



Council Report # 2019-19

Title: Northumberland County Affordable Housing Strategy

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Strategic Plan: Thriving and Inclusive Communities

Council Date: March 20, 2019

Recommendation

“Whereas the Council of the County of Northumberland has received the Northumberland County Affordable Housing Strategy;

Now Therefore Be It Resolved That this Report be received by Council for information; and

Further Be It Resolved That Council direct staff to action next steps as outlined in this report, specifically the implementation of foundational action items and working with member municipalities to develop and implement complimentary affordable housing strategies.”

Purpose

To provide Council with the Northumberland County Affordable Housing Strategy and articulate next steps to be made in the remainder of 2019.

Background

In April 2018, the County concluded a competitive RFP process to seek a qualified consultant to support the development of an Affordable Housing Strategy to expand the number of rental units across the County. The final contract was awarded to SHS Consulting Inc. Over the course of 2018 and the first quarter of 2019, Northumberland County staff have worked closely with SHS Consulting Inc. to develop the Affordable Housing Strategy for Northumberland County. This project also includes the development of Affordable Housing Strategies for each of the seven member municipalities, slated for completion in Spring 2019.

The strategy was developed using input from community agencies, non-profit and affordable housing providers, developers, planners and builders. This feedback was gained through online resident surveys, community agency surveys and in-person engagement sessions. SHS consulted County staff for local data, resources and studies alongside a custom data tabulation from Statistics Canada in order to formulate key housing gaps and trends.

Key findings of the Affordable Housing Strategy are outlined below:

Housing Need

- The population of Northumberland is increasing but at a slower rate compared to Ontario.
- 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.
- The number of individuals and families who are homeless is increasing and a large proportion of them are Indigenous peoples and lone-parent families.
- Household sizes in Northumberland are shrinking and the majority of households are made up of couples without children and persons living alone.
- Northumberland has a higher share of households with a disability compared to Ontario.
- The average household income in Northumberland is less than that in Ontario and certain population groups were more likely to have low incomes.

Housing Supply

- 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.
- There are many individuals and families in Northumberland who are homeless or at risk of homelessness.
- There are a range of supportive housing options in Northumberland but key findings show an increasing need for more options with accessibility features and support services.
- There is a need to increase the supply of purpose built affordable and market rate rental housing in Northumberland.

Using Statistics Canada data, 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 - \$88,087 are households with moderate incomes. The province defines affordable housing as housing that does not exceed 30% of household income for the lowest 60% of household income levels. This means in Northumberland, affordable price thresholds are \$1,019 for rental households and \$316,190 for ownership housing. The rental threshold is the average market rent (AMR) reported by CMHC and the ownership threshold is the maximum house price which households with moderate incomes can afford. It is important to acknowledge that for many households with low incomes, these rent levels are simply unaffordable; however, these levels represent maximum thresholds and will need to be supported through rent subsidy programming. The housing gaps are summarized in the table below according to low, moderate and high income households:

	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

Consultations

This project was supported by a County staff project team consisting of representation from Community and Social Services, Finance, and Planning along with an external working group which consisted of municipal planning representatives and community organizations.

The strategy was developed through engagement activities that included three surveys: an online survey of Northumberland residents from May to June 2018, a survey of people with lived experience, and a survey of community agencies and housing providers. In addition, an engagement session was held via teleconference with the Northumberland Affordable Housing Committee, two in-person engagement sessions were conducted with key stakeholders from the private, not-for-profit, and public sectors, and an engagement session with County Council and member municipal staff to discuss preliminary findings and potential recommended incentives.

A working group was also struck for this project that included the County project team, three municipal planning representatives from Trent Hills, Cobourg and Port Hope, and representatives from Green Wood Coalition, Habitat for Humanity Northumberland, The Help Centre and the Quinte Home Builders Association.

Legislative Authority/Risk Considerations

As recommended in the Affordable Housing Strategy, it is important that the County ensure policy tools are available for investment into housing – specifically through the municipal housing facilities by laws alongside member municipal community improvement plans.

Other relevant legislation includes the Provincial Policy Statement, Official Plans, and relevant development by-law policies.

Discussion/Options

The Affordable Housing Strategy includes a series of 44 recommendations for a Northumberland Housing Action Plan under four overarching goals:

- 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.
- Goal 2: Expand the supply of supportive housing and support services in appropriate locations throughout Northumberland.
- 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.
- Goal 4: Ensure the entire housing stock is in a state of good repair.

The recommendations include four foundational actions that should be considered for immediate implementation as other actions are dependent on them. The four foundational recommendations are:

- 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.
- 1.12. 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.
- 1.15. Create a Northumberland Affordable and Rental Housing Strategy Implementation Working Group to lead the implementation of all the recommended strategies. This Implementation Working Group should include representatives from each of the member municipalities.
- 1.16. Develop an Implementation Plan, which includes an annual budget, to guide the implementation of the recommended actions in the Northumberland Affordable Housing Strategy.

The timeline for other recommendations are planned for implementation in the short term (starting in 2019 continuing through to 2021), medium term (starting in 2022 and continuing to 2024) and ongoing (throughout the life of the Strategy).

The Affordable Housing Strategy also includes an appendix with the proposed Northumberland Affordable and Rental Housing Pilot Program. As part of this proposed program, it is recommended that the County and member municipalities develop and implement the needed policy framework to invest in affordable and rental housing, specifically a renewed County Municipal Housing Facilities By-Law and Community Improvement Plans. In addition to financial incentives for affordable and rental housing, it is also recommended that a common application and evaluation process be implemented in all participating municipalities.

The Affordable Housing Strategy also includes affordable housing targets for low and moderate income households, in line with the affordable housing targets included in the County Official Plan. This means that the County is adopting a target of 25% of all new units created annually will be affordable to low and moderate income households. The affordable

housing targets translate into 90 affordable housing units added annually and can be in the form of new units built, or rent supplements and housing allowances provided to eligible households. It is also recommended that 18% of all new units built annually be affordable to low income households in the first to third income decile (incomes under \$48,519), further 80% of units created for low income households should be geared to the first and second income deciles (incomes under \$37,250).

Following the presentation of this Strategy, County staff will be working with SHS Consulting to finalize the accompanying member municipality strategies, and will be presenting these to municipal councils over the coming months. County staff will be working on beginning the implementation of the foundational recommendations as above, and will also begin to examine recommendations for the 2020 budget cycle.

Financial Impact

Financial impacts have yet to be finalized; however financial incentives to create affordable housing and rental housing will be critical alongside the examination of existing targets as outlined in the County Official Plan. It is anticipated that there will be a need for proposed financial incentives to begin in 2020.

Member Municipality Impacts

The success of Northumberland's Affordable Housing Strategy and Housing Action Plan rely heavily on the participation and partnership with member municipalities. The County will be seeking to work closely with each member municipality as consideration is given to feasibility and implementation.

Conclusion/Outcomes

It is recommended that County Council direct staff to:

- Continue the development and presentation of member municipal Affordable Housing Strategies;
- Begin implementation of foundational actions for strategy implementation;
- Explore the feasibility of the recommended pilot program and develop recommendations for Council's consideration;
- Work with member municipalities to determine interest and feasibility in participating in the implementation of the Strategy; and
- Begin preliminary examination of potential budget implications for 2020.

Attachments

1. Northumberland County Affordable Housing Strategy
2. SHS Consulting Inc. Council Presentation