

Background

Where you live impacts how you live. Having an appropriate, safe and affordable place to call home contributes to all aspects of individual health and well being. It supports strong educational and economic achievement, encourages social inclusion and helps to reduce poverty.

The provision of a full range and mix of housing options to meet the changing needs of the population is a fundamental component of Greater Sudbury's Healthy Community approach to growth and development. Diversity in the housing supply is achieved by providing a range of housing types, maintaining a balanced mix of ownership and rental housing, and addressing housing requirements for seniors, low income groups and people with special needs.

The report to the Community Services Committee, dated November 14, 2016 regarding the Health and Housing Report from the NELHIN, recommended through resolution CS2016-17 that a multi-disciplinary team, be struck for policy development related to housing and health and to review current programs offered by the City of Greater Sudbury and best practices from other municipalities on an affordable housing strategy and that a report and recommendations from staff be brought back to the Community Services Committee for consideration. One of the key priorities of the City of Greater Sudbury's (City) Corporate Strategic Plan (2015-2018) is to "develop an affordable housing strategy, targeted to seniors and those who have low incomes, including policy review, removal of barriers and consideration of incentives". Specific items listed under this action include amendments to the Official Plan and Zoning By-law to permit second suites, development of a surplus municipal property affordable housing strategy and partner with CMHC to explore innovative affordable housing options for Greater Sudbury. The purpose of this report is to first present a suite of municipal tools for affordable housing along with City current practices, as well as an analysis of other Ontario municipal best practices. Establishing a good understanding of the tools helps determine additional actions that the City of Greater Sudbury could explore to facilitate the provision of affordable housing.

In accordance with the direction provided in the Strategic Plan, the goal is to develop an affordable housing strategy targeting seniors and those with low incomes that will focus on innovative affordable housing options, the removal of barriers and consideration of incentives to their development and the utilization of surplus municipal property, with the goal of increasing the amount of affordable housing stock in the City of Greater Sudbury. Greater Sudbury's Housing and Homelessness Plan addresses policy and operational issues at the supportive end of the housing continuum (including homelessness), the items proposed for further investigation and development through the report address the creation of additional affordable housing units, both market and subsidized.

Executive Summary

- Direction was received through the Corporate Strategic Plan and the Health and Housing Report to create an affordable housing strategy that will focus on innovative affordable housing options, the removal of barriers and consideration of incentives, as well as the utilization of surplus municipal property.

- Five key Action Items are identified as playing a vital role in increasing affordable housing:
 - **Action Item 1.** Development of an Affordable Housing Community Improvement Plan, 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 the affordable housing definition, and use of the Social Housing Capital Reserve Fund;
 - **Action Item 2.** Investigate amendments to the Parkland Disposal By-law;
 - **Action Item 3.** Investigate amendments to the Zoning By-law to be more flexible and encourage affordable housing development across the continuum;
 - **Action Item 4.** To 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 to ensure that affordable housing criteria are in line with any Federal or Provincial funding programs as part of the scheduled review in 2018-2019;
- It is anticipated that the Action Items will be completed within the first half of 2018 in accordance with the timelines established in Council's Corporate Strategic Plan.

Options for Leveraging Capital Reserve Funds

In order to fund any proposed actions that may result from the Strategy, leveraging the existing Social Housing Capital Reserve Fund are a means of attaining results. The fund was originally created using approximately \$1 Million provided by the Ministry of Municipal Affairs and Housing at devolution for outstanding obligations. The Reserve Fund is designated to be used for social housing capital projects, which are Rent-Geared-to-Income (RGI) social housing projects. Housing Services was able to contribute monies to the Reserve for a number of years, taking advantage of additional one time program offerings from the Province. In recent years, contributions to the Reserve have been smaller.

The Reserve currently has a balance of approximately \$7.6 Million. According to the Reserve and Reserve Fund By-law, the Reserve fund is only allowed to rise to \$10 Million, if such contribution will not put the City in a deficit position or increase an existing deficit. Interest earned, which in 2016 was approximately \$140,000 remains in the Reserve rather than being transferred to the general levy. Expenditures from the Reserve Fund are required to be authorized by Council.

