



Affordable and Rental Housing

COMMUNITY IMPROVEMENT PLAN

Executive Summary

May 2020



Executive Summary

Overview

In the fall of 2019, MacNaughton Hermsen Britton Clarkson Planning (MHBC) and SHS Consulting (SHS) were retained by the Town of Cobourg (the Town) to develop an Affordable and Rental Housing Community Improvement Plan (the CIP) aimed at incentivizing the development of affordable and rental housing throughout the Town in response to a number of key action items identified in the Northumberland County Affordable Housing Strategy. In addition to developing incentives for affordable and rental housing, the project team looked into opportunities to incentivize development of Brownfield areas and developments which address areas of sustainability and accessibility.

The project was structured with a three-phase approach, which incorporates background research, technical analysis, and community consultation with opportunities for feedback from residents, stakeholders, the Planning and Development Advisory Committee (PDAC) and Council in each phase (**Figure 1**).

As part of the first phase of the project, background information was collected to understand the policy and legislative context for the CIP; obtain an idea of how other jurisdictions have implemented similar incentive programs; and, understand the specific local community context in terms of demographics and housing need.

Based on the background research, consultation findings and financial assessment undertaken, the following key focus areas were identified for the development of the Affordable and Rental Housing CIP:

- 1. Increasing the supply of purpose-built rental housing**
- 2. Increasing the supply of smaller unit sizes**
- 3. Promoting the development of second units**
- 4. Promoting the development of mixed-ratio developments**
- 5. Supporting emergency and transitional housing services**

The findings of the background review and the key areas of focus were then presented to stakeholders and the community at an open house held on January 23, 2020 to obtain feedback on and confirm the areas of focus in advance of drafting the CIP.

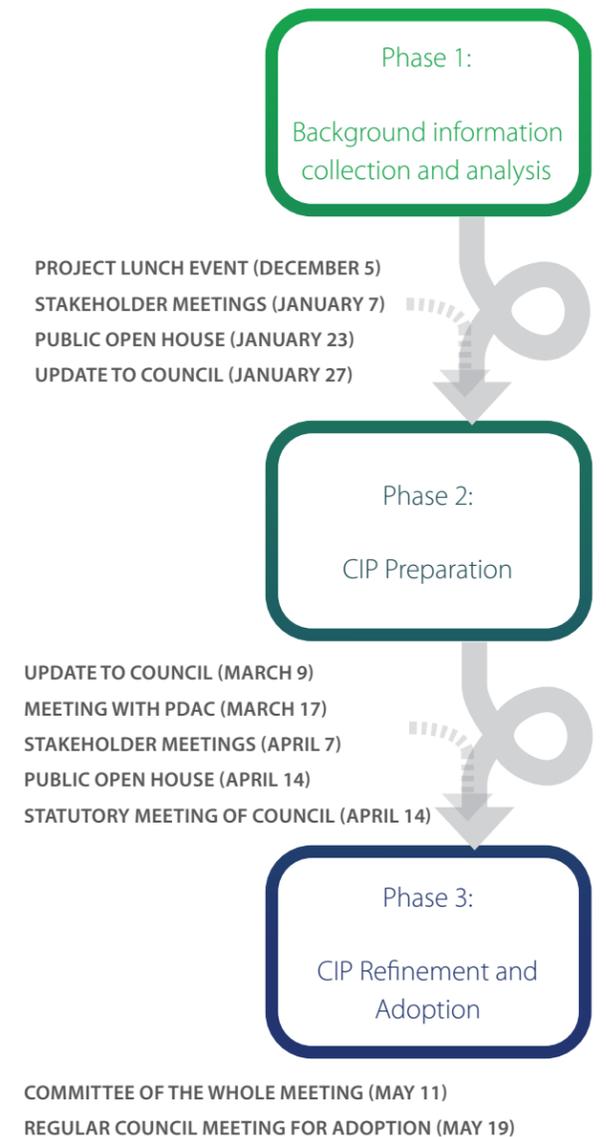


Figure 1: Project Schedule and Process

Based on the feedback obtained at the January 23rd open house, the prioritized areas of focus for the CIP were confirmed as follows:

- 1. Increasing the supply of purpose-built rental housing; and,**
- 2. Promoting the development of second units.**

Promoting the development of mixed-income housing, increasing the supply of smaller unit sizes, and supporting emergency and transitional housing were also identified as important secondary areas that should be considered in the program; however, the emphasis of the incentives should be aimed at increasing the overall purpose-built rental housing stock and focusing on introducing additional units into the secondary rental market through second units.

Incentivizing brownfield development, sustainable development and design, and accessibility and universal design are also important for inclusion within the CIP, but should not detract from the primary focus of providing opportunities to increase the availability of affordable and rental housing throughout the community.

The first two phases of the work program culminated in the preparation of a Draft CIP for further consultation. The programs included in the Draft CIP are summarized in the following table on the following page.

This report concludes Phase 2 of the Project Work Program and will serve as the basis for refining and finalizing the CIP in Phase 3. The CIP will then be revised, as needed, following further consultation, which will include a meeting with the PDAC, targeted stakeholder sessions, a public information Open House and Statutory Public Meeting. A final CIP recommended for adoption will be brought forward to Council for consideration in late spring 2020.

