue. There is also a greater share of owner households who are facing housing affordability issues (17.8% vs. 16.2%) and severe housing affordability issues (7.8% vs. 5.9%) compared to Northumberland as a whole.
- The median/typical assessed value for all dwellings in Alnwick/Haldimand is \$254,000, which is the same as the median assessed value for all dwellings in Northumberland. However, the median value of single detached dwellings is higher than the median value for Northumberland as a whole (\$299,000 vs. \$258,000) in 2018. Households would have to be earning an income in the 6<sup>th</sup> income decile or higher to afford this house price.

## Housing Gaps

### **There is a need for a more diverse housing supply, including rental housing and affordable housing options.**

Almost all dwellings in Alnwick/Haldimand are single detached and while this dwelling type is generally suitable for families with children and larger households, which make up almost 40% of all Alnwick/Haldimand households, this is also the least affordable dwelling type. This may be why a greater share of households with low incomes are facing severe housing affordability issues and a greater share of households with moderate incomes are facing housing affordability issues and severe affordability issues compared to Northumberland as a whole. In addition, a larger proportion of owners are facing housing affordability issues and severe affordability issues. Having a more diverse housing supply which includes other dwelling forms as well as rental housing would provide households with low and moderate incomes an alternative that would be more affordable. In addition, while the Township has highest share of households with three or more persons, the majority of households are still smaller households with one or two people. As such, a more diverse housing supply would provide more suitable options for these households.

## Key Findings and Housing Gaps for Brighton

The key findings and housing gaps in Brighton are as follows.

### Housing Need and Supply

- Brighton is growing at a much faster rate compared to Northumberland as a whole and saw the highest rate of increase in its population (15.5%) and the number of households (29.1%) among all member municipalities. Most of this growth is due to the increase in households led by seniors and older adults 55 to 64 years as well as those aged 25 to 34 years.
- Senior-led households made up the largest proportion of households (42.0%) in the Municipality and Brighton had the second highest share of seniors among all member municipalities (29.1%).
- Brighton has a larger share of smaller households compared to Northumberland as a whole (69.9% vs. 68.0%) and this may be due to the fact that the Municipality has the highest share of couples without children among all member municipalities and the second highest share of senior-led households.
- Brighton also has a higher rate of households with a member with a physical and/or cognitive disability and a lower share of couples with children, lone parents, and persons living alone.
- While Brighton has the second lowest average household income among the member municipalities, it actually has a higher share of households with high incomes compared to Northumberland as a whole (42.2% vs. 40.0%).
- Brighton has a less diverse housing supply compared to Northumberland as a whole, with most dwellings being single detached (87.4%). Apartments with less than five storeys make up the second largest share of dwellings but at a lower proportion compared to Northumberland as a whole (5.1% vs. 9.0%). Rental units also make up a smaller share compared to Northumberland as a whole, with only 14.7% of all dwellings being rented.
- Brighton does have some affordable housing units, with a total of 57 RGI units (31 for seniors and 26 for singles). In addition, there are three rent supplement agreements with landlords in Brighton as well as five IAH units. The wait time for subsidized units in Brighton is up to four years.
- A smaller proportion of Brighton households face housing affordability issues compared to Northumberland as a whole; with 19.9% spending 30% or more and 7.3% spending 50% or more on housing costs. There are households who are more likely to be facing housing affordability issues, including lone parent households, people living alone, non-family households with two or more persons, immigrants, and households with a person with a disability.

- The average assessed value for a single detached home in Brighton in 2018 is \$265,863, which is lower than the total average assessed value for Northumberland as a whole. This house price would be affordable to households with incomes in the 6<sup>th</sup> income decile or higher. However, the median assessed value for all dwellings in Brighton is \$251,000 which is only slightly lower than the median assessed value for all dwellings in Northumberland (\$254,000). This median assessed value would be affordable to households with incomes in the 5<sup>th</sup> income decile or higher. The average market rent in 2017 was \$840, which is affordable to renter households with incomes in the 5<sup>th</sup> renter income decile although there are very limited rental units with the vacancy rate at 0.5%.

## Housing Gaps

### **There is a need for a more diverse housing supply in Brighton, including housing for smaller households and accessible options.**

Almost 70% of all Brighton households are one- and two-person households and 42.0% are senior-led households. Brighton also has a larger share of households with a physical disability and/or cognitive disability. However, most homes in the Municipality are single detached. This suggests a mismatch between the current supply and current and emerging housing need. As such, there is a need for a broader range of housing options suitable for an aging population and people with disabilities, including smaller housing options and options with accessibility features. Increasing the supply of rental housing would also ensure that all households, including those with lower incomes or who would prefer not to own their homes, would have an option in Brighton.

### **There is a need to ensure that there are support services to facilitate aging in place and independent living.**

Brighton is growing at a much faster rate compared to Northumberland as a whole and most of this growth is happening in the older age groups. As such, it is important to ensure that there are support services available to allow Brighton residents to stay in their own homes and in their community even as they age and their health needs change.

## Key Findings and Housing Gaps for Cobourg

The key findings and housing gaps in Cobourg are as follows.

### Housing Need and Supply

- Cobourg is growing at a higher rate compared to Northumberland as a whole (6.8% vs. 5.7%) and most of this growth is occurring in the older age groups, with seniors aged 65 to 74 years seeing the highest rate of increase (51.9%).
- The number of Cobourg households increased at an even higher rate (18.4% vs. 13.1%) suggesting that households are getting smaller. This is supported by the fact that 72.7% of all households in Cobourg are one- and two-person households compared to 68.0% in Northumberland as a whole, with two-person households making up 40.8%. In addition, Cobourg had the highest share of persons living alone (31.9%) among all member municipalities.
- Cobourg also had the highest share of senior households (42.0%) among all member municipalities and these households made up the largest share of households in the Town. In addition, the number of senior-led (65 years and older) and older adult households (55 to 64 years) saw significant increases from 2006 to 2016 while households led by the younger age groups decreased.
- Cobourg also had the highest proportions of renters (29.8% compared to 18.9% for Northumberland as a whole), lone parent households, and immigrant households among all member municipalities.
- Cobourg had a higher share of households with low incomes (33.6%) and a lower share of households with high incomes (35.6%). This may be partly due to the fact that the Town had higher shares of household types who are more likely to have lower incomes, such as persons living alone, lone parent households, and senior-led households. Cobourg also had a higher unemployment rate (8.5% vs. 7.3%) and lower participation rate (52.7% vs. 56.7%) compared to Northumberland as a whole.
- Cobourg's housing supply is much more diverse compared to Northumberland as a whole. More than half of all dwellings (58.6%) were single detached, apartments with less than five storeys made up almost a fifth (18.6%), row houses made up 11.7%, and semi-detached dwellings and apartments with more than five storeys each made up just under 5% (4.7% and 4.2% respectively). In addition, while single detached homes still made up the largest share of building permits in early 2018 (46.2%), this proportion has been decreasing in the last five years while the share of other dwelling types have been increasing.
- Cobourg also has a number of affordable housing options, including 285 RGI units (making up 39.5% of the total RGI supply), 23 rent supplement units, and 16 IAH units (making up 42.1% of the IAH supply). The Town also has 75% of the supply of supportive housing units

(239 units) as well as the only emergency shelter in Northumberland. Despite this supply, the wait for these subsidized units is up to nine years.

- A greater share of Cobourg households are facing housing affordability issues (26.4% vs. 22.2%) and severe housing affordability issues (10.5% vs. 8.7%) compared to Northumberland as a whole. In addition, a much larger proportion of Cobourg households are in core housing need (15.6% vs. 11.9%).
- There are certain household types who are more likely to be facing housing affordability issues in Cobourg, including lone parent households, persons living alone, Indigenous households, households with a member with a disability, and renters.
- The average assessed value of a single detached dwelling in Cobourg is \$298,306 and the total average value for all dwelling types is \$255,644. This is higher than the total average for Northumberland as a whole. A household would have to be earning an income in the 5<sup>th</sup> income decile to afford the average assessed value for all dwellings or have an income in the 6<sup>th</sup> income decile to afford the average assessed value for a single detached dwelling in Cobourg. The median assessed value for all dwellings in Cobourg is \$263,000, which is much higher than the median assessed value for all dwellings in Northumberland (\$254,000). A household would have to have incomes in the 5<sup>th</sup> income decile or higher to be able to afford this median value.
- The average market rent for purpose-built rental units was \$1,020 in 2017, which is affordable to renters in the 6<sup>th</sup> renter income decile.

## Housing Gaps

### **There is a need to increase the affordable rental housing options in Cobourg.**

Despite the larger supply of subsidized housing options, Cobourg has a greater share of households in core need and households who are facing housing affordability issues compared to Northumberland as a whole. In addition, the wait for these subsidized units is up to nine years. This suggests a need for more affordable rental options in the Town. The focus should be on smaller units appropriate for one- and two-person households but family-sized units should also be provided.

### **There is a need for housing and support service options to facilitate aging in place.**

Cobourg has a much more diverse housing supply compared to Northumberland as a whole. In addition, many seniors housing options and support services are located in the Town, which provides seniors with easier access. However, Cobourg also has the highest share of senior-led households and saw significant rates of increase in households led by older adults aged 55 years and older. This suggests that the Town will continue to age at a much faster rate and

residents will require options to allow them to age in their community. As such, there is a need for accessible housing, supportive housing, and increased support services.

## Key Findings and Housing Gaps for Cramahe

The key findings and housing gaps in Cramahe are as follows.

### Housing Need and Supply

- Cramahe grew at a similar, but slightly higher, rate compared to Northumberland as a whole. The population grew by 6.8% (vs. 5.7% for Northumberland) and the number of households increased by 13.7% (vs. 13.1%).
- Cramahe had a higher share of the younger age groups and lower share of seniors compared to Northumberland although the population aged 55 years and older saw much higher rates of growth. Similar trends were seen for households where older adults aged 55 to 64 years and seniors aged 65 years and older saw significantly higher rates of increase from 2006 to 2016. Households aged 25 to 34 also increased at a higher rate compared to the total households but all other age groups saw a decrease in numbers.
- Cramahe has a smaller share of small households (64.4% vs. 68.0%) compared to Northumberland as a whole and a larger share of households with four or more persons (20.85 vs. 17.8%).
- Couples without children make up the largest proportion of households (35.8%) in the Township but this proportion is slightly lower than the share in Northumberland as a whole. In contrast couples with children make up 25.7%, which is higher than that in Northumberland (23.3%). Cramahe also has a higher share of multiple and other family households and households with a member with a cognitive disability and/or mental health issue while persons living alone and seniors make up a smaller share compared to Northumberland as a whole. In addition, renters in Cramahe make up 17.5% of all households, which is lower than in Northumberland (18.9%).
- The Township also has a lower average household income (\$88,045) than Northumberland but has very similar rates of households with low, moderate, and high incomes (29.8%, 2.2%, and 40.9% respectively). Cramahe also has a lower unemployment rate (6.9% vs. 7.3%) and higher participation rate (59.1% vs. 56.7%).
- Most dwellings in Cramahe are single detached and this dwelling type makes up a larger proportion in the Township compared to Northumberland as a whole (89.1% vs. 79.4%). Apartments with less than five storeys have the second highest share of all dwellings but this share is lower than that for Northumberland (7.2% vs. 9.0%). Trends in building permits show that the focus on single detached dwellings will continue in the near future.

- Cramahe also has affordable housing options, including 59 social housing units, all of which are RGI and all are for seniors. The Township also has a rent supplement unit and an IAH unit.
- The proportion of households in core housing need in Cramahe is slightly lower than in Northumberland (10.5% vs. 11.9%). However, the proportion of households facing housing affordability issues and those facing severe housing affordability issues is very similar (22.4% vs. 22.2% and 8.6% vs. 8.7% respectively). The Township does have a slightly greater share of owners facing housing affordability issues (17.7% vs. 16.2% and 6.6% vs. 5.9% respectively) and a lower share of renters facing housing affordability issues (44.9% vs. 48.0% and 18.0% vs. 20.7% respectively).
- The households who are more likely to be facing housing affordability issues in Cramahe include lone parent households, persons living alone, Indigenous households, immigrant households, and households with a member with a disability.
- The average assessed value of single detached homes in Cramahe is \$245,825, which is less than that for Northumberland as a whole (\$279,770) and would require a household to be earning incomes in the 5<sup>th</sup> income decile. The median assessed value of single detached dwellings is even lower at \$232,000 compared to \$258,000 for Northumberland as a whole. However, a household would still need to have an income within the 5<sup>th</sup> income decile or higher to afford this median value.
- Among the member municipalities, Cramahe is the most similar to Northumberland as a whole in terms of housing need and supply.

## Housing Gaps

### **There is a need for a more diverse housing supply in Cramahe, including options for families.**

The housing supply in Cramahe is primarily made up of single detached dwellings and building permits suggest this trend will continue. While Cramahe has a larger share of families with children, multiple and other family households, and households with four or more members, the majority of households in the Township are one- and two-person households. In addition, while the average assessed value of single detached dwellings is lower than in Northumberland overall, there are still many Cramahe households who are facing housing affordability issues. Having a more diverse housing supply with options suitable for families with children beyond single detached homes, as well as options for the rapidly increasing senior population and couples without children, would provide these households with a wider range of options, including options which would be more affordable.

**There is a need to ensure there is an adequate supply of accessible housing, supportive housing, and support services for Cramahe residents with special needs.**

While Cramahe’s population is made up of a larger share of younger age groups, the older age groups are increasing at a much faster rate. In addition, the Township has a higher rate of households with a cognitive disability and/or mental health issue. Households with a member with a disability are also one of the household types who are more likely to face housing affordability issues in Cramahe. This suggests a need to ensure there is an adequate supply of housing options for persons with disabilities as well as for the aging population. This would include housing with accessibility features for persons with physical disabilities and to facilitate aging in place. There is also a need for support services and housing with supports for persons with cognitive disabilities and/or mental health issues. Considering these household types generally have lower household incomes compared to all households, many of these supportive housing options should be affordable to households with low and moderate incomes.

## **Key Findings and Housing Gaps for Hamilton**

The key findings and housing gaps in Hamilton are as follows.

### **Housing Need and Supply**

- The Township of Hamilton saw the lowest rate of growth among all the member municipalities. From 2006 to 2016, the population of Hamilton increased by only 1.5% and the number of households increased by 7.0%. Most of the increase was seen in those aged 55 years and older.
- Hamilton has the second lowest share of small households among the member municipalities (61.1%) however, smaller households saw an increase of 21.7% while households with four or more persons decreased by 13.5%.
- Hamilton also has the lowest rate of renter households among the member municipalities (5.7%).
- Couples without children make up the largest share of all Hamilton households (38.4%) and is higher than Northumberland (36.0%). Couples with children make up almost a third of all households and the share of this household type in Hamilton is significantly larger than the share in Northumberland as a whole (31.3% vs. 23.3%). Other household types with higher shares in Hamilton compared to Northumberland as a whole include multiple and other family households and Indigenous households. Household types with a lower share in Hamilton include lone parent households, persons living alone, seniors, and households with a member with a disability.

