

## Purpose

The purpose of this report is to present the completed affordable housing strategy.

This report provides a summary of the status of each of the five action items that were identified as playing a vital role in increasing affordable housing in the City of Greater Sudbury. Additionally, this report seeks direction from Council to prepare an implementation and consultation strategy with respect to action item 2 of the affordable housing strategy, which includes undertaking steps to land bank municipal lands for future development in accordance with the Affordable Housing Community Improvement Plan for consideration in Q1 of 2019.

## Background

Council's Corporate Strategic Plan (2015-2018) identifies the development of an affordable housing strategy, targeted to seniors and people who have low incomes, including policy review, removal of barriers and consideration of incentives as a key priority. Further, the Corporate Strategic Plan provides direction to develop a surplus municipal property affordable housing strategy.

Between 2016 and 2017 a review of literature and best practices along with public and private stakeholder consultation was undertaken to establish key priorities for the City of Greater Sudbury (City) affordable housing strategy. At the Community Services meeting of July 10, 2017, resolution CS2017-17 directed the Health and Housing Working Group to further investigate and make recommendations regarding the following Action Items:

- **Action Item 1.** Development of an Affordable Housing Community Improvement Plan (AHCIP), including: locational criteria, design criteria, financial incentives, provide the City the ability to acquire, prepare and dispose of property for affordable housing, requirements for units to meet affordable housing definitions, and use of the Social Housing Capital Reserve Fund as a funding source for the AHCIP;
- **Action Item 2.** Investigate options for parkland disposal and the use of surplus municipal land;
- **Action Item 3.** Investigate amendments to the Zoning By-law 2010-100Z to be more flexible and encourage affordable housing development across the housing continuum;
- **Action Item 4.** Designate a single point of contact for affordable housing and develop a consolidated affordable housing webpage;
- **Action Item 5.** Investigate changes to the Development Charges By-law 2014-151 (as amended by By-law 2016-120) to ensure that affordable housing criteria

align with any Federal or Provincial funding programs as part of the scheduled review in 2018-2019.

The Health and Housing Working Group committed to completion of the affordable housing strategy by July of 2018. Each of the Action Items that define the strategy are either implemented or in the process of being implemented, as outlined in the following sections. This report addresses and seeks direction for the Health and Housing Working Group to prepare an implementation and consultation strategy for Council's consideration with respect to Action Item 2 to land bank municipal properties for future use in accordance with the Affordable Housing CIP.

### **Action Item 1. Affordable Housing Community Improvement Plan**

The draft Affordable Housing Community Improvement Plan (AHCIP) was presented to Planning Committee on April 9, 2018. The report requested direction to undertake public consultation on the draft AHCIP in accordance with Sections 17(23) and 28 of the Planning Act, which is required prior to the adoption of a new Community Improvement Plan.

The purpose of the AHCIP is to assist in the development of affordable housing in the City by providing incentive-based programs which encourage the creation of affordable housing units. Authority for the provision of financial incentives is provided by Section 106 of the Municipal Act R.S.O. 2001 and the above mentioned sections of the Planning Act. Within a Community Improvement Project Area a municipality may acquire, hold, clear, grade or prepare land for community improvement, lease, sell or otherwise dispose of land acquired or held by it in conformity with the CIP. Additionally, a municipality may make grants or loans to owners or tenants in conformity with the CIP.

The proposed AHCIP provides incentives for affordable housing projects that meet certain locational and design criteria. To serve the needs of tenants, affordable housing units require close proximity and access to services that support that population including public transit, schools, health care facilities, and commercial areas. The design criteria is intended to ensure that these are high quality developments that are indistinguishable from adjacent market developments, as well as requiring programmable space. Proposed programs under the CIP include: Tax Increment Equivalent Grant Program, Planning and Building Fees Rebate Program, Feasibility Program, Residential Incentive Program and a Second Unit Incentive Program.

Funding of the proposed AHCIP through the Social Housing Capital Reserve Fund will be considered when the AHCIP is brought forward for adoption to the July 9, 2018 Planning Committee Meeting. This will provide certainty with respect to a funding source as well

as flexibility to adapt to Provincial or Federal Programs which may coordinate with this program.

## **Action Item 2. Surplus Municipal Land**

An assessment of surplus municipal lands as per the Quality of Life and Place Pillar of Council's Strategic Plan was undertaken to determine which lands may be suitable for the development of multi-residential affordable housing projects. Evaluation criteria were established based on best practices utilized by other municipalities and include locational criteria to ensure close proximity and access to public transit, public services and facilities, medical facilities, pharmacies and commercial areas. Lands which are located within the flood plain, smaller than one acre, or subject to other development constraints such as limited availability of municipal services or terrain unsuitable for development are removed from the inventory.

Approximately 50 properties were identified through the preliminary review based on the above criteria. The properties were further screened for development constraints, such as rocky terrain, making development of the sites more costly. This eliminated approximately 20 additional sites. The typical zoning of the properties identified through the review process is Park or Open Space under Zoning By-law 2010-100Z. In order to utilize properties zoned Park for development under the AHCIP, the City would be required to follow the process and criteria outlined in the Parkland Disposal By-law 2010-158 in addition to undertaking applications under the Planning Act. Both Parkland Disposal and Planning Act processes require a comprehensive public consultation process.

