

TOWN OF COBOURG

COMMUNITY IMPROVEMENT PLAN FOR AFFORDABLE AND RENTAL HOUSING

ONLINE PROJECT UPDATE



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RECAP/PROJECT
UPDATE

PROJECT STATUS UPDATE

Due to the COVID-19 outbreak, the Town of Cobourg has closed public access to all Municipal Buildings and cancelled in-person meetings to ensure the healthy and safety of Town staff and community members.

This slide deck is being provided online in order to provide an overview of the Background Report and draft CIP which have been released for public review and comment and are available on the Engage Cobourg webpage.

Further public engagement will occur in the form of an in-person meeting at a future date.

RECAP: WHAT IS A COMMUNITY IMPROVEMENT PLAN?

A **Community Improvement Plan (CIP)** is a plan for revitalization, redevelopment, and renewal of an area through programs to help make those improvements happen. Under the **Planning Act**, municipalities identify areas and policies for CIPs in their **Official Plan**.

Objectives

- To facilitate positive community change in areas in need of repair and rehabilitation
- To stimulate private sector investment through municipal incentive programs

Programs

- Municipally driven programs such as park or streetscape improvements
- Incentive-based programs in the form of grants, loans and/or property tax assistance which can be geared toward revitalization efforts

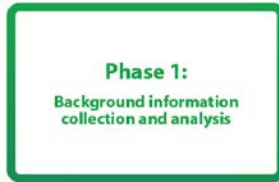
Why a new CIP for Cobourg?

Increasing the supply of affordable and rental housing was identified by Council for a number of reasons:

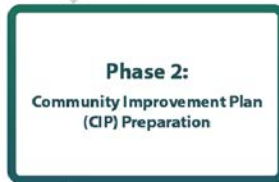
- Opportunity to **diversify Town's housing stock**
- Cobourg has a very low rental vacancy rate (**average 0.04%**), even reaching **0.0%** for bachelor and 3-bedroom units
- Average market rents are among the highest in Northumberland County (**average \$1,051**)
- Households who rent tend to have **lower incomes** than households who own
- Affordable and rental housing identified as a key issue at both the **local and County level**

PROJECT STATUS UPDATE

Nov. 2019 –
Feb. 2020



Feb. 2020 –
April 2020



TBD*

- December 5 Project Launch Event
- January 7 Stakeholder Meetings
- January 23: Public Open House #1- workshop
- January 27: Project update at the Committee of the Whole
- Late January-early March: Analysis and drafting of CIP
- March 9: Project update at the Committee of the Whole
- Mid-late March: Refinement of CIP and Implementing By-law
- Late Spring: Online engagement/project update*

Planning and Development Advisory Committee (PDAC) is an advisory committee of Council that is comprised of members of the public and a representative from Council. The PDAC acts as the steering committee for this project, providing comment and input on project deliverables

* Further public consultation will be re-scheduled given the evolving response to COVID-19.

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BACKGROUND RESEARCH

BACKGROUND REPORT

TOWN OF COBOURG

Affordable and Rental Housing **COMMUNITY IMPROVEMENT PLAN**

BACKGROUND REPORT



Provides details of the background research and analysis, including:

- Overview of Cobourg's housing context
- Provincial, County and local policy review
- Summarizes interview feedback from key housing and development stakeholders
- Summarizes feedback received through early consultation with the public and key stakeholders
- Financial analysis of the performance of various potential CIP programs in the Cobourg context
- Identifies preliminary areas of focus for the CIP



PRELIMINARY AREAS OF FOCUS

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

1

Purpose-Built Rental housing is designed and built expressly as long-term rental accommodation. This is the most secure form of rental housing available. Units may have market or affordable rents.

2

Smaller units can assist in providing affordable housing as they tend to be less expensive than larger units. By providing a diversity of housing sizes, more people are able to find housing that meets their needs.

3

Second units are an important component of a healthy housing stock—they provide affordable rental options for a range of households and are easily implemented.

4

Mixed-income housing includes affordable and market rental and ownership housing. It can enhance social capital in communities and provide housing that is close to amenities and public service facilities.

5

Supporting **emergency and transitional housing** facilities is vital to supporting a comprehensive housing continuum. These facilities support a Housing First approach.