- Hamilton has the highest average household income among the member municipalities. At an estimated \$112,560 in 2018, this was \$21,558 higher than the average household income for Northumberland as a whole. In addition, more than half (53.3%) of all households in Hamilton have high incomes. This is the highest share of households with high incomes among member municipalities. Hamilton households with low incomes make up a fifth (20.5%) of all households and households with moderate incomes make up just over a quarter (26.3%).
- Hamilton has a similar unemployment rate to Northumberland (7.6% vs. 7.3%) but a higher labour participation rate (63.8% vs. 56.7%).
- Most homes in Hamilton are single detached homes and the Township has the second highest share of single detached dwellings (94.5%) among member municipalities. There are no RGI housing or supportive housing units in the Township.
- A much smaller proportion of Hamilton households are experiencing core housing need compared to Northumberland as a whole (6.8% vs. 11.9%). In addition, a much smaller share are facing housing affordability issues (14.4% vs. 22.2%) and severe housing affordability issues (5.7% vs. 8.7%). Even among households with low incomes, a smaller share of these Hamilton households are facing housing affordability issues (45.7% vs. 55.7%) and severe housing affordability issues (24.6% vs. 27.2%).
- Similar to the other member municipalities, certain household types are more likely to be facing housing affordability issues in Hamilton. These are lone parent households, persons living alone, non-family households with two or more persons, and households with a disability.
- The average assessed value of single detached dwellings in Hamilton is higher than that in Northumberland (\$325,532 vs. \$279,770) and households would have to be earning incomes in the 7<sup>th</sup> household income decile to afford this house price. The median assessed value for single detached dwellings, which lower than the average, is also significantly higher than the median value for all dwellings in Northumberland (\$289,000 vs. \$258,000).

## Housing Gaps

### **There is a need for a broader range of housing options in the Township of Hamilton.**

The housing supply in Hamilton is primarily single detached homes and while this may be the ideal for many households including families with children and multiple family households, single detached homes may be more challenging to maintain for the growing number of seniors in the Township. In addition, single detached homes may not be the most appropriate housing form for smaller households. There is a mismatch between the need and supply, with 61.1% of households having only one or two members while 94.5% of the housing supply are single

detached. A broader range of options which include options to facilitate aging in place and smaller options for households with one or two persons.

**There is a need to increase the rental housing supply in Hamilton.**

Hamilton has the lowest share of rental housing in Northumberland and while home ownership may be the ideal for many households, a good balance between rental and ownership options in a community would ensure that all residents in that community have housing choices. Also, there are some households who prefer rental housing or who cannot afford home ownership. These would include households with lower incomes, young adults just starting their careers, or seniors who would like to downsize. Rental options would also provide the households who are more likely to be spending too much on housing costs an alternative to owning single detached homes. Increasing the supply of rental housing, particularly in a community like Hamilton, does not necessarily mean building apartment buildings. Rental options can be provided in the form of secondary suites, coach houses or apartments over garages.

## Key Findings and Housing Gaps for Port Hope

The key findings and housing gaps in Port Hope are as follows.

### Housing Need and Supply

- Port Hope's population and number of households grew at lower rates compared to Northumberland as a whole (2.2% and 12.5%) and most of the growth was seen in the older age groups. The number of households aged 25 to 54 years decreased while households aged 55 years and older increased from 2006 to 2016.
- Port Hope has a greater share of lone parent households, persons living alone, and renters and a lower share of couples without children and seniors. The Municipality also has a similar share of smaller households (67.6% vs. 68.0%) and couples with children compared to Northumberland as a whole.
- Port Hope has a higher average household income compared to Northumberland as a whole (\$93,526 vs. \$91,002) and a slightly higher share of households with high incomes (42.2%). The Municipality also has slightly lower share of households with low incomes (28.8%) and households with moderate incomes (29.2%).
- Port Hope has a lower unemployment rate (6.8% vs. 7.3%) and higher labour participation rate (59.8% vs. 56.7%) compared to Northumberland as a whole.
- Port Hope has a more diverse housing supply compared to Northumberland as a whole and most member municipalities. The Municipality has a lower share of single detached homes (73.1% vs. 79.4%) and greater shares of other dwelling types, such as apartments with less than five storeys (10.4%), rows/townhouses (5.4%), apartments with five or more storeys

(5.2%), semi-detached dwellings (4.0%), and duplex apartments (1.5%). In addition, building permit data shows that the share of single detached dwellings has decreased while the share of townhouses/apartments have increased from 33.3% in 2014 to 62.5% as of May 2018.

- The vacancy rate in October 2017 for purpose-built rental dwellings in the Municipality was 1.6%<sup>49</sup>.
- Port Hope also has 30 supportive housing units for persons with a developmental disability. In addition, the Municipality has 159 social housing units, most of which (150 units) are RGI and represents 20.8% of the total RGI supply in Northumberland. There are also 48 rent supplement units for families and singles, and seven housing allowances. However, the wait for these subsidized units was up to eight years.
- A greater share of Port Hope households were in core housing need in 2015 compared to Northumberland as a whole (14.3% vs. 11.9%). In addition, a greater share were facing housing affordability issues (23.6% vs. 22.2%) and severe housing affordability issues (9.4% vs. 8.7%). While a similar share of owners were facing housing affordability issues as those in Northumberland as a whole, Port Hope had a greater proportion of renters facing housing affordability issues (49.3% vs. 48.0%) and severe housing affordability issues (21.6% vs. 20.7%).
- Among households with low incomes in Port Hope, 59.5% (vs. 55.7% in Northumberland) were facing housing affordability issues and 29.7% (vs. 27.2% in Northumberland) were facing severe housing affordability issues. Similar trends were seen for households with moderate incomes in Port Hope with 18.9% (vs. 15.7%) facing housing affordability issues and 1.9% (vs. 1.6%) facing severe housing affordability issues.
- The household types who are more likely to be in need of affordable housing are lone parent households, persons living alone, Indigenous households, immigrant households, and households with a member with a disability.
- The average assessed value of single detached dwellings in Port Hope was higher than that in Northumberland as a whole (\$286,387 vs. \$279,770) and households would need to be earning incomes in the 6<sup>th</sup> income decile to afford this average house price. Furthermore, the average assessed value for all dwellings in Port Hope was \$242,253 and would require an income within the 5<sup>th</sup> income decile. The median assessed value of single detached dwellings in Port Hope is also higher than the median value in Northumberland (\$264,000 vs. \$258,000). Similarly, the median assessed value of all dwellings in Port Hope is higher than the median value of all dwellings in Northumberland as a whole (\$261,000 vs. \$254,000). These median values would require incomes in the 5<sup>th</sup> income decile or higher.

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<sup>49</sup> Please note that building permit data did not distinguish between townhouses and apartments.

- In addition, renter households would have to be earning incomes in the 6<sup>th</sup> renter income decile to be able to afford the average market rent for purpose-built rental units in Port Hope of \$1,076 in October 2017.

## Housing Gaps

### **There is a need to increase the supply of affordable rental housing in Port Hope.**

Despite the affordable rental options that the Municipality currently has, a greater proportion of households in Port Hope are still experiencing housing affordability issues and the wait for subsidized rental options is up to eight years. This suggests a need to increase the supply of affordable rental housing. New affordable units should include larger units for families with children, one-bedroom units for persons living alone, and accessible housing options for the growing seniors population as well as for persons with physical disabilities.

### **There is a need for more market-rate rental housing in Port Hope.**

As of October 2017, the vacancy rate for purpose-built rental housing in Port Hope was 1.6% which is far below what is considered a 'healthy' vacancy rate. In addition, the vacancy rate has been below 2% since 2013. This signals a need to increase the supply of purpose-built rental housing in the Municipality. Increasing this supply will not only provide more options for renter households, it would also provide options for owner households who are facing severe housing affordability issues. In addition, increasing the supply of rental housing may help stop the outflow of the younger age groups and encourage other younger adults to move to the Municipality.

## Key Findings and Housing Gaps for Trent Hills

The key findings and housing gaps in Trent Hills are as follows.

### Housing Need and Supply

- The population of Trent Hills increased at a similar rate as Northumberland as a whole (5.3% vs. 5.7%) but the number of households increased at a much lower rate (7.2% vs. 13.1%). The Municipality also saw the lowest rate of increase in the seniors population among all member municipalities. However, within the different age groups in Trent Hills, seniors aged 65 to 74 years saw the highest rate of increase. Furthermore, the population aged 35 to 54 decreased during the same period (2006-2016).
- Trent Hills has the second highest share of smaller households (70.4%) among the member municipalities. In addition, Trent Hills has a higher share of couples without children, seniors, and households with a physical disability or mental health issue. The Municipality

has a lower share of couples with children, lone parent households, immigrant households, and youth households. Trent Hills has a similar share of renter households as Northumberland.

- Trent Hills has the lowest average household income among all member municipalities (\$77,284) and a higher share of households with low incomes (36.75) and a slightly higher share of households with moderate incomes (31.9%). In addition, only 31.3% of all households in Trent Hills have high incomes, the lowest share among all member municipalities.
- Trent Hills has a slightly lower unemployment rate (7.0%) and a lower labour participation rate (53.1%).
- Trent Hills has a less diverse housing supply compared to Northumberland as a whole. It has a higher share of single detached homes (88.0% vs. 79.4%) and the next largest share of dwellings is made up of apartments with less than five storeys at 6.5% (vs. 9.0% in Northumberland). Building permit data shows a continued focus on single detached dwellings.
- Trent Hills also has 226 social housing units, 170 of which are RGI units (making up 23.6% of the total supply of RGI units). The Municipality also has four rent supplement units for singles and nine IAH units for families, singles, seniors, and persons with mental health issues. Despite the supply, there is a wait of up to four years for these units.
- A higher proportion of households in Trent Hills are in core housing need compared to Northumberland as a whole (12.7% vs. 11.9%). The Municipality also has higher rates of households facing housing affordability issues (24.5% vs. 22.2%) and those facing severe housing affordability issues (9.5% vs. 8.7%).
- Trent Hills also has a higher share of owners facing housing affordability issues (18.2% vs. 16.2%) and severe housing affordability issues (6.5% vs. 5.9%). Similarly, a higher proportion of renters are facing housing affordability issues (52.2% vs. 48.0%) and severe housing affordability issues (22.9% vs. 20.7%) compared to Northumberland as a whole. However, the proportions of households with low incomes and households with moderate incomes who are facing housing affordability issues are lower compared to Northumberland as a whole.
- Household types who are more likely to be experiencing housing affordability issues include lone parent households, persons living alone, Indigenous households, immigrant households, and households with a member with a disability.
- Trent Hills has the lowest average assessed value of dwellings among the member municipalities. The average assessed value of single detached homes in Trent Hills is \$220,940. Households would need to be earning an income within the 5<sup>th</sup> income decile to afford this assessed value. In addition, households would need incomes within the 4<sup>th</sup> income decile to afford the average assessed value of all dwellings (\$187,140).

- Similarly, Trent Hills has the lowest median assessed value for all dwellings (\$202,000) and for single detached dwellings (\$203,000) among the member municipalities. Households with incomes in the 4<sup>th</sup> income decile would be able to afford these median assessed values.

## Housing Gaps

### **There is a need for more affordable rental and affordable ownership options in Trent Hills.**

Trent Hills has a larger share of both renter and owner households who are spending too much on housing costs. Furthermore, while there is a good supply of subsidized housing units, there is also a long wait for these units. This suggests a need for more affordable rental and ownership options for households with low and moderate incomes, who make up a larger share compared to Northumberland as a whole. These units should primarily be focused on smaller households but there should also be units for larger households.

### **There is a need to diversify the housing supply in Trent Hills, with a focus on housing options for smaller households as well as accessible housing options.**

There is a mismatch between the housing supply and what many households in Trent Hills need in terms of housing. The current and emerging supply is still very focused on single detached homes yet this dwelling type is generally more suited for larger families with higher incomes. Yet the majority of households in Trent Hills are smaller households. Trent Hills also has a larger share of households with a member with a physical disability. This indicates a need to broaden the range of housing options available in the Municipality, including options for smaller households and housing with accessibility features.

## 6.0 Northumberland Affordable Housing Strategy

This section presents the recommended strategies to address the housing needs and gaps in Northumberland.

### Current Housing Gaps in Northumberland

The following housing gaps were identified through the analysis of housing need, supply and affordability as well as through the various engagement activities.

- There is a need for affordable rental housing options for households with low incomes as demonstrated by the number of people who are homeless or who are spending too much on housing costs.
- There is a need for more purpose-built rental housing options throughout Northumberland.
- There is a need for increased support services and supportive housing to allow people with special needs, including people with mental health issues or cognitive disabilities, to live independently.
- There is a need for accessible housing and a broader range of housing options for the aging population and people with disabilities.
- There is a need for a more diverse housing supply in Northumberland as shown by the shift to smaller households and the aging population.
- There is a need to ensure the existing housing stock, including existing affordable units, are in good condition.

### Role of Housing Partners

Northumberland County is the Service Manager for the area and, as such, administers housing and homelessness programs for all Northumberland residents. However, the provision of housing in a community, particularly affordable housing, is not the sole responsibility of the Service Manager. Successfully addressing the identified housing needs and gaps in Northumberland depends on a collaborative relationship among all housing partners.

#### Northumberland Residents

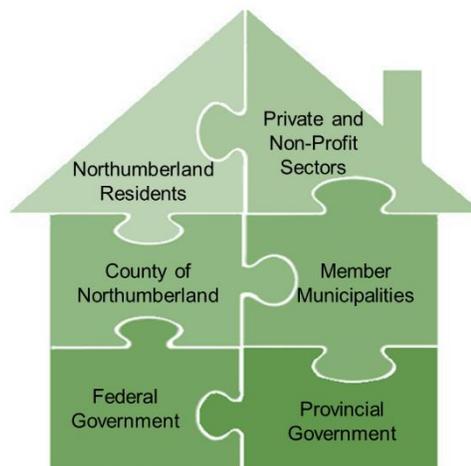
The primary role of Northumberland residents is as advocates for safe, appropriate affordable and attainable housing in their communities. In addition, some residents can choose to create

rental units within their dwellings or provide land or buildings for the purpose of affordable housing.

**Federal Government**

The federal government released the first National Housing Strategy in 2017. This Strategy offers direction on Canada’s approach to ensuring all citizens have the housing they need. The Strategy is also tied to funding for specific programs, including a housing benefit, repairs and retrofits of social housing units, funding for supportive housing, and supports to make homeownership more affordable. In addition, the

federal government, through CMHC, provides mortgage insurance to homeowners as well as funding and implementing various funding programs, such as the Co-Investment Fund and Rental Construction Financing, for the construction of affordable housing.



**Provincial Government**

The Ontario government has a broad role in housing through legislation, regulation and funding programs. The provincial government helps set the housing agenda for the province and assists communities in meeting housing needs through the provision of transfer payments to the municipalities and the funding of programs for housing and homelessness. In addition, the Province provides municipalities with legislative tools to meet housing need in communities. The Province released the Promoting Affordable Housing Act in 2016 and the Fair Housing Plan in 2017 to support the development of affordable and rental housing.

**Northumberland County**

The County, as Service Manager, is primarily responsible for the provision of subsidized housing and the administration of funding from senior levels of government. The County is also responsible for administering homelessness programs. In addition, the County establishes the policy and regulatory framework which guides the development of housing throughout Northumberland. Moving forward, there is an opportunity for the County to take a more prominent role in directing the type of housing that should be built throughout Northumberland. In addition, there is an opportunity for the County to take a more active role in facilitating collaborations among the different housing partners to address the housing gaps.

**Member Municipalities**

While the member municipalities do not have direct responsibility for housing, they have the responsibility for many of the planning and regulatory tools, such as zoning of land and processing of planning applications, which impact the development of housing in each community. Moving forward, member municipalities can take on a larger role in the provision

of housing by contributing surplus municipal land or buildings and/or provide ongoing financial assistance specifically for affordable housing.

### Non-Profit Sector

The non-profit sector plays a major role in affordable housing and/or support services to residents. This sector also raises awareness of housing need and advocates for housing and homelessness programs. Moving forward, there is an opportunity for the non-profit sector to enhance their partnerships and collaborations to avoid duplication of services and ensure the most effective use of scarce resources.

### Private Sector

The private sector provides the majority of housing in a community, including ownership and rental housing. Investors and funders also contribute to the construction and operation of affordable housing projects. Moving forward, there is an opportunity to engage with the private sector in a more intentional way and to expand their role in the housing system.

## Future Outcomes for Housing in Northumberland

The Working Group, through a facilitated co-design process, identified what they want the Northumberland housing system to look like in 2028/2029. The following shows the current housing gaps in Northumberland and the desired future outcomes.