Adoption of the final CIP by Council will provide the legislative basis and framework for implementing incentives designed to address affordable and rental housing needs in the community, in addition to setting a framework for addressing needs related to Brownfield development and sustainable and accessible design.

Draft



Table 1: Summary of CIP Programs

Program	Description	Area of Consideration	Focus (Primary or Secondary)
Rental Housing Planning and Building Fee Waiver Program	Grant equal to up to 100% of the fees paid on specified planning and development applications for an affordable rental (primary market) or purpose built (primary market) rental housing project	Purpose-built Rental	Primary
Rental Housing Cash-in-Lieu of Parking Reduction Program	Grant equal to up to 50% of the calculated Cash-in-Lieu of Parking fee for purpose built rental and purpose built affordable rental housing projects where a municipal Cash-in-Lieu of Parking program exists	Purpose-built Rental	Primary
Rental Housing Development Charge Grant Program	Grant equal to a percentage of the Town development charge normally payable on an eligible project proposing affordable rental (primary market) or purpose built (primary market) rental housing project. Program based on a sliding scale, where demonstrating achievement of certain criteria would result in a higher proportion of a development charge grant (i.e. a 'tiered' approach)	Purpose-built Rental	Primary
Rental Housing Property Tax Increment Grant Program	Grant equal to the incremental increase in municipal property tax assessment and revenue resulting from improvements to existing developments or the development of new buildings containing affordable rental (primary market) or purpose built (primary market) rental housing project for a period of five years	Purpose-built Rental	Primary
Second Unit Planning and Building Fee Reduction Program	Grant equal to up to 50% of the fees paid on specified planning and development applications for second unit or coach houses	Second Unit/ Coach House	Primary
Second Unit Renovation and Construction Grant/ Loan Program	Grant equal to 50% of eligible costs to homeowners who retrofit their dwelling to include a second unit or construct a new coach house as an accessory dwelling or to a homeowner who as an existing unregistered second unit that is legalized and brought up to Code to a maximum of \$10,000 AND/OR A loan equal to 70% of eligible costs to homeowners who retrofit their dwelling to include a second unit or construct a new coach house as an accessory dwelling or to a homeowner who as an existing unregistered second unit that is legalized and brought up to Code to a maximum of \$50,000. Minimum \$5,000	Second Unit/ Coach House	Primary
Emergency and Transitional Housing Planning and Building Fee Waiver Program	Grant equal to up to 100% of the fees paid on specified planning and development applications for new emergency or transitional housing developments or renovations/ upgrades to existing emergency or transitional housing uses	Emergency and Transitional Housing	Secondary
Emergency and Transitional Housing Development Charge Grant Program	Grant equal to a percentage of the Town development charge normally payable on an eligible project proposing an emergency or transitional housing project	Emergency and Transitional Housing	Secondary

Table 1 (cont.):

Summary of CIP Programs

Program	Description	Area of Consideration	Focus (Primary or Secondary)
Affordable Housing and Home Ownership Planning and Building Fee Reduction Program	Grant equal to up to 50% of the fees paid on specified planning and development applications for new affordable housing or home ownership developments or renovations/ upgrades to existing affordable housing or home ownership uses	Affordable Homeownership	Secondary
Affordable Housing and Home Ownership Development Charge Grant Program	Grant equal to a percentage of the Town development charge normally payable on an eligible project proposing an affordable housing or home ownership project.	Affordable Homeownership	Secondary
Brownfield Redevelopment Grant Program*	Grant for the costs associated with the preparation of: Environmental Site Assessment(s), Risk Assessment, Remediation and monitoring plan Grant for 50% of the costs associated with rehabilitation of a property to permit a Record of Site Condition to be filed with the Ministry of Environment of Climate Change (to a maximum of \$100,000 per property)w Grant for 50% of the costs associated with complying with a certificate of property use issued under Section 168.6 of the Environmental Protection Act (to a maximum of \$100,000 per property)	Brownfield	Secondary
Universal Design Grant/ Loan Program*	Grant equal to 50% of the cost of eligible building improvements to commercial, institutional and mixed use buildings that incorporate universal design features to a maximum grant per property/ project of \$10,000 Grant equal to 50% of the costs of eligible works to new commercial, institutional and mixed use buildings that incorporate universal design features to a maximum grant per property/ project of \$10,000 Loan equal to 70% of the cost of eligible works to a maximum loan per property/ project of \$50,000. Minimum loan of \$ 5,000	Accessibility	Secondary
Sustainable Design Grant/ Loan Program*	Grant equal to 50% of the cost of eligible building improvements to commercial, institutional and mixed use buildings that incorporate universal design features to a maximum grant per property/ project of \$10,000 Grant equal to 50% of the costs of eligible works to new commercial, institutional and mixed use buildings that incorporate universal design features to a maximum grant per property/ project of \$10,000 AND/OR Loan equal to 70% of the cost of eligible works to a maximum loan per property/ project of \$50,000. Minimum loan of \$ 5,000	Sustainability	Secondary

**Brownfield redevelopment, universal design or sustainable design projects that are not associated with affordable or rental housing projects would not be funded through the Affordable Housing Assistance Reserve Fund and will need to be funded separately by Council.*

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