Additional Areas of Focus:

- Sustainability
- Accessible and Universal Design
- Brownfield revitalization
- Façade Improvement
- Social and cultural wellbeing
- Data collection, reporting and monitoring

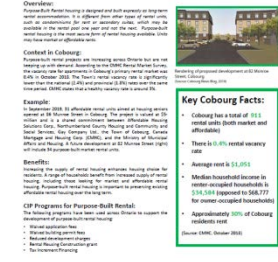
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PROJECT ENGAGEMENT

JANUARY OPEN HOUSE SUMMARY

WHAT WE DID

- Review preliminary findings
- Tabletop exercises to obtain feedback on preliminary areas of focus
- Workbooks designed to understand how each area should be focused within the CIP and identify prioritization of funding



WHAT WE HEARD

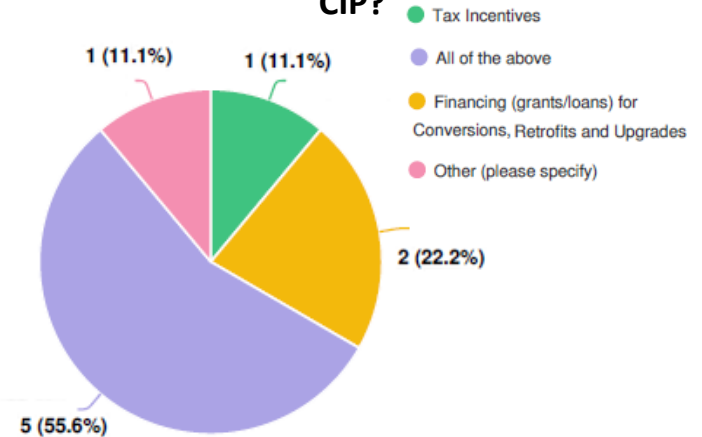
- Purpose built rental should be a priority
- Existing rental housing should be protected
- Additional rental housing should be added (affordable and market)
- Smaller units and second suites should be incentivized
- Second suites can be easily implemented
- Explore application of a "tiered" approach to incentives
- Consider use of incentives for development which incorporates sustainable and/or accessible design elements



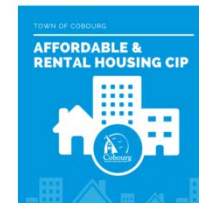
ENGAGE COBOURG

- Online consultation and engagement on the project was held between early **December, 2019** and **January 31, 2020**
- **282 total visits** to the Engage Cobourg CIP website
- A variety of feedback received:
 - Sustainable urban design elements incorporated into projects should be provided with loans or incentives
 - Would like to see retrofits/ infill/ redevelopment within the urban area to include affordable housing
 - Preference for there to be a Town- wide mixed-income approach (vs. concentration of affordable housing in one area)

What Areas Should be a Priority for the CIP?



Affordable & Rental Housing CIP



The Town of Cobourg is a community of approximately 19,440 people located on the north shore of Lake Ontario approximately half way between Toronto and Kingston. Cobourg is rich in history and heritage, featuring architectural splendor dating back to the 1800s. The Town has fostered the preservation of its cultural heritage past through the implementation of four (4) Heritage Conservation Districts, plus many individually designated properties. Cobourg also enjoys a bustling, pedestrian-friendly downtown and world-renowned lakefront park, beach and full-service marina.

With our proximity to the Greater Toronto Area (GTA) and attractive small town urban lifestyle, it is expected that the population in Cobourg will continue to grow at a steady rate, with recent projections indicating that the Town's population will increase to approximately 26,000 people by the year 2036.

Affordable Housing Strategy

In March of 2019, following a year-long research and consultation process, the County of Northumberland released its draft **Affordable Housing Strategy (AHS)**. The Study assessed the current state of the local and regional housing market, identified housing needs and gaps, and developed action plans with key recommendations for the County and its member municipalities to be implemented over the short to medium term.

The AHS is the primary, over-arching document that is intended to provide Northumberland County and its member municipalities with the necessary background information and strategic direction to help



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Who's listening

Councillor Nicole Beatty
Coordinator of Planning and Development
Town of Cobourg
Email: nbeatty@cobourg.ca