<b>Northumberland Now: Current Housing Gaps (2018)</b>	<b>Future Northumberland: Desired Future Outcomes (2028/2029)</b>
There is a need for affordable rental housing options for households with low incomes as demonstrated by the number of people who are homeless or who are spending too much on housing costs.	There is an adequate supply of rental housing options which are affordable to households with low and moderate incomes and emergency shelters are no longer required.
There is a need for more purpose-built rental housing options throughout Northumberland.	
There is a need for increased support services and supportive housing to allow people with special needs to live independently.	There are enough housing and support services for current and future Northumberland residents who need them to live safely, independently, and with dignity.

Northumberland Now: Current Housing Gaps (2018)	Future Northumberland: Desired Future Outcomes (2028/2029)
There is a need for accessible housing and a broader range of housing options for the aging population and people with disabilities.	The housing supply in Northumberland meets the needs of all residents, including smaller households, seniors, and persons with disabilities.
There is a need for a more diverse housing supply in Northumberland as shown by the shift to smaller households and the aging population.	
There is a need to ensure the existing housing stock, including existing affordable units, are in good condition.	The entire housing stock is well-maintained and in good condition.

## Housing Action Plan

Achieving the desired future outcomes for the housing system in Northumberland involves thinking and working in different and more creative ways. It means taking on different roles and working with new partners or with current partners in new ways.

### Approach to Developing the Action Plan

The Northumberland Housing Action Plan was developed through a review of the policy and planning framework which impacts the development of housing in Northumberland to identify opportunities and barriers. An environmental scan identified some tools and promising approaches in other jurisdictions that would also work in Northumberland. These tools and ideas for actions were discussed and evaluated by key stakeholders representing the public, private and non-profit housing sectors in Northumberland as well as senior municipal staff and Councillors to identify the short list of housing actions.

### Impact of the Financial Incentives

While financial incentives encourage the development of affordable housing, there are costs to the municipality of providing these incentives. For instance, grants in lieu of planning and building applications fees implies departments have to take on these costs without the corresponding revenue. As such, a financial analysis was undertaken to determine the impact of the recommended financial incentives on the feasibility of affordable rental housing projects in Northumberland and to assist the County and member municipalities in evaluating the value of providing these incentives.

## Assumptions for the Financial Analysis

The following financial incentives were considered in the financial analysis.

- Forgivable loans for member municipal development charges
- Forgivable loans for member municipal planning and building permit fees and charges
- Property tax exemption
- Combination of all incentives listed above

Northumberland has both urban and rural communities. As such, a financial analysis was conducted for an affordable housing development in an urban municipality as well as in a rural municipality. These two scenarios take into account the different characteristics of these communities, including the appropriate building type for each community, price of land, services available, planning policies, and planning and building fees and charges.

Cobourg was selected as the location for the urban prototype as it is one of the urban communities in Northumberland, it has a higher share of RGI units, it has lower household incomes, and it is growing at a high rate. Trent Hills was selected as the location for the rural prototype as, despite being a rural community, it has RGI units and has recently seen some diversification in residential developments. Selecting these two member municipalities thus provided some comparable projects to serve as basis for some of the assumptions. As such, while the analysis uses hypothetical projects, the assumptions used are based on actual projects that have been built recently as well as the current fees and charges for each municipality.

The following table shows the summary of assumptions used for the financial analysis. It was assumed that wood frame construction and surface parking would be used for both scenarios. Building size was estimated based on the maximum unit sizes permitted by affordable housing programs (IAH – Extension Guidelines 2014) with an additional 25% for circulation and amenity space based on recently completed affordable housing projects. The value of land for each scenario is also based on recently completed projects adjusted for the time elapsed since the appraisal of these lands. Onsite parking, based on 1.25 spaces per unit, has been assumed for these project.

Scenario 1 considers the development of a 50-unit rental apartment building with four storeys located in a municipality in Northumberland (Cobourg). The prototype building has a total of 40,300 square feet with 1,550 square feet allocated for amenity space and 19% for circulation space. Of the 50 units in this prototype, there are 30 one-bedroom units, ten two-bedroom units, and ten three-bedroom units. The cost of land (including the land transfer tax) was estimated at \$375,000 or about \$7,500 per unit,

Scenario 2 considers the development of a six-unit rental apartment building in a rural municipality in Northumberland (Trent Hills). The prototype building has a total of 10,000 square feet with about 260 square feet allocated for amenity space and about \$18% for circulation space. Most of the units in this prototype are one-bedroom units (4 units) with one two-bedroom unit and one three-bedroom unit. The cost of the land used for the analysis has been estimated based on a property listing in the area. The land value is \$257,300 (including land transfer tax) or \$42,500 per unit. The land cost per unit for this scenario is significantly higher compared to the first scenario due to economies of scale.

**Table 15: Summary of Assumptions for the Financial Analysis**

Scenario 1	Scenario 2
<b>Urban</b>	<b>Rural</b>
Apartment	Apartment
Land Value - \$7,500 per unit	Land Value - \$42,500 per unit
Wood Frame	Wood Frame
40,300 ft <sup>2</sup>	10,000 ft <sup>2</sup>
50 units	6 units
4 storeys	
Amenity and Circulation Space – 9,050 ft <sup>2</sup>	Amenity and Circulation Space – 1,160 ft <sup>2</sup>
1 bedroom (60% - 30 units)	1 bedroom (66.7% - 4 units)
2 bedroom (20% - 10 units)	2 bedroom (16.7% - 1 unit)
3 bedroom (20% - 10 units)	3 bedroom (16.7% - 1 unit)

### Capital Cost Assumptions and Results

The following table provides the summary of the estimated capital costs for each scenario. Soft costs are estimated based on the typical professional fees, published information on CMHC mortgage insurance requirements, and published planning and building permit fees. Construction costs are based on actual costs of recent comparable affordable rental developments and published sources. The overall capital cost for the two scenarios results in an average per unit cost of \$200,621 for the urban scenario and \$271,988 for the rural scenario.

**Table 16: Summary of Capital Costs**

	Scenario 1 Urban	Scenario 2 Rural
<b>CAPITAL COSTS - SOFT COSTS</b>		
<b>Professional Fees</b> (includes architect, engineers, cost consultant, project manager, planners)	\$581,771	\$167,881
<b>Site Related Studies</b> (includes appraisal, topo and boundary surveys, ESA, geotechnical and other studies)	\$64,500	\$23,000
<b>Legal and Financing Costs</b> (includes legal, financing, mortgage insurance, marketing, audits and other administration costs)	\$405,662	\$103,652
<b>Fees and Permits</b> (includes rezoning, site plan, building permit and other fees)	\$610,959	\$43,694
<b>Soft Cost Contingency</b>	\$166,289	\$33,823
<b>Soft Cost Total</b>	<b>\$1,829,181</b>	<b>\$372,049</b>
<b>CAPITAL COSTS - HARD COSTS</b>		
<b>Construction Costs</b> (includes base construction costs, site servicing hydro connection, appliances)	\$6,160,565	\$751,095
<b>Escalation and Contingency</b>	\$616,057	\$75,110
<b>Land Cost</b> (includes purchase price and land transfer tax)	\$379,100	\$257,300
	<b>\$7,155,722</b>	<b>\$1,083,505</b>
<b>HST BEFORE REBATES</b>	\$1,046,134	\$176,372
<b>TOTAL CAPITAL COSTS</b>	<b>\$10,031,037</b>	<b>\$1,631,926</b>
Per Unit	\$200,621	\$271,988

## Operating Revenue and Expenses

Market rental revenue has been assumed to be 100% CMHC average market rent (AMR). Operating expenses are based on the typical costs incurred by housing providers in the urban and rural municipalities. It has also been assumed that heat and hydro will be paid for by the tenant while water will be paid for by the landlord. The mortgage has been assumed at 4.5% interest rate and a 40-year amortization. Debt coverage ratio (DCR) has been assumed at 1.1 based on the typical requirements of CMHC funding and/or mortgage financing initiatives.

The equity requirement for a feasible project is based on achieving rents at 100% of CMHC AMR. The per unit equity requirement is \$69,366 for the urban scenario (35% of per unit

capital costs) and \$142,364 for the rural scenario (52% of capital costs). This results in significantly high equity requirements. To create a more viable scenario, a 10% equity contribution has been assumed for both scenarios. Based on this level of investment, 126% of AMR would have to be charged for rents for the urban scenario and 160% of AMR for the rural scenario to achieve the required debt coverage ratio.

**Table 17: Summary of Operating Revenue and Expenses**

	Scenario 1 Urban	Scenario 2 Rural
<b>OPERATING – REVENUE</b>		
Rental Revenue (less vacancy loss + laundry revenue)	\$610,091	\$74,321
<b>OPERATING – EXPENSES</b>		
Maintenance, property management)	\$99,105	\$14,931
Utilities (includes heat, hydro, water)	\$38,035	\$4,604
Admin Costs (includes finance, insurance, HST)	\$37,553	\$4,907
Property Taxes	\$60,000	\$7,200
Capital Reserve	\$25,158	\$3,064
<b>Sub-Total</b>	<b>\$259,852</b>	<b>\$34,706</b>
Mortgage Payments	\$318,278	\$36,033
<b>Total Expenses</b>	<b>\$578,130</b>	<b>\$70,739</b>
Required Equity for DCR 1.1	\$3,468,316	\$854,181
Percentage of Total Capital Cost	35%	52%

## Impact of the Financial Incentives on Equity

The following table shows the impact of the recommended financial incentives on the required equity per unit for each scenario. As illustrated below, while exempting property taxes has the most significant impact for both scenarios, applying all the recommended financial incentives would result in a substantial reduction in the required equity. The equity required for the urban scenario would be reduced by \$30,955 per unit and the equity required for the rural scenario would be reduced by \$25,946 per unit.

**Table 18: Impact of Financial Incentives**

	Scenario 1 Urban		Scenario 2 Rural	
	Reduction in Equity Per Unit	% of Total Capital Costs	Reduction in Equity Per Unit	% of Total Capital Costs
Development Charges	\$10,183	0.1%	\$4,408	0.3%
Municipal Planning and Building Permit Fees	\$1,878	0.0%	\$2,145	0.1%
Property Tax Exemption (Operations)	\$18,853	0.19%	\$19,171	1.2%
<b>All Incentives</b>	<b>\$30,955</b>	<b>0.31%</b>	<b>\$25,946</b>	<b>1.6%</b>

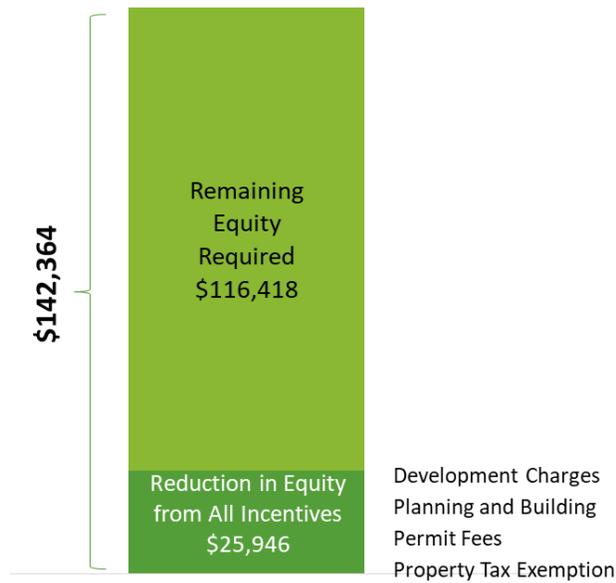
The following figure further illustrates the total equity required per unit for the urban scenario as well as the reduction in the total equity if all the incentives were applied.

**Figure 46: Impact of Financial Incentives on the Equity Required Per Unit: Urban Scenario**



The following figure shows the impact of the incentives on the equity required per unit for the rural scenario. As the figure demonstrates, while the impact of the incentives in terms of dollar amounts is similar to the urban scenario, the overall impact on the equity required per unit is much smaller and would, thus, require a much larger equity contribution.

**Figure 47: Impact of Financial Incentives on the Equity Required Per Unit: Rural Scenario**



### Impact of the Financial Incentives on Rent Levels

As previously mentioned, if the equity contribution of the developer was limited to 10%, rents in the urban scenario would have to be increased to 126% AMR to achieve a debt coverage ratio of 1.1. This would result in an average rent of \$1,295, which is \$276 more than the rental threshold and AMR. This rent level would no longer be affordable to Northumberland households with low incomes. Similarly for the rural scenario, if the equity was limited to 10%, rents would have to be increased to 160% AMR to achieve a debt coverage ratio of 1.1. This would result in an average rent of \$1,668 for the rural scenario. This rent level would only be affordable to households in the 4<sup>th</sup> household income decile or renter households in the 8<sup>th</sup> renter household income decile.

**Table 19: Average Rents by Unit Size with 10% Equity Contribution**

	Scenario 1 Urban		Scenario 2 Rural	
	Rent Per Unit	% AMR	Rent Per Unit	% AMR
Average Rents with 10% Equity				
1 bedroom	\$1,115	<b>126%</b>	\$1,431	<b>160%</b>
2 bedroom	\$1,361	<b>126%</b>	\$1,806	<b>160%</b>
3 bedroom	\$1,769	<b>126%</b>	\$2,480	<b>160%</b>
<b>Overall Average</b>	<b>\$1,295</b>		<b>\$1,668</b>	

Providing financial incentives decrease rent levels in the two scenarios. As the calculations show, while all the incentives have an impact on rent levels, property tax exemptions have the most impact. Providing all the incentives will result in rent levels at 110% AMR in the urban scenario and 146% in the rural scenario. The incentives have a much less significant impact in

the rural scenario primarily due to economies of scale and, as such, it is possible that the impact of the incentives would be more significant in a building with more units.

**Table 20: Impact of Financial Incentives on Rent Levels**

	Scenario 1 Urban		Scenario 2 Rural	
	Rent Per Unit	% AMR	Rent Per Unit	% AMR
Average Rents with 10% Equity	<b>\$1,295</b>	<b>126%</b>	<b>\$1,668</b>	<b>160%</b>
Development Charges	\$1,241	121%	\$1,643	158%
Municipal Planning and Building Permit Fees	\$1,284	125%	\$1,654	159%
Property Tax Exemption (Operations)	\$1,191	116%	\$1,564	150%
<b>All Incentives</b>	<b>\$1,127</b>	<b>110%</b>	<b>\$1,525</b>	<b>146%</b>

These calculations suggest a need for additional capital grants on top of the financial incentives to be able to achieve rent levels at 100% AMR for both scenarios while keeping equity contributions at 10% and the debt coverage ratio at 1.1. A capital grant of \$18,222 per unit is required for the urban scenario and a grant of \$89,071 per unit is required for the rural scenario to achieve 100% AMR. This capital grant can be provided as an in-kind contribution, such as providing municipally-owned land through a long-term lease or selling the land at below-market value. Alternatively, if none of the municipally-owned surplus lands are appropriate, selling a property to acquire a more appropriate property and providing this for the affordable housing development at below-market value. The capital grant can also be provided through direct funding for the construction hard costs, or forgivable grants for site-specific studies required.

## Northumberland Housing Action Plan

The following goals and recommended actions will help Northumberland County and its housing partners to address the identified housing gaps and achieve the desired future outcomes for the housing system. Similar housing gaps have been grouped together under one outcome and goal to provide for a more focused approach to achieving the desired future outcome. Indicators have also been identified for each goal to assist in monitoring the progress toward achieving these goals. These indicators should be measured in five years (end of 2024) and again in ten years (end of 2029) to determine progress and the need for changes to the

actions. Please see the Appendix for the rationale for the indicators and the Monitoring Progress section to see how these indicators can be measured.

Timeframes for implementation have also been identified for each recommended action and are as follows.