During the review of municipal best practices, land banking was found to be a crucial element in the development of affordable housing. Land, site preparation and servicing are major cost factors for the creation of housing affordability; this can be mitigated by providing suitable sites as part of a Community Improvement Plan. It is also proposed that the preferred sites be pre-zoned for future development, subject to a holding provision which would be removed upon the proponent entering into an agreement with the City under the AHCIP. Pre-zoning lands is favourable as it provides certainty for developers, and addresses timelines associated with funding received from Provincial or Federal levels of government.

As part of land banking for future use under the AHCIP, the Health and Housing Working Group recommend that a detailed implementation and consultation strategy be prepared for Councils consideration, prior to undertaking any parkland disposal or Planning Act process. This strategy would include a full review of the required Parkland Disposal and Planning Act processes, a detailed consultation strategy, visual representations of possible development scenarios, recommended built form and

development parameters and urban design. It is recommended that the Health and Housing Working Group be directed to present this strategy to Council for their consideration in Q1 of 2019.

### **Action Item 3. Zoning By-law Amendments**

The draft Zoning By-law amendment was presented to Planning Committee on April 9, 2018. The report requested direction to undertake public consultation on the draft amendments in accordance with Section 34 (12) of the Planning Act, which is required prior to the approval of an amendment to the Zoning By-law.

Zoning By-law amendments are proposed under three general categories: parking, form of housing, and density. These changes originate from initial consultation with local service providers and the development community. The Health and Housing Working Group heard that the cost of providing parking can be a deterrent to development and are proposing reductions to parking requirements where affordable housing development is adjacent to areas that are highly serviced by public transit. The Health and Housing Working Group in consulting identified the need for more flexible types of housing, including shared housing. With respect to density, there is a trend to permit the creation of smaller lots to decrease development costs and to permit a diversity of lot sizes within subdivisions. Proposed amendments addressing the provision of smaller lot sizes would allow for reductions in lot area and width for a certain number of lots within a plan of subdivision as of right.

These proposed amendments will be considered by Planning Committee at a public hearing on July 9<sup>th</sup>, 2018.

### **Action Item 4. Single Point of Contact**

Service providers and the development community identified difficulty in determining who the appropriate contact is to discuss affordable housing projects, and are referred to various points of contact who each deal with different aspects of the process. A single point of contact knowledgeable in all components and roles associated with affordable housing both at the City and external agencies has been designated. A senior planner with the Planning Services Division will guide members of the public, development community and/or service providers through the process or to the appropriate contacts. In addition, a consolidated affordable housing web page has been created to assist in streamlining information on affordable housing.

## **Action Item 5. Development Charges**

The Health and Housing Working Group was directed to investigate changes to the Development Charges By-law to ensure that affordable housing criteria align with the requirements of any Federal or Provincial funding programs as part of the scheduled review in 2018-2019.

Council will be provided with an opportunity to address this action item as part of the scheduled Development Charges background study and by-law process in early 2019.

### **Consultation and Monitoring**

Work on the affordable housing strategy was initiated in 2016 with a review of literature and best practices. Consultation with service providers as well as the Development Liaison Advisory Committee (DLAC) was undertaken in February and March of 2017. Based on feedback from these groups and review of best practices, the Health and Housing Working Group presented five action items to Community Services Committee in July 2017 requesting direction for further investigation. An update on the status of each item was presented to Community Services Committee in December 2017. A second session of consultation with the service providers and DLAC in February 2018. On April 9, 2018 a report requesting direction to begin public consultation on action items 1 (Affordable Housing Community Improvement Plan) and 3 (Zoning By-law Amendments) was presented to Planning Committee. Public consultation on these items occurred in early June, with a series of open houses held on June 4<sup>th</sup> at the New Sudbury Library, June 5<sup>th</sup> at the Parkside Centre and June 7<sup>th</sup> at the Howard Armstrong Centre. Comments received from the open houses as well as the on-line comment form will assist the proposed AHCIP and housing related amendments to the Zoning By-law scheduled to be considered by Planning Committee on July 9, 2018. Further public consultation will be required for the implementation of other action items.

The Health and Housing Working Group will monitor key indicators related to affordable housing including, the creation of new affordable housing units, the mix of housing types being developed, the average market rent and purchase prices of homes in the City. Monitoring will be reported to Council annually as part of the Housing and Homelessness Plan update.

### **Next Steps**

As per direction from Council received on August 22, 2017 (Resolution CS2017-17), the Health and Housing Working Group has completed the 5 Action Items under the Affordable Housing Strategy and is in the process of implementation of those items. The draft Affordable Housing Community Improvement Plan and proposed amendments to the Zoning By-law will be considered for approval by Planning Committee on July 9<sup>th</sup>, 2018. With respect to the surplus municipal land strategy, this report seeks Council

direction to prepare an implementation and consultation strategy for land banking for Council's consideration in Q1 of 2019.

## References

1. Health and Housing Update, July 10, 2017  
<http://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1203&itemid=12729>
2. Health and Housing Update 2, December 4, 2017  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1155&itemid=12730>
3. Corporate Strategic Plan (2015-2018) <https://www.greatersudbury.ca/city-hall/reports-studies-policies-and-plans/strategic-plans1/>
4. Health and Housing Update: Affordable Housing Strategy, April 9, 2018  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1221&itemid=14435>
5. Zoning By-law 2010-100Z <https://www.greatersudbury.ca/do-business/zoning/>
6. Development Charges By-law <https://www.greatersudbury.ca/live/building-and-renovating/development-charges/>
7. Planning Act <https://www.ontario.ca/laws/statute/90p13>