Jim Doubt
Chair
Planning & Development Advisory Committee

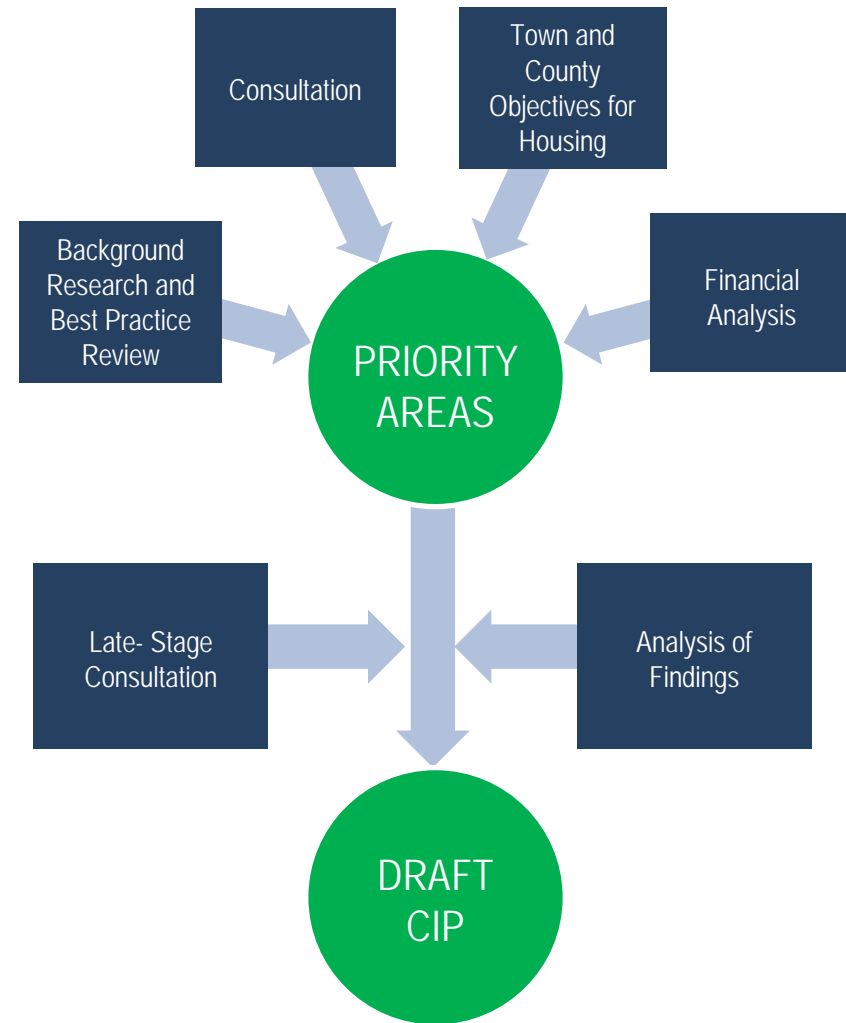


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DEVELOPING THE DRAFT CIP

DRAFT CIP CREATION

- A multi-phased approach to developing the CIP has been undertaken
- Public consultation, background review of existing conditions and relevant policies, and financial analysis was undertaken Phase 1 to inform the development of the draft CIP
- Additional consultation and analysis will further refine the draft CIP



DRAFT PURPOSE & VISION



PURPOSE

The CIP will provide for financial incentives designed to achieve community goals and priorities as set out in the County and Town Affordable Housing Strategies and Official Plans to assist in the development of affordable and rental housing across the Town. Financial incentives are aimed at creating affordable units within the Town on an annual basis, consistent with the target set out for the Town in the Northumberland County Affordable Housing Strategy.



VISION

To minimize financial barriers to the creation of affordable and rental housing in order to ensure an appropriate range and mix of dwelling types across the housing continuum are provided throughout the Town, and provide opportunities and incentives for the redevelopment of Brownfield sites and projects that incorporate sustainable design and/or accessible design features.

OBJECTIVES

1. Facilitate the development of affordable and rental housing through financial supports;
2. Increase the supply of affordable and rental housing units;
3. Generate an appropriate mix of residential units and dwelling types;
4. Make ownership housing more affordable to new homebuyers and allow people to age in place through second units;
5. Support and stimulate mixed-income developments;
6. Encourage the development of emergency and transitional housing;
7. Assist in the achievement of the Northumberland County annual target for new affordable housing units;
8. Reinforce the provision of affordable and rental housing as a community priority;
9. Provide opportunities to incentivize development and redevelopment projects on Brownfield sites; and,
10. Provide opportunities to incentivize development or redevelopment projects that incorporate sustainable design and/or accessible design elements.