- Foundational – These actions should be implemented immediately as other actions are dependent on these.
- Short Term – These actions should be implemented starting in 2019 and may continue to 2021.
- Medium Term – These actions should be implemented starting in 2022 and may continue to 2024.
- Ongoing – These actions will be implemented throughout the life of this housing strategy.

**Goal 1: Increase the supply of rental housing which is affordable to households with low and moderate incomes and achieve a functional zero end to homelessness.**

Indicators:

- A 17% decrease in the number of households with low incomes who are spending 30% or more on housing costs.
- A 50% decrease in the number of applicants on the waiting list for subsidized housing in ten years.
- A purpose-built rental vacancy rate of 3% as reported by CMHC.

Actions	Timelines	Resources
<b>Official Plan and Zoning Bylaw Policies and Regulations</b>		
1.1 Update the County Official Plan to include the recommended breakdown of the affordable housing targets for households with low and moderate incomes. Please see the appendix for a detailed breakdown of the targets as well as the methodology for developing the targets.	Short term	Staff time <sup>50</sup>

<sup>50</sup> Please note that staff time may include the need to hire additional staff and/or hire external consultants which would impact the municipality's operational budget.

Actions	Timelines	Resources
<p>Of all new dwellings built each year, 25% should be affordable to households with low and moderate incomes which equates to 90 units per year. Of these,</p> <ul style="list-style-type: none"> <li>• 18% should be rental housing with rents which are affordable to households with low incomes</li> <li>• 7% should be rental and ownership housing with rents or house prices which are affordable to households with moderate incomes</li> <li>• 25% should have support services linked with housing</li> <li>• 15% should at least meet the accessibility requirements of the Ontario Building Code</li> </ul>		
<p>1.2 Encourage the member municipalities to update their Official Plans to include the recommended affordable housing and rental housing targets. Please see the appendix for the recommended breakdown of the targets for each member municipality.</p>	Short term	Staff time
<p>1.3 Add an inclusionary zoning policy in the County Official Plan and work with member municipalities to develop inclusionary zoning policies and by-laws for appropriate areas throughout Northumberland. Please see text box.</p>	Short – Medium term	Staff time
<p>1.4 Encourage and support member municipalities in the development of policies and a licensing process related to short-term (i.e. less than six months) rental housing to protect the long-term rental housing supply.</p> <p>Regulations may include limits to the number of times a property can be used for short-term rental.</p>	Short – Medium term	Staff time
<b>Program and Funding</b>		
<p>1.5 Work with member municipalities who currently have community improvement plans (CIPs) or who are developing CIPs to include programs to support the development of affordable and rental housing.</p>	Foundational	Funding and Staff time
<p>1.6 Work with member municipalities who do not have CIPs to examine the feasibility of implementing a CIP in appropriate areas in each municipality.</p>	Short term	Funding and Staff time
<p>1.7 Work with member municipalities to implement the recommended Northumberland Affordable and Rental</p>	Short term – Medium term	Funding, Loss of Revenue, and Staff

Actions	Timelines	Resources
<p>Housing Program. The elements of the Pilot Program would include the following.</p> <ul style="list-style-type: none"> <li>● Providing forgivable loans for development charges</li> <li>● Providing forgivable loans for building permit and planning application fees</li> <li>● Tax Increment Equivalent Grants (TIEGs) for property taxes for up to ten years for purpose-built rental housing</li> <li>● Property tax exemptions, grants or rebates for twenty years for affordable rental housing</li> <li>● Capital grants for affordable rental housing projects</li> <li>● Creating an annual monitoring and reporting process to track the effectiveness of the program.</li> </ul> <p>The incentives recommended as part of this pilot program can be provided through existing member municipal CIPs (for the member municipalities' share of incentives) as well as the County's Municipal Housing Facilities By-law (for the County's share of incentives). <i>Please see the Appendix for a detailed description of this program as well as the recommended implementation plan.</i></p>		<p>Time</p> <p>*This may also require changes to the Development Charges By-law</p>
<p>1.8 Consider prioritizing Northumberland County Housing Corporation projects for any incentives available through the Northumberland Affordable and Rental Housing Pilot Program.</p>	<p>Ongoing</p>	<p>Funding and Staff time</p>
<p>1.9 Work with the member municipalities and other housing partners to meet the identified affordable housing targets on an annual basis through a variety of initiatives including implementing the recommended Northumberland Affordable and Rental Housing Pilot Program and increasing rent subsidies and housing allowances and monitor progress on the targets on an annual basis.</p>	<p>Ongoing</p>	<p>Funding and Staff time</p>
<p>1.10 Consider the feasibility of providing County-funded housing allowances to individuals and families who are chronically homeless and those who have low acuity scores and only need affordable housing as part of a Housing First approach.</p> <p>These housing allowances would be over and above those provided by the Province and can build on the Canada Housing Benefit when that is implemented.</p>	<p>Short – Medium term</p>	<p>Funding</p>

Actions	Timelines	Resources
<p>1.11 Consider developing a Housing Master Plan and financing strategy which identifies where and how affordable housing will be built.</p> <p>The Housing Master Plan should also identify any opportunities for infill or redevelopment of existing Northumberland County Housing Corporation (NCHC) sites and other non-profit housing sites.</p>	Short term	Staff time
<p>1.12 Explore the feasibility of providing forgivable loans for renovations to home owners who add a secondary suite or accessory dwelling to be rented out for a minimum of 20 years.</p>	Short term	Staff time and Funding
<b>Education and Awareness</b>		
<p>1.13 Building on current initiatives, work with the Northumberland Affordable Housing Committee (NAHC) to develop a YIMBY (Yes In My Backyard) Team to take the lead in education and awareness initiatives.</p>	Foundational	Staff time
<p>1.14 Broaden community support and awareness of the housing needs in Northumberland, including the need for affordable and market-rate rental housing. The results of the housing needs assessment can be shared as a first step.</p>	Short term	Staff time
<p>1.15 Broaden community awareness of programs, funding, and incentives available to support the development of affordable housing and rental housing.</p>	Short term	Staff time
<b>Collaborations, Partnerships and Advocacy</b>		
<p>1.16 Create a Northumberland Affordable and Rental Housing Strategy Implementation Working Group to lead the implementation of all the recommended strategies.</p> <p>This Implementation Working Group should include representatives from each of the member municipalities.</p>	Foundational	Staff time
<p>1.17 Develop an Implementation Plan, which includes an annual budget, to guide the implementation of the recommended actions in the Northumberland Affordable Housing Strategy.</p>	Foundational	Staff time – Working Group
<p>1.18 Work with member municipalities and the home builders association to develop an engagement strategy to facilitate</p>	Short term	Staff time

Actions	Timelines	Resources
<p>partnerships and collaborations with residential developers to build affordable and market-rate rental housing.</p>		
<p>1.19 Facilitate partnerships between community agencies and private developers and landlords to increase the supply of affordable rental housing. Partnerships may be in the form of:</p> <ul style="list-style-type: none"> <li>a) Community agencies purchasing or leasing units in a new or existing multi-residential development.</li> <li>b) Community agencies as property managers of residential projects built by the private sector.</li> <li>c) Community agencies acting as guarantor for leases with private landlords.</li> </ul>	Ongoing	Staff time
<p>1.20 Build on current initiatives to enhance partnerships with private landlords and increase opportunities for rent supplement agreements.</p>	Short term	Staff time
<p>1.21 As part of a landlord engagement strategy, work with private landlords to increase their capacity to better respond to residents' needs, connect residents to required supports, and ensure stable tenancies and avoid evictions.</p>	Ongoing	Staff time
<p>1.22 Work with member municipalities and the private and non-profit sectors to explore opportunities to include affordable housing units in the development or redevelopment of community facilities such as community centres, libraries, and day care centres.</p>	Short – Medium term	Staff time and possible funding
<p>1.23 Advocate to the school boards to consider providing surplus school board land at below-market values for affordable housing developments.</p>	Short term	Staff time

### **Inclusionary Zoning**

The inclusionary zoning policy in the Official Plan should include the following.

- Inclusionary zoning should be applied to developments or redevelopments with a minimum of 10 residential units.
- The locations and areas where inclusionary zoning by-laws would apply.
- The range of household incomes for which affordable housing units would be provided. It is recommended that the County and member municipalities require units which are affordable to households with moderate incomes (4th – 6th income deciles).
- The range of housing types and sizes of units which would be authorized as affordable housing units.
- The number of affordable housing units or the gross floor area to be occupied by the affordable housing units required. It is recommended that the County and member municipalities require at least 10% of residential units be affordable.
- The period of time for which affordable housing units would be maintained as affordable. It is recommended that the County consider a 20-year time frame.
- How measures and incentives would be determined. It is recommended that inclusionary zoning be implemented in conjunction with the other recommended actions and the Northumberland Affordable and Rental Housing Program.
- How the price or rent of affordable housing units would be determined. It is recommended that the County and member municipalities consider using the household income deciles and the identified affordable housing thresholds as a basis to determine the affordable price or rent of these units.
- The approach to determine the percentage of the net proceeds to be distributed to the municipality from the sale of an affordable housing units.
- The circumstances in and the conditions under which offsite units would be permitted.
- The circumstances in which an offsite unit would be considered to be in proximity to the development or redevelopment giving rise to the inclusionary zoning by-law.

**Goal 2: Expand the supply of housing with supports and support services in appropriate locations throughout Northumberland.**

Indicators:

- A 25% increase in the supply of housing with supports.
- Increased capacity among community agencies to provide support services.

Actions	Timelines	Resources
<b>Official Plan and Zoning Bylaw Policies and Regulations</b>		
<p>2.1 Work with member municipalities to develop a common definition and Official Plan policies for shared housing.</p> <p>Shared housing is a form of housing where individuals share accommodation either for economic, support, long-term care, security, or lifestyle reasons. In some cases, shared housing has no support services attached, such as seniors or other unrelated individuals sharing a home for economic reasons. In other cases, shared housing may have various levels of support and services for persons with unique needs such as assistance with daily living, housekeeping, supervision and nursing care. Forms of shared housing include small scale dwellings with no more than 10 people or large scale with more than 10 people. Other types include 24-hour supervision and/or 24-hour nursing care<sup>51</sup>. Removing reference to group homes and rooming and boarding houses and replacing it with shared housing will help remove the stigma associated with these housing forms.</p>	Short – Medium term	Staff time
<p>2.2 Encourage member municipalities to update their Official Plans and zoning bylaws to enable shared housing as of right in all areas in Northumberland where dwellings are permitted.</p>	Short – Medium term	Staff time
<b>Program and Funding</b>		
<p>2.3 Work with community agencies and other housing partners to develop a permanent supportive housing project for the individuals who are on the By-Name List and who require permanent supportive housing.</p>	Short – Medium term	Funding
<p>2.4 Continue to support Cornerstone’s HomeShare Program to</p>	Ongoing	Funding

<sup>51</sup> Please see Chapter 4 and Chapter 11 of Markham’s Official Plan for a sample definition:  
<https://www.markham.ca/wps/portal/home/business/planning/official-plan/01-official-plan>

Actions	Timelines	Resources
make it a permanent program.		
<b>Education and Awareness</b>		
2.5 Work with the YIMBY Team and community agencies, including Indigenous organizations, to increase awareness of all housing and support services available through a page on the County’s website, a mobile app, and brochures.	Short term	Staff time
<b>Collaborations, Partnerships and Advocacy</b>		
2.6 Facilitate partnerships among local employers and community agencies to connect applicants on the centralized waiting list who are currently unemployed or under-employed to employment opportunities.	Short term	Staff time
2.7 Encourage and support social enterprises which provide employment and an opportunity to develop new skills for people with disabilities or mental health issues.	Short term	Staff time and possible grant or loan
2.8 Advocate to senior levels of government to enhance funding for supportive housing and supports to allow people to live independently, including those transitioning out of provincial institutions and service systems, those experiencing homelessness, and individuals with mental health and addictions issues.	Ongoing	Staff time

**Goal 3: Encourage and support the development of a diverse housing stock, including accessible housing options, smaller units, and options to facilitate aging in place, in all Northumberland communities.**

Indicators:

- A 25% increase in the number of dwellings which are accessible. These dwellings may include units in apartment buildings or single-family homes which, at a minimum, meet the requirements of the Ontario Building Code.
- Dwellings which are appropriate for smaller households make up at least 65% of all new dwellings.

Actions	Timelines	Resources
<b>Official Plan and Zoning Bylaw Policies and Regulations</b>		
3.1 Revisit the current targets for medium- and high-density housing in the County Official Plan to determine whether there are opportunities to increase the targets for medium- and high-density housing to better reflect the current and emerging demographic make-up of Northumberland.	Short – Medium term	Staff time
3.2 Work with member municipalities to revisit their current targets for medium- and high-density housing to ensure these are still relevant for the current and emerging demographic make-up of each member municipality.	Short – Medium term	Staff time
3.3 Encourage member municipalities to pre- or rezone suitable lands to permit medium- or high-density residential development, including innovative options such as quadraplexes or adaptable homes.	Short term	Staff time
3.4 Direct member municipalities to review zoning by-laws and other regulations to ensure these are more flexible and supportive of smaller dwellings and a more diverse housing supply.	Short term	Staff time
3.5 Direct member municipalities to review regulations related to secondary suites and accessory dwellings to ensure these are not acting as barriers.	Short term	Staff time
3.6 Encourage member municipalities to review zoning by-laws to ensure these permit mixed-use developments, such as apartments over stores and live-work developments, in	Short term	Staff time

Actions	Timelines	Resources
appropriate areas, particularly in the six urban areas.		
<b>Program and Funding</b>		
<p>3.7 Encourage member municipalities to provide forgivable loans or deferrals for all or a part of building and planning fees and charges for new residential developments which go beyond the accessibility and visitability requirements of the Ontario Building Code.</p> <p>Consider providing incentives on a sliding scale to reflect the proportion of units which go beyond Building Code requirements.</p>	Short – Medium term	Funding
<b>Education and Awareness</b>		
3.8 Develop accessibility guidelines which can be shared with residential developers to ensure the units provided to meet Building Code requirements are fully accessible.	Short term	Staff time
3.9 Work with the YIMBY Team, the home builders association, and other housing partners to increase awareness of the need for a more diverse housing supply in Northumberland.	Short term	Staff time

**Goal 4: Ensure the entire housing stock is well-maintained and in good condition.**

Indicators:

- A 12% decrease in the number of homes requiring major repairs.

Actions	Timelines	Resources
<b>Program and Funding</b>		
4.1 Explore the feasibility of expanding the Northumberland Renovates Program to provide forgivable loans to home owners and landlords to undertake renovations to improve safety, accessibility, and energy efficiency of dwellings.  Consider prioritizing senior home owners to facilitate aging in place and rental units which are rented at or below AMR.	Short term	Funding
4.2 Encourage member municipalities to provide forgivable loans or exemptions for the building permit fee for any new affordable dwellings which exceed the sustainability and energy efficiency requirements of the Ontario Building Code.	Short – Medium term	Staff time
<b>Education and Awareness</b>		
4.3 Work with the YIMBY Team and other housing partners to increase awareness of available programs and funding for renovations.	Short term	Staff time
<b>Collaborations, Partnerships and Advocacy</b>		
4.4 Work with Habitat for Humanity, local tradespeople, and other housing partners to explore the feasibility of developing a social enterprise which provides Northumberland households with low incomes repair and renovation services at lower costs.  Labour can be provided by Ontario Works recipients, high school students, and volunteers.	Short term	Staff time and possible grant or loan

## Monitoring Progress

The first phase of this study was a housing needs assessment to identify the housing needs in Northumberland as a whole as well as in each member municipality. The housing needs in a community change as the demographic and economic characteristics of households in that community evolve. The housing needs will also change as a result of implementing the

recommendations in this housing strategy. As such, it is important to monitor housing needs on a regular basis to ensure that the actions to address the housing gaps are still relevant and to show progress.

## Annual Housing Report Card

It is recommended that the County, member municipalities and other housing partners collaborate on an annual housing report card which all partners can use to monitor progress toward the desired future outcomes and to identify requirements for changes to initiatives. This annual report card should build on the work done for the Housing and Homelessness Annual Reports. The following indicators of housing need should be monitored on an annual basis starting in 2019. It should be noted that while this will build on work that has already been undertaken, additional staff time and resources may be required to ensure progress is monitored on an annual basis as recommended.

1. Average market rent (CMHC)
  - a) Bachelor
  - b) 1-Bedroom
  - c) 2-Bedroom
  - d) 3+ Bedroom
  - e) Total AMR
2. Total vacancy rate (CMHC)
  - a) Bachelor
  - b) 1-Bedroom
  - c) 2-Bedroom
  - d) 3+ Bedroom
  - e) Total AMR
3. Average market rent (Help Centre scan)
  - a) Bachelor
  - b) 1-Bedroom
  - c) 2-Bedroom
  - d) 3-Bedroom
  - e) 4+ Bedroom
4. Average house price
5. Residential building permits
  - a) Total building permits (in all member municipalities)
  - b) Permits for single- and semi-detached dwellings
- c) Permits for row/townhouses, multi-residential projects, and other medium and high-density residential developments
- d) Permits for accessible housing units
6. Total number of affordable housing units built
  - a) Total number of affordable housing units built in each member municipality
  - b) Total number of affordable housing units built which are bachelor, one- and two-bedroom units
  - c) Total number of affordable housing units built which have three or more bedrooms
7. Total number of rent supplement units
8. Total number of purpose-built rental housing units built
  - a) Total number of rental housing units built in each member municipality
  - b) Total number of rental housing units built which are bachelor, one- and two-bedroom units

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>c) Total number of rental housing units built which have three or more bedrooms</li> <li>d) Total number of secondary suites added (e.g. basement apartments, coach houses, apartments over garages, etc.).</li> </ul> <p>9. Number of households housed from the wait list</p> <p>10. Number of housing allowance recipients</p> <p>11. Number of individuals and families who are homeless on the By-Name list</p> | <ul style="list-style-type: none"> <li>a) Number of individuals and families who are homeless who require permanent supportive housing</li> <li>b) Number of individuals and families who are homeless who only require financial supports and/or temporary supports to maintain housing stability</li> </ul> <p>12. Number of recipients of the Renovate Northumberland and ReNewIt programs</p> <ul style="list-style-type: none"> <li>a) Number of recipients by member municipality</li> </ul> |
|---|--|

## Sources of Data and Information

The sources of data and information for the housing need indicators identified for the annual report card are as follows.

- CMHC Rental Market Report or CMHC Housing Information Portal for average market rents and vacancy rates
- Northumberland Help Centre for average market rents
- Northumberland Hills Realtors Association for the average house price
- Member municipalities for residential building permits and number of rental housing units built
- The County for the number of affordable housing units built, the number of rent supplement units, number of households housed, number of housing allowance recipients, number of individuals and families on the By-Name list
- The County and Habitat for Humanity Northumberland for the number of recipients of the Renovate Northumberland and ReNewIt Programs.

## Updating the Housing Needs Assessment

In addition to the annual housing report card, it is recommended that the housing needs assessment be updated every five years to coincide with the release of new census data from Statistics Canada. It is particularly important to update the following to monitor progress in achieving the identified future outcomes.

- Household trends by size and type

- Proportion of Northumberland households who are spending 30% or more and 50% or more on housing costs
- Proportion of households with low incomes who are spending 30% or more and 50% or more on housing costs
- Number of supportive housing units built
- Number of dwellings requiring major repairs

The data sources for these indicators include the Statistics Canada Census and community agencies and non-profit housing providers for the number of supportive housing units built.

## 7.0 Conclusion

While important progress has been made on addressing the housing needs in Northumberland, there are still some current and emerging housing gaps which need to be addressed. The housing needs assessment identified six key housing gaps in Northumberland related to affordable housing for households with low incomes, a limited supply of purpose-built rental housing, inadequate housing and supports for people with unique needs, and the need for a more diverse housing supply which better responds to the current and future make-up of Northumberland's residents.

The Northumberland Affordable Housing Strategy has recommended a total of 44 actions to help address these key housing gaps. These actions include policy and process changes as well as planning and financial incentives as part of a recommended program to encourage the development of affordable and rental housing throughout Northumberland. There are two foundational actions. One is related to implementing CIPs throughout Northumberland to serve as the vehicle to implement the recommended program, particularly the incentives which are under the jurisdiction of the member municipalities. The second foundational action is related to developing a YIMBY Team to lead actions related to education and awareness.

While implementing these actions and recommended program seem like a daunting task, Northumberland has the advantage of having a very engaged community, including the Service Manager and member municipalities, who are eager to work together to address these housing gaps.

The Northumberland Affordable Housing Strategy was meant to be implemented into 2024, with some ongoing actions. However, it is important to monitor progress towards the goals as well as to monitor the housing needs throughout Northumberland to ensure that the actions are still appropriate for the current context.

## 8.0 Appendix A: Rationale for Indicators

Indicators were identified to measure progress toward the housing goals. The rationale for each of these indicators are as follows.

**Goal 1: Increase the supply of rental housing which is affordable to households with low and moderate incomes and achieve a functional zero end to homelessness.**

Indicators:

- A 17% decrease in the number of households with low incomes who are spending 30% or more on housing costs.
  - The number of households with low incomes who are spending 30% or more on housing costs increased by this much from 2006 to 2016.
- A 50% decrease in the number of applicants on the waiting list for subsidized housing in ten years.
  - Meeting the recommended affordable housing targets would reduce the current (2018) wait list by about 5% each year.
- A purpose-built rental vacancy rate of 3% as reported by CMHC.
  - A 3% vacancy rate is considered a ‘healthy’ vacancy rate as it indicates a balance between demand for and supply of rental housing.

**Goal 2: Expand the supply of housing with supports and support services in appropriate locations throughout Northumberland.**

Indicator:

- A 25% increase in the supply of housing with supports.
  - Households led by seniors aged 75 years and older increased by 25% from 2006 to 2016. In general, seniors are more likely to require support services to live independently at age 75 years or older.
  - The number of households with a member with a disability and households with a member with a cognitive disability and/or mental health issue increased by 25% from 2006 to 2016. While this is not directly comparable due to the changes in the census questionnaire, it has been assumed that people with a cognitive disability and/or mental health issue would require some form of supports to live independently.

- 60% of respondents to the 2018 Registry Week require permanent supportive housing.
- Increased capacity among community agencies to provide support services.
  - Increasing the support services available would allow many people to maintain their homes and achieve housing stability. It would help many seniors age in place and prevent homelessness among individuals and families who are facing issues other than, or in addition to, economic issues.

**Goal 3: Encourage and support the development of a diverse housing stock, including accessible housing options, smaller units, and options to facilitate aging in place in all Northumberland communities.**

Indicators:

- A 25% increase in the number of dwellings which are accessible. These dwellings may include units in apartment buildings or single-family homes which, at a minimum, meet the requirements of the Ontario Building Code.
  - The number of households led by seniors aged 75 years and older increased by 25% from 2006 to 2016. While not all seniors who are aged 75 years and older require accessible housing, in general, it is at this stage when seniors require accessibility elements in their homes.
  - The number of households with a member with a physical disability was not used as there was no comparable data for 2006.
- Dwellings which are appropriate for smaller households make up at least 65% of all new dwellings.
  - One- and two-person households make up 68% of all households in 2016 and historical trends indicate this will continue in the future whereas the existing housing supply is predominantly single detached. Moving forward, new dwellings should be focused on options for smaller households.

**Goal 4: Ensure the entire housing stock is well-maintained and in good condition.**

Indicator:

- A 12% decrease in the number of homes requiring major repairs.
  - The number of homes requiring major repairs in Northumberland increased by 11% from 2006 to 2016.

## 9.0 **Appendix B: Recommended Affordable Housing Targets**

### Introduction

The Provincial Policy Statement requires municipalities to set minimum targets for housing which is affordable to households with low and moderate incomes. In addition, the Provincial Growth Plan requires that targets be set for affordable rental and ownership units as part of a housing strategy. The Housing Services Act also requires that a municipality's housing and homelessness plan include targets relating to housing need.

The County's Official Plan identifies a target of 25% of all new units be affordable housing units. This target has been broken down to reflect the current and emerging need identified as part of the housing needs assessment. These proposed targets are focused on addressing the housing need associated with future growth while also taking into account the current need.

### Housing Targets for Northumberland

This section identifies recommended housing targets for rental housing which is affordable to households with low and moderate incomes, ownership housing which is affordable to households with moderate incomes, and supportive housing for Northumberland as a whole.

Household and housing projections developed for Northumberland<sup>52</sup> forecast an increase of 5,451 households from 2016 to 2031. As such, it has been assumed that 360 housing units will be added each year for the lifetime of the Affordable Housing Strategy, i.e. from 2019 – 2029. The Statistics Canada Census shows that the number of households in Northumberland increased by 414 households per year from 2006 to 2016. Therefore, an estimate of 360 new housing units per year is a reasonable estimate.

#### **Affordable Rental Housing Target**

All households who were facing housing affordability issues (i.e. spending 30% or more of their household income on housing costs) made up 22% of all households in Northumberland in 2016. Households with low and moderate incomes who were facing housing affordability issues made up 21% of all households in Northumberland in 2016.

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<sup>52</sup> Watson and Associates (2014). Northumberland Housing Forecast by Area Municipality, 2011-2041

As such, it is recommended that 18% of all new units built each year be rental housing which is affordable to households with low incomes (i.e. in the 1<sup>st</sup> to 3<sup>rd</sup> income deciles). In 2018, this would mean monthly rents of \$1,213 or less. In addition, 80% of these units should be affordable to households with incomes in the 1<sup>st</sup> and 2<sup>nd</sup> income deciles, which include households receiving Ontario Works benefits. These units should have rents at \$931 or less per month. While this target is lower than the current and emerging need, meeting this target will address the most urgent need with the resources which are currently available. There is also the recognition that this target should be increased to at least 20% as additional resources become available.

A target has also been developed for rental housing which is affordable for households with moderate incomes (i.e. incomes in the 4<sup>th</sup> – 6<sup>th</sup> income deciles). It is recommended that 5% of all new units built should have monthly rents of \$2,202 or less.

The target for rental housing for households with moderate incomes is based on the fact that an estimated 1,700 households with moderate incomes were facing housing affordability issues in 2016. Of these households, 85% were owners, which suggests that many of these households might be better served by having rental housing options instead of buying homes which they could not afford. In addition, the proportion of rental dwellings in Northumberland has been steadily declining in the past twenty years whereas the need for rental housing has actually been increasing. Setting this target not only assists households with moderate incomes who are facing housing affordability issues, it also increases the diversity of the housing supply in Northumberland by increasing the supply of purpose-built rental housing, which was identified in the needs assessment as one of the key housing gaps. Similar to the target for affordable rental housing for households with low incomes, this target for affordable rental housing for households with moderate incomes does not directly reflect the current and emerging need identified in the housing needs assessment. However, meeting this target will address the most urgent need in terms of increasing the supply of purpose-built rental housing in Northumberland. As more resources become available, it is recommended that this target be increased to 10% of all new dwelling units built.

### **Affordable Ownership Housing Target**

It is recommended that 2% of all new housing units built each year be ownership housing units which are affordable to households with moderate incomes. This would mean a house price of \$316,190 or less. As previously noted, the majority of households with moderate incomes who were facing housing affordability issues were owners. While many of these household could be better served by rental housing, some of these households may still prefer home ownership. This target should be increased to 5% as additional resources become available.

### Supportive Housing Target

It is recommended that 25% of all affordable housing units (i.e. units which are affordable to households with low and moderate incomes) be supportive housing units. This is based on the fact that an average of 9% of all households in Northumberland have some form of long term activity limitation (i.e. physical disabilities, cognitive disabilities, psychological disabilities, and/or mental health issues).

It is also recommended that 15% of all new affordable housing units built should be accessible units. This is based on the need for accessible housing as demonstrated by the proportion of households with a member with a physical activity limitation (14% in 2016), the fact that 80% of respondents to the 2018 Registry Week survey required permanent accessible housing, and the requirement of the Ontario Building Code that 15% of multi-residential units should include basic accessibility features.

When combined, these affordable housing targets would equate to **90 affordable housing units** added each year. These units can be in the form of new units built or rent supplements and housing allowances provided to eligible households. It is anticipated that implementing the recommended Northumberland Affordable and Rental Housing Program outlined in the following section will assist in meeting these targets.

**Table 21: Recommended Affordable Housing Targets: Northumberland**

New units built each year		360
Rental housing for 1st - 3rd	18%	65
Rental housing for 1st - 2nd	80%	52
Rental housing for 4th - 6th	5%	18
<b>Total Rental Units</b>	<b>23%</b>	<b>83</b>
Ownership housing for 4th - 6th	2%	7
<b>Total Affordable Units</b>	<b>25%</b>	<b>90</b>
Supportive housing	25%	23
Accessible housing	15%	14

## Housing Targets for Member Municipalities

As discussed above, it is recommended that 90 affordable housing units be added each year. These units should be provided throughout Northumberland to ensure that all member municipalities continue to develop as complete, healthy and inclusive communities. As such, a recommended breakdown by member municipality is provided based on household projections to 2031. The share of affordable housing targets is based on each municipality's anticipated

share of new households. For the more rural municipalities (Alnwick/Haldimand, Brighton, Cramahe, and Hamilton, it is recommended that these be met in the form of secondary suites or rental units above stores. It should be noted that most of these units should be accessible and/or supportive units. For Cobourg, Port Hope and Trent Hills, it is recommended that the majority of these units (at least 70%) be affordable to households with low incomes. It is further recommended that the County work with each member municipality to identify a breakdown of these targets which is appropriate to the local context.

**Table 22: Recommended Affordable Housing Targets for Member Municipalities**

New Affordable Units built each year		90
Member Municipalities	Affordable Units	
Alnwick/Haldimand	3%	3
Brighton	4%	4
Cobourg	42%	38
Cramahe	3%	3
Hamilton	3%	3
Port Hope	35%	32
Trent Hills	10%	9

## Monitoring the Targets

Indicators have been identified in the previous section to assist in monitoring progress on the recommended housing actions. Additional indicators have been identified to monitor the success of the recommended Affordable and Rental Housing Pilot Program. These same indicators will assist in monitoring progress on these affordable housing targets.

## **10.0 Appendix C: Recommended Northumberland Affordable and Rental Housing Pilot Program**

The financial analysis shows that providing financial incentives have a significant impact on lowering rent levels while maintaining the financial viability of affordable rental projects, particularly if all recommended incentives are provided in combination with capital grants. As such, it is recommended that the County and member municipalities implement an Affordable and Rental Housing Program to help address the need for housing units which are affordable to households with low incomes as well as market rental units.

As a first step, it is recommended that a three-year pilot program be implemented to encourage and support the development of affordable housing and market rate rental housing throughout Northumberland. A three-year time frame would provide the County and member municipalities the opportunity to evaluate the effectiveness of the program and address any challenges. A pilot program would also provide the County and member municipalities the opportunity to examine the impact of the program and potential for including additional incentives to a permanent program. This recommended program builds on the actions under Goal 1 and the elements of this program are the result of an environmental scan of approaches used in other jurisdictions, the financial analysis of the impact of incentives, and the evaluation of potential ideas for actions undertaken with Councillors, senior municipal and County staff, and the Working Group.

### **Recommended Program Elements of the Northumberland Affordable and Rental Housing Pilot Program**

It is recommended that the Northumberland Affordable and Rental Housing Pilot Program include the following elements.