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DRAFT PROPOSED PROGRAMS

PROPOSED PROGRAMS

Priority Areas	Programs
Purpose Built Rental Housing	<ul style="list-style-type: none"> - Rental Housing Planning and Building Fee Waiver Program - Rental Housing Development Charge Grant Program* - Rental Housing Property Tax Grant Program - Rental Housing Cash-in-Lieu of Parking Reduction Program
Second Units	<ul style="list-style-type: none"> - Second Unit Planning and Building Fee Reduction Program - Second Unit Renovation and Construction Grant Program
Other Areas Address	Programs
Emergency and Transitional Housing	<ul style="list-style-type: none"> - Emergency and Transitional Housing Planning and Building Fee Waiver Program - Emergency and Transitional Housing Development Grant Program
Affordable Homeownership	<ul style="list-style-type: none"> - Affordable Housing and Home Ownership Planning and Building Fee Reduction Program - Affordable Housing and Home Ownership Development Charge Grant Program*
Brownfield Revitalization	<ul style="list-style-type: none"> - Brownfield Redevelopment Program
Sustainable Design	<ul style="list-style-type: none"> - Sustainable Design Grant/Loan Program
Accessible/Universal Design	<ul style="list-style-type: none"> - Universal Design Grant/Loan Program

Note: programs identified with an asterisk () above will be designed to provide the highest proportion of incentives/ grant reductions to projects which address matters of sustainability, accessibility or social/cultural wellbeing*

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

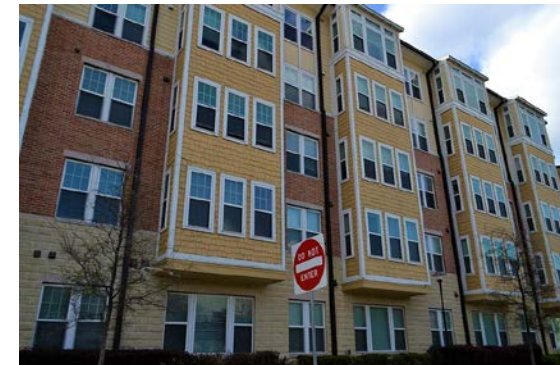
PURPOSE BUILT RENTAL HOUSING

Program	Description
Rental Housing Planning and Building Fee Waiver Program	<ul style="list-style-type: none"> Reduction 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
Rental Housing Development Charge Grant Program*	<ul style="list-style-type: none"> Grant equal to a percentage of the Town Development Charge 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 could result in a higher proportion of a Development Charge Grant (i.e. a 'tiered approach')
Rental Housing Property Tax Increment Grant Program	<ul style="list-style-type: none"> Grant equal to the incremental increase in municipal property tax assessment resulting from improvements to existing development 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
Rental Housing Cash-in-Lieu of Parking Reduction Program	<ul style="list-style-type: none"> 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
<p><i>Note: programs identified with an asterisk (*) above will be designed to provide the highest proportion of incentives/ grant reductions to projects which address matters of sustainability, accessibility or social/cultural wellbeing</i></p>	

Definition

Purpose-built housing is designed and built expressly as long-term rental accommodation.

Purpose-built rental housing is the most secure form of rental housing available. It is different from other types of rental units, such as condominiums for rent or secondary suites, which may be available in the rental pool one year and not the next.



SECOND UNITS

Program	Description
Second Unit Planning and Building Fee Reduction Program	<ul style="list-style-type: none"> Grant equal to up to 50% of the fees paid on specified planning and development applications for second unit or coach houses
Second Unit Renovation and Construction Grant/ Loan Program	<ul style="list-style-type: none"> Grant equal to 50% of eligible costs to homeowners who retrofit their dwelling to include a secondary suite or construct a new coach house as an accessory dwelling or to a homeowner who as an existing un-registered secondary suite that is legalized and brought up to Code to a maximum of \$10,000 <p>AND/OR</p> <ul style="list-style-type: none"> A loan equal to 70% of eligible costs to homeowners who retrofit their dwelling to include a secondary suite or construct a new coach house as an accessory dwelling or to a homeowner who as an existing un-registered secondary suite that is legalized and brought up to Code to a maximum of \$50,000. Minimum \$5,000

Definition

A Second Unit is an additional dwelling unit located within a single detached dwelling, one unit of a semi-detached dwelling or one unit of a townhouse dwelling.



EMERGENCY AND TRANSITIONAL HOUSING

Program	Description
Emergency and Transitional Housing Planning and Building Fee Waiver Program	<ul style="list-style-type: none">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 Development Charge Grant Program	<ul style="list-style-type: none">Grant equal to a percentage of the Town Development Charge normally payable on an eligible project proposing an emergency or transitional 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

Definition

Emergency Housing: short-term accommodation for persons who are homeless or in crisis designed to meet the immediate needs of these people and may provide basic emergency and crisis services including safe accommodation, meals, information and referral.