- Northumberland Municipal Housing Facilities By-law
- Community Improvement Plans
- Providing forgivable loans for development charges
- Providing forgivable loans for building permit and planning application fees
- Tax Increment Equivalent Grants (TIEG) for property taxes for up to ten years

- Property tax exemption for twenty years
- Capital grants for affordable rental projects
- Creating an annual monitoring and reporting process to track the effectiveness of the program

## Northumberland County By-law to Provide for Municipal Housing Facilities (By-law 2017-17)

The County, as the Service Manager, is authorized to operate and manage housing as well as to establish, fund and administer programs for the provision of housing in its service area. As such, County Council enacted a Municipal Housing Facilities By-law which allows the County to enter into an agreement with housing providers to provide affordable housing for households with low and moderate incomes in exchange for providing funding or property. As such, it is recommended that the County use this By-law to provide incentives for affordable housing as part of this recommended Affordable and Rental Housing Pilot Program. These incentives would include the recommended capital grants for affordable rental projects as well as forgivable loans for County development charges if the County decides to implement these.

## Community Improvement Plans

It is recommended that the County work with member municipalities to develop and implement community improvement plans (CIPs) to provide incentives for affordable and rental housing. These CIPs can build on existing ones, such as those in Cobourg, Port Hope and Trent Hills, or identify new areas and implement new CIPs specifically for affordable and rental housing. It is recommended that, for the purpose of the pilot program, the County and member municipalities build on the existing CIPs to be able to implement the recommended Affordable and Rental Housing Pilot Program as soon as possible.

It is also recommended that a common application and evaluation process for the Northumberland Affordable and Rental Housing Pilot Program be implemented in all participating member municipalities.

## Development Charges

Member municipal development charges account for about 5% of the total cost of constructing a rental unit in an urban member municipality and about 2% in a rural member municipality. As such, as part of the pilot program, it is recommended that the County and member municipalities provide forgivable loans for development charges for affordable housing or market rate rental housing projects within all Affordable Housing CIP areas in Northumberland. The forgivable loan should cover the member municipal portion of the development charges as well as any development charges the County decides to implement.

## Building Permit and Planning Application Fees

The financial analysis showed that providing incentives for planning and building permit fees and charges lower the rents by about 1% for both scenarios. As part of the Northumberland Affordable and Rental Housing Pilot Program, it is recommended that forgivable loans be provided to cover applicable building permit and planning application fees and charges related to an affordable housing or market rental housing project within all Affordable Housing CIP areas in Northumberland. The forgivable loan should cover both the County and member municipal fees and charges.

### **Building and Planning Fees and Development Charges: Kawartha Lakes, Ontario**

The Kawartha Lakes Haliburton Housing Corporation built 29 new townhouse units and an additional 16-units as part of a regeneration project. These new units are a result of contributions from the City, including waiving of development charges, building permit fees, site plan application fees, security requirements for site plan, parkland levy, and service connection fees. The City also reduced property taxes for forty years.

## Property Tax Exemption

The financial analysis showed that a property tax exemption has the most significant impact on decreasing equity requirements and achieving more affordable rent levels. Property tax exemptions result in approximately 10% reduction in the rent levels of a rental project. As such, as part of the recommended pilot program, the County and member municipalities should consider exempting new affordable rental units from property taxes for up to twenty years for all eligible rental projects.

### **Tax Increment Equivalent Grants**

A Tax Increment Equivalent Grant (TIEG) is financial assistance equal to all or a portion of the municipal property tax increase (increment) following the completion of a project which has resulted in an increase in the assessed value of a property. A TIEG can be considered in connection with section 28 of the Planning Act which allows municipalities to provide grants or loans within a designated community improvement area. TIEGs typically offset eligible costs and are provided for a specified time period, such as ten years.

## TIEG for Property Taxes

As an alternative to the 20 year property tax exemption noted above, the County and member municipalities could consider providing a grant for up to 100% of the portion of the property tax increase (increment) following the completion of a newly constructed or renovated affordable rental project within one of the Affordable Housing CIP areas in Northumberland which has resulted in an increase in the assessed value of the property. The grant should be provided for ten years beginning with a grant for 100% of the tax increment in year one and reduced by 10% per year to full taxes paid after ten years. The impact of this incentive will be less than the full exemption noted above. While this incentive may be helpful for the creation of rental housing, it will be less impactful for the creation of affordable rental housing tied to a 20 year affordability period as contemplated by the proposed program. It is unlikely that the mortgage principal will be paid down sufficiently in the 10 years of the TIEG period for the owner to be able refinancing the loan to make up the difference in the loss of the property exemption. As a result, rents may need to be increased for a financially viable project beyond year 10 and possibly as early as year 6 of the TIEG.

### **Tax Increment Equivalent Grants and Property Tax Exemptions: City of Peterborough, Ontario**

Peterborough offers financial incentives within the City's Affordable Housing Community Improvement Project Area for affordable rental housing projects. Non-profit organizations who intend to build affordable ownership housing may also be considered for some or all of the programs on a case by case basis. In addition to waiving planning application fees, parkland dedication fees, and cash-in-lieu of parking fees, and development charges for affordable housing projects, the City offers an annual grant to property owners to reimburse a portion of the municipal property tax increase resulting from increased assessment. The tax increment grant program is implemented over a period of 9 years. For the first 5 years, the grant is equivalent to 100% of the municipal tax increase with the property owner gradually paying the full amount of taxes from years 6 to 9.

Affordable housing projects located in the City's Central Area may also qualify for additional funding under the Central Area CIP incentives programs. This includes full or partial property tax exemptions for up to 10 years for affordable housing projects that provide rents at or less than 90% of average market rents (in addition to the TIEG offered under the CIP).

Source: <http://www.peterborough.ca/Assets/City+Assets/Housing/Affordable+Housing+CIP+Brochure.pdf>

## Capital Grants

While providing financial incentives for development charges, planning and building permit fees and charges, and property taxes have a significant impact on lowering rents, these are not enough to bring rent levels to 100% AMR. As such, it is recommended that the County provide

capital grants to affordable rental housing projects to ensure rents are at 100% AMR at a minimum. These grants may be in the form of a forgivable loan or grant for land and/or construction costs (e.g. hard costs and/or soft costs, such as the costs of required studies) and can be provided through the County's Municipal Housing Facilities By-law.

## Monitoring and Reporting Process

As part of the recommended pilot program, it is recommended that the County work with member municipalities to implement an annual monitoring and reporting process to monitor the applications for incentives under the program as well as progress toward the targets. Monitoring and reporting will also allow the County and member municipalities to fine-tune the program as necessary.

It is recommended that the following indicators be monitored and reported on an annual basis while the Pilot Northumberland Affordable and Rental Housing Program is being implemented.

- Number, type (i.e. dwelling type) and location of applications
- Number of affordable units created
- Type and size of affordable units created
- Number, type, unit size, and location of market rental units created

The County may want to take the lead in the monitoring and reporting process to ensure a standardized approach. In addition, it is recommended that the County take the lead in updating the affordable rental and ownership thresholds on an annual basis using the annual growth rate of the Ontario consumer price index (CPI – all items) as reported by Statistics Canada. It should be noted that these activities would likely need additional staff resources.

## Recommended Implementation Plan for the Northumberland Affordable and Rental Housing Pilot Program

It is recommended that the County administer the Pilot Program through a Request for Proposal (RFP) process. This will ensure a consistent process throughout Northumberland. Applicants should be given a minimum of three months to respond to the RFP and the review and approval process should be limited to no more than three months from the closing date of the Call for Proposals. Application requirements may include the following.

- Details of the proposed project
- Development qualifications of the proponent

- Management qualifications
- Corporate financial viability
- Project design and consistency with the County's and member municipality's planning principles
- How the project meets the local affordable and rental housing needs of the member municipality, particularly the affordable housing targets identified for each member municipality and/or for Northumberland as a whole.
- Development schedule
- Capital and operating financial plans
- Community consultation and communications outreach plan.

## **Recommended Criteria for the Northumberland Affordable and Rental Housing Pilot Program**

It is recommended that the pilot program be implemented as a points-based program where points will be assigned for each of the eligibility criterion met by the applicants. The extent of the incentives provided by the County and member municipalities will be dependent on the points obtained by the applicant.

### **Affordable Rental Housing**

The following are the recommended criteria for the pilot program for affordable rental housing.

#### **Types of Eligible Projects**

- New rental housing construction
- Acquisition and/or rehabilitation of existing residential buildings to increase or prevent the loss of affordable housing stock
- Conversion of non-residential buildings or units to purpose-built affordable residential rental buildings or units
- Addition of new affordable buildings or units to existing residential and non-residential buildings
- Social housing redevelopment which involves building new affordable units on existing social housing sites
- Secondary suites or accessory dwelling units which are being rented out

### **Location**

The proposed project should be located within a designated Affordable Housing CIP area or in a location which meets the requirements set out in the County's Municipal Housing Facilities By-law or as highlighted in the housing needs assessment.

### **Minimum Affordable Housing Requirement**

The affordable rental housing units should make up at least 20% of the total residential units of the development. As part of the points-based evaluation, the County and member municipalities should consider assigning a large proportion of points to this criteria, with higher points for projects with a larger share of affordable units.

### **Level of Affordability**

Rents for the affordable units should be no more than the affordable rental threshold. As part of the points-based evaluation, it is also recommended that the County and member municipalities consider assigning the highest proportion of points to this criteria, with higher points for projects which achieve rent levels which are lower than the affordable rental threshold.

### **Length of Affordability**

Affordability must be maintained for a minimum of 20 years.

### **Funding from Other Programs**

While it is recommended that the pilot program be implemented independent of any other funding programs, the County and member municipalities may consider assigning additional points to projects which are also receiving capital funding from the County or other levels of government through programs such as the Investment in Affordable Housing (IAH) or the Co-Investment Fund. It should be noted, however, that a project which is receiving funding from other programs does not necessarily mean it will receive funding from this Northumberland Affordable and Rental Housing Pilot Program.

### **Local Housing Needs**

Key findings and housing gaps have been identified for each member municipality. In addition, housing targets which are affordable for households with low and moderate incomes have been identified for Northumberland as a whole as well as for each member municipality. As such, the proposed project should also be evaluated based on how it meets the identified housing gaps and targets in the member municipality where it is to be located.

### **Selection of Residents**

Residents of the affordable housing units should be selected through the County's centralized waiting list for subsidized housing.

As part of the contribution agreement with the County, organizations who are approved for the pilot program should be required to prepare regular reports such as occupancy reports.

### **Market Rental Housing**

While the focus of this recommended program should be on increasing the supply of rental housing which is affordable to households with low incomes, it is also recommended that some incentives be provided to support increasing the supply of market-rate rental housing throughout Northumberland. As part of this program, the County and member municipalities should consider providing forgivable loans for development charges and building and planning application fees to project proponents of purpose-built market rental housing units. In addition, it is recommended that the County and member municipalities provide a tax increment equivalent grant for the increase in property taxes (if any) resulting from the construction or rehabilitation of market rental housing units for a period of ten years.

### **Types of Eligible Projects**

- New rental housing construction
- Acquisition and/or rehabilitation of existing residential buildings to increase or prevent the loss of rental housing units
- Conversion of non-residential buildings or units to purpose-built residential rental buildings or units
- Addition of new rental housing units to existing residential and non-residential buildings
- Secondary suites or accessory dwelling units which are being rented out

### **Location**

The proposed project should be located within a designed CIP area or in a location which meets the requirements set out in the County's Municipal Housing Facilities By-law or as highlighted in the housing needs assessment..

# 11.0 **Appendix D: Housing Policy Framework**

Housing in Canada operates within a framework of legislation, policies and programs. This section provides an overview of the planning and housing policies which influence the development of housing in Northumberland.

## **Federal and Provincial Policies and Strategies**

### **National Housing Strategy**

The National Housing Strategy's vision for housing in Canada is:

Canadians have housing that meets their needs and they can afford. Affordable housing is a cornerstone of sustainable, inclusive communities and a Canadian economy where we can prosper and thrive.

The National Housing Strategy also identifies the following housing targets.

- 530,000 households removed from housing need
- 385,000 households protected from losing an affordable home and another 50,000 benefitting from an expansion of community housing
- 300,000 existing housing units repaired and renewed
- 50% reduction in estimated number of chronically homeless shelter users
- 100,000 new housing units created
- 300,000 households provided with affordability through the Canada Housing Benefit.

These targets will be met through a \$40 billion joint investment provided through the following programs and initiatives.

- Federal Community Housing Initiative
- Canada Community Housing Initiative
- Homelessness programming
- Improving homeownership options for Canadians
- National Housing Co-Investment Fund and federal lands
- Federal-Provincial/Territorial Housing Partnership
- Distinctions-based Indigenous Strategies
- Canada Housing Benefit
- Evidence-based housing: research, data and demonstrations.

As part of this investment, Canada Mortgage and Housing Corporation launched the Rental Construction Financing Initiative in April 2017 to provide \$2.5 billion in low-cost loans to support the construction of new rental housing for projects that are financially viable without ongoing operating subsidies. The 2018 federal budget increased this funding to \$3.75 billion over the next three years, with the additional funding starting in 2018-19.

In addition, as part of the 2018 federal budget, the federal government is reallocating \$7.8 million over five years, beginning in 2018-19, from Employment and Social Development Canada's existing resources, to help build the capacity of community organizations serving the most vulnerable populations, including persons with disabilities, Indigenous Peoples, and newcomers.

The federal government also announced a strengthening of the Working Income Tax Benefit and making it more accessible. This enhanced benefit will be called the Canada Workers Benefit and will take effect in 2019. The federal government announced a \$250 million enhancement which will be used to increase maximum benefits by up to \$170 in 2019 and increase the income level at which the benefit is phased out completely. The federal budget also proposed an increase of the maximum benefit provided through the Canada Workers Benefit disability supplement of \$160 to offer greater support to people with disabilities.

The National Housing Strategy takes a human rights-based approach to housing as part of Canada's commitment to realize the right to adequate housing as part of an adequate standard of living for all citizens. As part of this approach, the Strategy prioritizes those in need while covering the whole spectrum of housing needs. As such, the Northumberland Affordable Housing Strategy takes a similar approach in that it prioritizes those in need while looking at and working to address the needs throughout the entire housing continuum.

## Planning Act

The Planning Act sets out the formal planning process in Ontario and the roles and responsibilities of municipalities. The tools and provisions included in the Planning Act have a significant impact on the supply and production of housing in a municipality. There are several sections which are directly related to the provision of housing, particularly affordable housing, in a municipality.

### **Community Improvement Plans**

Part IV of the Act includes policies related to community improvement and allows a municipality to designate community improvement areas in their Official Plans, which the municipality can then use to provide grants or loans for eligible lands and buildings in this area. The Act includes the provision of affordable housing in the definition of 'community

improvement’. As such, municipalities can choose to provide incentives or grants to build affordable housing in designated community improvement areas. While only designated upper-tier municipalities are allowed to implement community improvement areas, the Act allows a council of an upper-tier municipality to make grants or loans to a lower-tier municipality, and vice versa, for the purpose of carrying out a community improvement plan.

### **Second Suites**

In January 2012, amendments to the Planning Act were enacted to further expand affordable housing opportunities. These amendments require municipalities to establish policies allowing second units in new and existing developments and to pass zoning bylaws that allow the temporary use of garden suites or granny flats for up to twenty years with the potential for three-year extensions. In addition, affordable housing is now a “matter of provincial interest” which requires local decision makers to have regard to affordable housing when making land use planning decisions.

The Promoting Affordable Housing Act, which was adopted in 2016, amends the Planning Act. Changes in the Planning Act include adding inclusionary zoning policies, appeals of inclusionary zoning policies, appeals related to second unit policies, and affordable housing.

### **Inclusionary Zoning**

Ontario Regulation 232/18, which related to inclusionary zoning, was released in April 2018. These regulations require an assessment report which includes an analysis of the following.

- demographics and population
- Household incomes
- Housing supply by type
- Housing types and sizes of units that may be needed to meet anticipated demand for affordable housing
- Current average market price and rent for each housing type
- Potential impacts on the housing market and on the financial viability of development or redevelopment from inclusionary zoning by-laws (taking into account the value of land, cost of construction, market price, market rent, and housing demand and supply).

The regulations also require Official Plan policies authorizing inclusionary zoning to include the following.

- Minimum size, not to be less than ten residential units, of development or redevelopment to which an inclusionary zoning by-law would apply
- Locations and areas
- Range of household incomes for which affordable housing units would be provided
- Range of housing types and sizes of units that would be affordable housing

- Number of affordable housing units, or the gross floor area to be occupied by the affordable housing units, which would be required
- Period of time for which the affordable housing units would be maintained as affordable
- How measures and incentives would be determined
- How the price or rent of affordable housing units would be determined
- Approach to determine the percentage of the net proceeds to be distributed to the municipality from the sale of an affordable housing unit, including how net proceeds would be determined
- Circumstances and conditions under which offsite units would be permitted
- Circumstances in which an offsite unit would be considered to be in proximity to the development or redevelopment which is giving rise to the application of the inclusionary zoning bylaw.

Inclusionary zoning does not apply to a development or redevelopment with less than ten units, one that is proposed by, or in partnership with, a non-profit housing provider where a minimum of 51% of the units are intended as affordable housing, and one where the application was submitted prior to the adoption of inclusionary zoning in the Official Plan.

## Municipal Act

The Municipal Act sets out the responsibilities of municipalities in Ontario and the authorities through which these responsibilities can be carried out. Certain sections of the Municipal Act are directly related to encouraging the development of affordable housing in a community. These sections include Section 107 which provides municipalities with the power to make grants for any purpose that Council considers to be in the interests of the municipality. This allows the municipality to provide grants to encourage the development of affordable housing or rental housing.

Section 110 allows a municipality to enter into agreements for the provision of municipal capital facilities, such as affordable housing, by any person if the agreement provides for assistance, tax exemptions and/or exemptions from development charges. Section 110 also allows a municipality to provide financial and other assistance at less than fair market value or at no cost to any person who has entered into an agreement to provide facilities. The municipality would have to pass a by-law permitting the municipality to enter into a capital facilities agreement. For example, the Region of Peel passed a by-law governing the provision of municipal housing project facilities called the Municipal Housing Facility By-law (41-2003). Northumberland also has a Municipal Housing Facilities By-law (2017-17) which allows the County to enter into an agreement to provide financial or in-kind assistance in exchange for affordable housing.

The Act also allows for exemptions from all or part of the taxes levied for municipal and school purposes on the land on which the municipal capital facilities will be located. In addition, the Act allows for exemptions from development charges for these facilities. This authority allows for the provision of incentives to encourage the development of affordable housing.

## Smart Growth for Our Communities Act

The Smart Growth for Our Communities Act, 2015 received Royal Assent on December 3, 2015. The Act makes changes to both the Development Charges Act and Planning Act. These changes include the following:

- Increasing the amount municipalities can receive from development charges for transit services and to pay for waste diversion
- Giving residents a greater, more meaningful say in how their communities grow;
- Encouraging more municipalities to put parks plans in place with input from school boards and community members
- Making the development charges and land use planning systems more predictable, transparent and accountable by requiring municipalities to follow reporting requirements that reflect best practices and to better integrate how development charges fit with long term planning
- Making the planning and appeals process more predictable by requiring new, comprehensive official plans every ten years instead of 5 years and disallowing private applications for a period of two years for official plans and five years for a Community Planning Permit System
- Giving municipalities more independence and making it easier to resolve disputes

## Provincial Policy Statement

The Provincial Policy Statement (PPS) outlines the Province's policies on land use planning and is issued under Section 3 of the Planning Act. It provides policy direction on land use planning to promote strong, healthy communities and all local decisions affecting land use planning matters "shall be consistent with" the PPS.

The PPS was updated in 2014 and policies related to housing focus on healthy, liveable and safe communities, including:

- Recognizing affordable housing, second units, housing for older persons, and long term care homes
- Improving accessibility for older persons by identifying, preventing and removing land use barriers
- The ability of local municipalities to determine appropriate locations for intensifications
- Intensification targets based on local conditions

- Density and mix of uses based on policy criteria/elements such as supporting active transportation and transit-supportive land use patterns.

## Growth Plan for the Greater Golden Horseshoe

The Growth Plan for the Greater Golden Horseshoe, 2017 came into effect on July 1, 2017 and replaces the Growth Plan for the Golden Horseshoe, 2006. The policies of this Plan are based on the following principles.

- Support the achievement of complete communities that are designed to support healthy and active living and meet people’s needs for daily living throughout an entire lifetime
- Prioritize intensification and higher densities to make efficient use of land and infrastructure and support transit viability
- Provide flexibility to capitalize on new economic and employment opportunities as they emerge, while providing certainty for traditional industries, including resource-based sectors
- Support a range and mix of housing options, including second units and affordable housing, to serve all sizes, incomes, and ages of households
- Improve the integration of land use planning with planning and investment in infrastructure and public service facilities, including integrated service delivery through community hubs, by all levels of government
- Provide for different approaches to manage growth that recognize the diversity of communities in the GGH
- Protect and enhance natural heritage, hydrologic, and landform systems, features, and functions
- Protect and enhance the long-term viability and productivity of agriculture by protecting prime agricultural areas and the agri-food network
- Conserve and promote cultural heritage resources to support the social, economic, and cultural well-being of all communities, including First Nations and Metis communities
- Integrate climate change considerations into planning and managing growth, such as planning for more resilient communities and infrastructure

The policies of the Plan related to housing include the following:

- Supporting the achievement of complete communities that provide a diverse range and mix of housing options, including second units and affordable housing, to accommodate people at all stages of life, and to accommodate the needs of all household sizes and incomes (Section 2.2.1, 4.c)
- The ability of upper- and single-tier municipalities to request alternative targets through the next municipal comprehensive review if they can demonstrate that the alternative target will support diversification of the total range and mix of housing options in

delineated built-up areas to the horizon of this Plan, while considering anticipated demand (Section 2.2.2, 5.f)

- Planning for a diverse mix of uses, including second units and affordable housing to support existing and planned transit service levels (Section 2.2.4, 9.a)
- Providing alternative development standards, such as reduced parking standards, along major transit station areas (Section 2.2.4, 9.c)
- Prohibiting land uses and built form that would adversely affect the achievement of transit-supportive densities within all major transit station areas (Section 2.2.4, 9.d)

In addition, Section 2.2.6 of the Plan contains housing-specific policies, many of which are new or updated from the 2006 Plan. These policies include the following.

1. The development of a housing strategy by upper and single-tier municipalities in consultation with lower-tier municipalities that
  - a. supports the achievement of the minimum intensification and density targets as well as other policies of the Plan by:
    - i. Identifying a diverse range and mix of housing options and densities, including second units and affordable housing to meet projected needs of current and future residents; and
    - ii. establishing targets for affordable ownership housing and rental housing;
  - b. identifies mechanisms, including the use of land use planning and financial tools, to support the implementation of the previous policy;
  - c. aligns with the housing and homelessness plans;
  - d. will be implemented through official plan policies and designations and zoning bylaws
2. When developing housing strategies, municipalities will support the achievement of complete communities by
  - a. Planning to accommodate forecasted growth to the horizon of the Plan;
  - b. Planning to achieve the minimum intensification and density targets of the Plan;
  - c. Considering the range and mix of housing options and densities of the existing housing stock; and
  - d. Planning to diversify the overall housing stock across the municipality.
3. Municipalities will consider the use of available tools to require that multi-unit residential developments incorporate a mix of unit sizes to accommodate a diverse range of household sizes and incomes to support the achievement of complete communities.
4. Maintaining a three-year supply of residential land with servicing capacity and this supply will include lands suitably zoned for intensification and redevelopment.
5. Planning new designated greenfield areas based on the housing strategy.

## Promoting Affordable Housing Act

The Promoting Affordable Housing Act, 2016 is part of the Province's Long Term Affordable Housing Strategy. It amends the Planning Act, the Development Charges Act, the Housing Services Act, and the Residential Tenancies Act.

The changes to the Planning Act will give municipalities the option of requiring affordable housing units as part of residential developments, which is also known as Inclusionary Zoning. In addition, appeals of inclusionary zoning policies in Official Plans and zoning bylaws to the Ontario Municipal Board will not be permitted. However, appeals would still be permitted for typical zoning matters, such as building height and density, even when these are used as incentives for Inclusionary Zoning. Municipalities would not be able to accept cash in lieu of affordable units but could allow for affordable units to be located on another site. Provincial regulations on Inclusionary Zoning are also expected to address items such as: a threshold size for residential development projects that would trigger the application of inclusionary zoning, the number of years units are required to be maintained as affordable, and the proportion of total units in a residential development that are required to be affordable.

Changes related to the Development Charges Act, 1997, will exempt secondary suites in new homes from development charges.

Changes related to the Housing Services Act, 2011, would provide local Service Managers with more flexibility in administering and delivering social housing, and would require Service Managers to conduct local enumeration to count people who are homeless in their communities.

Changes to the Residential Tenancies Act, 2006, will help to prevent unnecessary evictions from social housing. Changes will also provide for local enforcement of rental property maintenance standards for tenants and landlords in all municipalities.

## Housing Services Act

The Housing Services Act (HSA) was passed in 2011 and replaced the Social Housing Reform Act, 2000. The HSA established a new framework for social housing and placed greater decision-making powers and autonomy in the hands of Service Managers. It also recognizes the role of non-profit housing providers in the housing and homelessness system.

The HSA includes policies on Service Manager Housing and Homelessness Plans (Section 6) and requires that the Plan include the following (6.2).

- An assessment of current and future housing needs within the Service Manager's service area

- Objectives and targets relating to housing need
- A description of the measures proposed to meet the objectives and targets
- A description of how progress towards meeting the objectives and targets will be measured
- Address matters of provincial interest
- Be consistent with the policy statements issued.

The HSA also includes sections on the authority of Service Managers, local housing corporations, administering rent-geared-to-income assistance and special needs housing, rules on housing projects, and distribution of housing costs.

Changes to the HSA which took effect on January 1, 2017 resulted in changes to consent authorities. Service Managers now have the authority to make specific consent decisions including changes to local housing corporations and transfers of social housing properties.

## Residential Tenancies Act and Rental Fairness Act

The Residential Tenancies Act, 2006 came into effect in January 2007. It includes policies on the responsibilities of landlords and tenants, security of tenure and termination of tenancies, rules about rent, the landlord and tenant board, and maintenance requirements. This Act covers private rental units as well as units owned and managed by non-profit housing corporations and cooperatives.

The Rental Fairness Act, which received Royal Assent on May 30, 2017, amends the Residential Tenancies Act by expanding rent control to all private rental units, including those which were first occupied on or after November 1, 1991. This Act also introduces additional protection for tenants, including enabling a standard lease, which will be mandatory for most residential leases signed on or after April 30, 2018, and protecting tenants from eviction due to abuse of the landlord's own use provision.

## Long Term Affordable Housing Strategy

The Province introduced the Long Term Affordable Housing Strategy (LTAHS) in 2010 which sets out a roadmap to address the Province's housing needs by creating a flexible, community-centred approach, which puts people first and offers the best path toward building healthy, strong communities; and, transforming the existing system to allow for better use of current resources and better outcomes for those in housing need.

Updates to the LTAHS in early 2016 included the following:

- Proposed legislation for Inclusionary Zoning that would allow municipalities to mandate the provision of affordable housing units within developments
- A framework for a portable housing benefit that would give people more flexibility to choose where they want to live
- A modernized framework for social housing which will be developed with partners to align with the Province's focus on poverty reduction and better manage legacy social housing programs
- An Indigenous Housing Strategy that will be developed in partnership with Indigenous communities
- Initiatives to end homelessness which reflect recommendations from the Expert Advisory Panel on Homelessness (released in late 2015)
- Proposed changes to the Residential Tenancies Act (2006) to encourage small landlords to provide rental housing and to facilitate transitional and supportive housing

The updated LTAHS also builds on the \$178 million investment (over three years) in the 2016 Ontario Budget to make a long term commitment to stable funding. This includes the following initiatives:

- Survivors of Domestic Violence Pilot Project which invests more than \$17 million over three years to pilot a portable housing benefit targeted towards survivors of domestic violence
- Investing up to \$100 million in operating funding for housing allowances and support services for individuals and families in new supportive housing over the next three years and supporting the construction of up to 1,500 new supportive housing units over the long term with operating assistance
- Building on the current annual investment of almost \$294 million in funding for the Community Homelessness Prevention Initiatives with \$15 million in additional funding for 2017/18 and up to \$30 million in 2018/19 for a total of \$324 million in annual investments
- Innovation, Evidence and Capacity Building Fund of up to \$2.5 million over three years to support research, evaluation and capacity building initiatives.

Please note that the LTAHS was implemented by a former provincial government and the current provincial government has not yet released an update on whether this strategy, and initiatives associated with it, will continue to be implemented.

## Policy Statement: Housing and Homelessness Plans

The Ontario Policy Statement establishes the housing policy directions of the Province and outlines items that are to be addressed in local housing and homelessness plans. The Housing Policy Statement is intended to provide additional policy context and direction to Service

Managers to support the development of local housing and homelessness plans. The policy statement took effect on July 1, 2016 and Service Managers' housing and homelessness plans are required to be consistent with the new policy statement by January 1, 2019.

The policy directions identified in the statement as well as the requirements for housing and homelessness plans associated with each are as follows.

- **Accountability and Outcomes**
  - Demonstrate a system of coordinated housing and homelessness services that assist households to improve their housing stability and prevent homelessness
  - Include strategies to promote client-centred, coordinated access to housing and homelessness prevention services
  - Be developed with public consultation and engagement, including those with lived experience
  - Be coordinated and integrated with all municipalities in the service area
  - Include local housing policies and short and long term housing targets
  - Include strategies to measure and report on progress.
- **Goal of Ending Homelessness**
  - Be informed by the results of local homelessness enumeration
  - Include a strategy to prevent and reduce homelessness
  - Include strategies to reduce and prevent the number of people experiencing chronic homelessness and homelessness among youth and Indigenous peoples
  - Address collaboration with community partners and provincial ministries to reduce and prevent homelessness among those transitioning from provincially-funded institutions and service systems.
- **Coordination with Other Community Services**
  - Demonstrate a commitment to working with partners across service systems to improve coordination and client access to housing, homelessness prevention services and other human services
  - Demonstrate progress in moving toward integrated human services planning and delivery
  - Address collaboration with LHINs to coordinate housing and homelessness services.
- **Indigenous Peoples**
  - Increase a strategy for engagement with Indigenous organizations and communities
  - Demonstrate a commitment to coordination and collaboration with Indigenous housing providers and service providers to support access to culturally appropriate housing and homelessness services
- **A Broad Range of Community Needs**

- Include a strategy to address accessible housing and homelessness services for people with disabilities as well as those who have mental health needs and/or addictions
- Include a strategy to address the housing needs for survivors of domestic violence
- Address the needs of different demographic groups
- Demonstrate a commitment to service delivery that is based on inclusive and culturally appropriate responses to the broad range of community needs.
- Non-Profit Housing Corporations and Non-Profit Housing Cooperatives
  - Include strategies to engage non-profit housing corporations and cooperatives in the delivery of affordable housing
  - Include strategies to support capacity building and sustainability in the non-profit housing sector.
- The Private Housing Market
  - Identify an active role for the private sector in providing a mix and range of housing, including affordable rental and ownership housing, to meet local needs
  - Identify and encourage actions for municipalities and planning boards to support the role of the private sector, including the use of available land use planning and financial tools
  - Reflect a coordinated approach with Ontario's land use planning framework, including the PPS
  - Align with housing strategies required by the Growth Plan for the Greater Golden Horseshoe.
- Climate Change and Environmental Sustainability
  - Demonstrate a commitment to improve energy efficiency of social and affordable housing stock
  - Demonstrate a commitment to improve the climate resilience of social and affordable housing stock.