Transitional Housing: an intermediate step between emergency shelter and permanent housing. It provides affordable, temporary, housing paired with a mix of services and supports with the goal of facilitating an individual's movement to permanent stable housing and independent living

AFFORDABLE HOMEOWNERSHIP

Program	Description
Affordable Housing and Home Ownership Planning and Building Fee Reduction Program	<ul style="list-style-type: none"> 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 Housing and Home Ownership Development Charge Grant Program	<ul style="list-style-type: none"> Grant equal to a percentage of the Town Development Charge normally payable on an eligible project proposing an affordable housing or home ownership project.*
<i>Note: programs identified with an asterisk (*) above will be designed to provide the highest proportion of incentives/grant reductions to projects which address matters of sustainability, accessibility or social/cultural wellbeing</i>	

Definition

Affordable homeownership means the least expensive of:

1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or
2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area

OTHER PROGRAMS

Program	Description
Brownfield Redevelopment Grant Program*	<ul style="list-style-type: none"> • 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) • 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)
Universal Design Grant/ Loan Program*	<ul style="list-style-type: none"> • 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 <p>AND/OR</p> <ul style="list-style-type: none"> • 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
Sustainable Design Grant/ Loan Program*	<ul style="list-style-type: none"> • 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 <p>AND/ OR</p> <ul style="list-style-type: none"> • 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
<p><i>*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.</i></p>	

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IMPLEMENTATION & MONITORING

FINANCIAL MANAGEMENT

- An annual budget for the CIP will be approved by Council.
- This will be used to fund **development charge grants, fee reductions/ waivers, second unit renovation and construction grants and loans.**
- Reductions awarded for the **Planning Act application fees, Building Permit application fees and other municipal fees/levies** will be absorbed as lost revenue.
- Grants awarded for **property tax relief** would be recouped over time in the form of longer-term increased tax assessment and economic activity.
- All programs are to be funded by the Town of Cobourg, or in conjunction with other County, Federal or Provincial programs.
- Any unused funding will be carried over into the following year and remain in the same grant program within the CIP Reserve Fund.

IMPLEMENTATION PLAN

The CIP will be administered by the Town of Cobourg Planning and Development Division, in consultation with the Finance Department of the Corporate Services Division.

An application will be required for any person seeking financial assistance through the CIP. Application forms will be made available online, through the Town's website, and as hard-copies at the Town's Planning and Development Counter.

Where an application for funding is made for a smaller-scale project, the Director of Planning and Development or designate may issue approvals.

Where an application for funding is made for a large-scale project that would result in a longer-term financial commitment by the Town, a recommendation on the application will be made by staff and forwarded to Town Council for approval.

Incentive agreements would be required for both small and large-scale projects.

MONITORING PROGRAM

DATA COLLECTION

- Applications received, approved and denied;
- Value of funds granted and the programs under which funds were granted;
- Value of private sector investment leveraged (where applicable);
- Timing of completion of the project and payment;
- New affordable housing and rental units added to the Town's primary and secondary rental market supply;
- Primary market rental housing units provided which are considered affordable to low-moderate incomes;
- Affordable ownership housing units added to the Town's housing supply;
- Type of housing units provided (built form, number of bedrooms, size);
- Property tax assessment after the completion of the project;
- The construction value of each project awarded funding through the CIP; and,
- Photographic evidence of the completed project.

REPORTING

- Staff will report to Council on an annual basis with respect to the CIP programs and activities, uptake and contribution in relation to the achievement of the Town's allocated annual affordable housing target
- Additionally, for the second year of the program and each year thereafter, the report should include an assessment and review of past units approved under the CIP which provides commentary on whether the units have remained affordable.
- Finally, the report should include an assessment of the financial impact of the CIP to the Town.
- The Town will undertake a detailed review this CIP at regular intervals to ensure that the intent and project objectives are being met. The first full review of the CIP should occur no later than five years after adoption.

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NEXT STEPS

NEXT STEPS

- **Statutory Public Meeting of Council (TBD)**
- **Committee of the Whole Council Meeting (TBD)** Council will consider the final report and make a recommendation
- **Regular Council Meeting (TBD)** Council will make a decision

The project team will continue to engage with the public as best as possible during these uncertain times and remain committed to completing the public engagement component of the project and subsequent phases when it is safe to do so.

QUESTIONS? Contact us!

E-mail: communications@cobourg.ca telephone: 905-372-4301

THANK YOU!

TOWN OF COBOURG

COMMUNITY IMPROVEMENT PLAN
FOR AFFORDABLE AND RENTAL HOUSING

ONLINE PROJECT UPDATE