## Giving People More Housing Options

The current Provincial government announced, in late November 2018, a number of changes to housing policies which were introduced by the former Provincial government. These changes are meant to provide Ontarians with more housing options and include the following.

- New rental units occupied for the first time after November 15, 2018, including additions to existing buildings and new second units, are exempt from rent control.
- The Development Charges Rebate Program has been discontinued.

The Province also recently concluded consultations on a Housing Supply Action Plan which is meant to increase the supply of housing throughout the province. The five broad themes of this Plan are as follows.

1. Speed: It takes too long for development projects to get approved.
2. Mix: There are too many restrictions on what can be built to get the right mix of housing where it is needed.
3. Cost: Development costs are too high because of high land prices and government-imposed fees and charges.
4. Rent: It is too hard to be a landlord in Ontario, and tenants need to be protected.
5. Innovation: Other concerns, opportunities and innovations to increase housing supply.

The Province also announced proposed changes to the Growth Plan for the Greater Golden Horseshoe, which includes Northumberland.

## Poverty Reduction Strategy

The Province launched the second Poverty Reduction Strategy, *Realizing Our Potential 2014-2019*, in September 2014. This Strategy had four key commitments:

- Lift 25% of Ontario children out of poverty in five years
- Move towards employment and income security for vulnerable groups, including women, single parents, people with disabilities, youth, newcomers, visible minorities, seniors, and Indigenous people
- End homelessness
- Build the evidence base required to guide effective poverty reduction policies and programs.

As a result of this Strategy, asset limits for Ontario Works and Ontario Disability Support Program (ODSP) recipients were raised in September 2017. The Ontario Electricity Support Program (OESP) was also expanded to provide financial support to more low-income households, including recipients of Ontario Works and ODSP.

In response to the report of the expert advisory panel on homelessness, ***A Place to Call Home***, four priority areas have been adopted to guide provincial initiatives in ending homelessness. These priority areas are the following.

- Chronic homelessness
- Youth homelessness
- Indigenous homelessness

- People transitioning out of provincially funded institutions and service systems, such as correctional facilities, hospitals, child welfare and youth justice systems, and shelters for women who have experienced violence.

These priority areas and the initiatives associated with each priority area support the Province's commitment to ending chronic homelessness by 2025 and improving affordable housing for all Ontarians. The initiatives related to housing and homelessness include the **Mental Health and Addictions Strategy, *Open Minds, Health Minds***, which supports mental wellness, including housing supports to help recovery. Other initiatives include ongoing supportive housing investment and the **Strong Communities Rent Supplement Program**. This program provides long-term rent supplement funding to Service Managers to assist clients on or are eligible to be on social housing waiting lists by helping them find homes in the private housing market. The program will run until March 31, 2023 with an annual budget of \$50 million.

## Supportive Housing Policy Framework

The Province is undertaking initiatives related to its supportive housing system to support the Long Term Affordable Housing Strategy. Changes include increasing its operating funding for housing assistance and support services to \$100 million annually beginning in 2019-2020. This investment is targeted to help youth, Indigenous peoples, the chronic homeless, and people who are homeless after transitions from provincially-funded institutions and systems, such as hospitals and prisons.

In addition, the Province introduced the Supportive Housing Framework which will guide both provincial and local program improvements and support coordination across sectors to enable clients to better access the housing assistance and services they need. The Framework will help address the following:

- Unmet need
- Fragmented client access
- Programs inconsistent with best practices
- Lack of coordination across systems
- Limited data to support evidence-based policy

The Framework applies to 14 supportive housing-related programs administered by the Ministries of Housing (MHO), Long Term Care (MOHLTC), Community and Social Services (MCSS), and Children and Youth Services (MCYS).

The Framework is based on the following principles:

- Programs, services and supports are person-driven and foster independence, respect and inclusion
- Housing and supports foster choice, portability as appropriate (follow people if they move) and the flexibility to accommodate changing needs
- System encourages local innovation to explore new approaches to better meet people's needs
- Services are well coordinated across systems (housing, health, community services, and children and youth) with a common commitment to help people thrive
- Programs and services are evidence-based, committed to continuous improvement, and support the long-term sustainability of the system.

## County Policy Framework

### Northumberland County Official Plan

The Northumberland County Official Plan was approved by the Ontario Municipal Board on November 23, 2016. The primary purpose of the County Official Plan is to provide the basis for managing growth and change within Northumberland.

The County Official Plan includes guiding principles which are intended to form the basis for making land use planning decisions in the future. There are 12 guiding principles identified and these include principles related to directing most forms of development to urban areas and ensuring that housing is available to all ages, abilities, incomes and household sizes.

The County Official Plan also sets out population, employment and housing forecasts and states that a minimum of 80% of growth is expected to occur in the six urban areas of the County. These urban areas are: Brighton, Campbellford, Cobourg, Colborne, Hastings, and Port Hope. The County Official Plan also identifies housing forecasts by member municipality for 2034. According to these forecasts, 46.9% of new units are expected to be low density and 19.7% are expected to be high density. Among the member municipalities, Cobourg is expected to see the largest share of new housing units, at 37.8% of the total number of units by 2034 while Port Hope will see the second highest share at 29.7%.

The County Official Plan also identifies minimum intensification targets for the six urban areas. The County Official Plan also notes that a minimum of 40.0% of all residential development will be built within the built boundary of the urban areas in accordance with the minimum intensification target for each area.

Section C1.1 of the County Official Plan identifies the policies related to complete communities and states that the County encourages each of the six urban areas to become complete communities. The policies related to complete communities refer to having a the majority of residents employed in the community where they live; a range of housing types for all levels of income and ages; a range of community and social services to assist the majority of those in need in the community; and a population level and density that supports the provision of public transit.

Section C1.2.1 identifies the land use objectives for residential areas in the designated urban areas. These objectives include the following.

- Encouraging the provision of a range of housing types to accommodate persons with diverse social and economic backgrounds, needs and desires while promoting the maintenance and improvement of existing housing;
- Promoting the efficient use of existing and planned infrastructure and public service facilities by supporting opportunities for various forms of residential intensification;
- Encouraging increases in density in new development areas to maximize the use of infrastructure and minimize the amount for land required for new development;
- Promote a variety of complementary and compatible land uses in residential areas including special needs housing.

The objectives for rural settlement areas (C1.3) also include encouraging the provision of a range of housing types to accommodate persons with diverse social and economic backgrounds and needs provided appropriate servicing is available.

Section C1.5 outlines the County Official Plan's policies for housing. The goals include encouraging a range of housing types and densities, permitting the development of secondary suites, seniors housing, and housing for special needs groups. One of the goals is related to assisting in the achievement of residential intensification and affordable housing.

Section C1.5.2 identifies the general policies related to housing, including the following.

- Residential intensification and redevelopment within urban areas and rural settlement areas;
- Provision of alternative forms of housing for special needs groups and emergency shelters;
- Maintenance and improvement of the existing housing stock;
- Utilization of available programs and/or funding for assisted housing;
- Consideration of reductions in development charges payable for new affordable housing.

Section C1.5.3 identifies policies related to secondary residential units which are permitted in a detached, semi-detached or row house or as an accessory building.

Section C1.5.4 of the County Official Plan states that the County supports the provision of housing which is affordable to low and moderate-income households. The policy also identifies a minimum target for affordable housing of 25%.

Section C1.6 identifies policies related to the maintenance of a sufficient amount of land for residential development.

Section D8.3 of the County Official Plan refers to green development standards and identifies policies related to energy efficient design.

The Northumberland Affordable Housing Strategy includes Official Plan policy recommendations. These recommendations have also been included in the recommended housing actions for Cobourg where appropriate.

## **Observations**

The County Official Plan is highly supportive of the development of a range of housing options throughout Northumberland, including affordable options and options for individuals and families with special needs. The identification of a minimum target for affordable housing provides further support for the development of affordable housing.

To further support and encourage the development of a range of housing options, including affordable rental and ownership housing as well as market rate rental housing, the County may want to consider the following.

- Revisiting the density forecasts for new housing units and allocating a larger share for medium and high density residential development and identifying a minimum new housing target for units suitable for smaller households;
- Including a breakdown of the affordable housing target to specifically identify a target of rental housing which is affordable to households with low incomes;
- Adding a minimum new housing target for rental housing;
- Adding a policy which encourages member municipalities to adopt the minimum new housing targets for affordable housing and rental housing;
- Enhancing the policy related to encouraging the use of surplus public land for affordable housing to state that decisions regarding surplus municipal land or buildings which are suitable for affordable housing based on the location, servicing available, and adjacent uses be considered for affordable housing first;

- Enhancing the policy related to supporting universal physical access in new residential structures by supporting residential developments which include accessibility design features beyond the requirements of the Ontario Building Code;
- Add a policy which specifically states that shared housing options will be permitted as of right in all residential areas;
- Add a policy which states that the County will work with member municipalities to develop inclusionary zoning policies;
- Expanding the policies related to green development standards to include residential developments which receive incentives from the County and/or member municipalities.

## Northumberland County Strategic Plan

The 2015-2019 Strategic Plan identifies a road map to guide Council, departments and services. It uses the County's vision: "to bring together people, partnerships and possibilities for a strong and vibrant Northumberland County" and identifies four key Strategic Pillars which form the basis of the identified objectives and action plans. These four Pillars are: prosperity, sustainability, community, and excellence.

The Strategic Plan identifies key strategic priorities for economic innovation and prosperity, sustainable infrastructure and services, thriving and inclusive communities, and organizational excellence. The Strategic Plan also noted that department initiatives and will be informed by the goals and priorities identified in the Strategic Plan.

## Northumberland County Housing and Homelessness Plan

The Northumberland Housing and Homelessness Plan was developed in 2013 and identified a total of 27 objectives under the categories of: affordable housing; emergency housing; municipal planning; service provision and coordination; and, outreach, education and evaluation.

While the County, member municipalities, and housing partners have accomplished a number of objectives since 2013, there are opportunities to build on some of these objectives for the current Affordable Housing Strategy. These include the following.

- Looking at existing housing sites for the potential for infill housing
- Working towards a long term strategy for existing social housing
- Strengthening the Official Plans of member municipalities to include clear requirements for new residential developments to include affordable housing
- Setting targets for affordable housing in the County Official Plan
- Continuing to work with community agencies and other government agencies such as the CE LHIN to meet the support service needs of residents

- Having new planning policies which support secondary suites
- Developing a strategy for ongoing communication and information-sharing.

In addition to the accomplishments of the County, member municipalities, and housing partners since 2013, the 2017 Housing and Homelessness Annual Report identifies key priorities for 2018, including the following.

- Development of an Affordable Housing Strategy
- Implementation of an eviction prevention model of social housing
- Portfolio planning for the Northumberland County Housing Corporation and non-profit housing providers
- Revision of the 10-year Housing and Homelessness Plan.

The County and its housing partners are currently working on revising its 10-Year Housing and Homelessness Plan.

## 12.0 **Appendix E: Additional Case Studies**

### **Pre-zoning: Kitchener, Ontario**

The City of Kitchener has created PARTS (Planning Around Rapid Transit Stations) which sets proactive land-use designations, including pre-zoning areas around the LRT corridor, and enhances infrastructure. The City has also exempted development charges for new development within the pre-zoned corridor as an incentive to support transit and meet the urban growth centre targets in the Growth Plan.

### **Intensification and Mixed-Use: Peel Region, Ontario**

The Region of Peel's Healthy Development Assessment Guide requires that single detached, semi-detached and duplex housing types make up no more than 50% of the total units in large-scale developments (i.e. secondary plans, block plans, and subdivision plans). It also requires that large-scale developments include special housing types (such as seniors housing, supportive housing or affordable housing), live-work and employment-related uses, and retail uses.

### **Inclusionary Zoning: Montreal, Quebec**

Montreal has an inclusionary housing strategy for developments of 200 or more units. The strategy requires that at least 30% of the new units be provided as affordable housing with 15% provided as social housing and 15% as affordable rental or affordable ownership housing.

### **Shared Housing: Markham, Ontario**

The Town of Markham's Official Plan has policies related to affordable and shared housing. Shared Housing is defined as "a form of housing where individuals share accommodation either for economic, support, long term care, security, or lifestyle reasons. In some cases, shared housing has no support services attached, such as students, seniors, or other unrelated individuals choosing to live together to share the cost and/or maintenance of housing. In other cases, shared housing may have various levels of support and services for persons with special needs which may include assistance with daily living, housekeeping, counselling, medication, etc."

### **Community Improvement Plan: City of Cambridge, Ontario**

The City's Affordable Housing Community Improvement Plan (CIP) was adopted by Council on November 15<sup>th</sup>, 2016 and offers eligible projects exemption from municipal fees including planning application fees, building permit fees and sign permit fees. It also offers a deferral of development charges and tax increment grants.

The City's Affordable Housing Incentive Program provides exemptions for eligible projects for all municipal fees associated with the development, including planning application fees (Official Plan Amendments, Zoning By-law Amendments, Site Plan Approval, Minor Variance and Consent), building permit fees, and sign permit fees. The rental units have to remain affordable for at least twenty years to avail of these incentives.

The Development Charges Deferral Program allows property owners of affordable housing projects to defer the payment of City development charges for twenty years after the issuance of a building permit. Property owners are required to enter into an agreement to maintain the unit prices and rents at affordable levels based on the City's definition for a minimum of twenty years. Property owners will be required to pay the development charges in full once the units are no longer affordable.

The City's Tax Increment Grant Program is applied over a 20-year period and provides full or partial grants to cover an increase in municipal property taxes related to the development or redevelopment of a property for affordable housing. Property owners must demonstrate the creation of affordable housing will result in a reassessment and increase in municipal property taxes to be eligible. The tax increment grant is provided on a declining rate basis for a 20-year period. The grant is for 100% of the increase for year 1 to 15, decreasing to 80% in year 16, 60% in year 17, 40% in year 18, 20% in year 19, with the full amount of taxes due in year 20.

### **Property Tax Exemptions: Regina, Saskatchewan**

The City of Regina offers tax exemptions for residential developments. The exemptions are provided for up to five years, and only apply to the residential building assessments, thus excluding any portions used for commercial or other purposes. The exemptions start the January of the year following the commencement of construction.

### **Land Banking: Saskatoon, Saskatchewan**

The City of Saskatoon Land Branch plans, services and sells residential, commercial and industrial lots owned by the City. They use the "profits" from the sale of surplus City owned land (difference between the original cost of the purchase and services and the market sale price) to support broad public policy objectives such as the physical development of neighbourhoods, community services, as well as to make money for public programs. Some 10% of Saskatoon's land sales go into the Affordable Housing Reserve to support housing programs, which can be a substantial contribution. Approximately \$7.2 million has gone into the reserve since 1987, including a one-time initial contribution of about \$5.2 million and about \$6.4 million has been spent on housing activities since then - a total of 1,328 housing units, including social (public) housing, private sector market affordable housing, and new homeowner co-operatives.

**Development Approval Process: Toronto, Ontario**

As part of Toronto’s Open Door Program, all successful applicants receive the “Open Door Planning Service”. This service streamlines the approval process of planning applications. Applicants are assigned a dedicated City Planning staff member who helps coordinate and facilitate the review process with the planning and building departments, Affordable Housing Office, and other City divisions commenting on the development application.

**Alternative Parking Standards: Cobourg, Ontario and Toronto, Ontario**

The Town of Cobourg’s Zoning By-law allows for a 50% reduction in the parking requirements for residential dwellings within their Downtown Areas.

The City of Toronto’s parking requirements for “alternative housing” (i.e. a dwelling unit owned and operated by or on behalf of the City of Toronto or by a non-profit or private agency in cooperation with the City of Toronto) has been reduced to 0.1 spaces for unit (or 1 space per 10 units).