As a discretionary reserve, Council has the ability to amend the by-law to use the funds in an alternative manner, for example, to fund an Affordable Housing Community Improvement Plan. Given the importance of maintaining a balance in the Reserve for capital improvements to existing social housing, it would be recommended that any changes to the by-law permit only a specified amount or percentage be allocated for alternative use, to a maximum of \$1 Million.

Social, Economic and Environmental Benefits of Affordable Housing

The City of Greater Sudbury is committed to promoting an appropriate range of housing types and densities, including affordable housing, to maintain and enhance a healthy and complete community. Affordable housing is viewed across a full continuum of housing which includes non-market housing (e.g. social housing) and market housing (i.e. private market rental and home ownership).

The benefits of the creation of affordable housing are not limited to the direct impact on individuals trying to enter the housing market. There are also a number of social, economic and environmental benefits to be realized, including:

- Helping to ensure the availability of a local labour force for all types of commercial activity, particularly the growing range of service sector activities that depend on workers from all backgrounds;
- Establishing closer ties amongst all segments of the community and reducing disparity among various sectors;
- Bringing stability to the lives of families and individuals, thereby enhancing the social environment of the entire community and providing a greater opportunity for these individuals and families to become productive members of the community;
- Lowering the costs of the local social support system, such as reduced need for emergency shelters and social assistance programs; and
- Realizing the savings to the entire community from greater live/work ratios (e.g. an increased percentage of the labour force working within the community rather than commuting outside).

From a Planning perspective, affordable housing strategies support important community planning goals by promoting initiatives which curb urban sprawl and support intensification; promoting energy conservation both in urban settlement patterns and housing development itself. In addition, higher density housing can encourage nearby retail development, revitalize stagnant commercial districts and spur additional community investment. Communities can save taxpayers and new residents money when residential development occurs in existing communities where the infrastructure is already in place and is underutilized. Higher density means additional users of public transit making it more viable and encouraging additional routes and frequency.

What is Affordable Housing?

The housing continuum ranges from temporary shelter and permanent housing and includes every housing form in between. Temporary shelter consists of both services for the absolute homeless as well as shelters, hostels, and transitional beds and units. Permanent housing ranges from rental units to privately owned housing which may be mortgaged or debt free. While temporary shelter is generally provided by the non-profit sector, the supply of permanent housing is made available through a range of housing providers. Social housing provides an affordable alternative between the temporary part of the system and the fully self-sufficient independent living market component. Group homes, retirement homes and nursing homes also fall into the permanent portion of the housing continuum.

Cost of Affordable Housing in Greater Sudbury

There are numerous definitions of affordable housing. Traditionally within the housing industry and according to Canada Mortgage and Housing Corporation (CMHC), housing is affordable for a given household if it costs less than 30% of gross (before –tax) household income.

The Provincial Policy Statement, 2014 (PPS), defines “affordable” as it relates to housing in Ontario.

Affordable means:

- a) in the case of ownership housing, the least expensive of:

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

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;

- b) in the case of rental housing, the least expensive of:

a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or

a unit for which the rent is at or below the average market rent of a unit in the regional market area.

There are a wide variety of people who live in and require affordable housing. Young people entering the housing market, seniors who want to downsize, people in transition of one kind or another and others with low incomes. In 2015, an affordable home in Greater Sudbury cost \$217,350 or less. Families for which \$217,350 would be affordable have an annual household income of approximately \$56,000, which can be compared to the average resale house price of \$242,303 and the average price of a new house which is \$445,000 (CMHC Housing Market Outlook, Fall 2015). Affordable rental housing for the same time period was \$671 for a one bedroom unit, \$762 for a two bedroom unit and \$894 for a three bedroom unit.

Community Context

Population and Development Trends

In order to project future population growth in Greater Sudbury and the corresponding housing and employment needs, the City of Greater Sudbury conducted a study looking at projected growth to the year 2036. Two of the key findings of the study were that the demand for housing will continue and that the demand for housing will shift away from single detached dwellings towards higher density forms of development.

Given the recent rate of residential intensification, and the projected long-term shift in demand towards more intense forms of development and availability of vacant sites suitable for such forms of development, the residential intensification target is proposed to be revised from the current 10 percent to 20 percent as part of the Five Year Review of the Official Plan.

The availability of sites within designated settlement boundaries and taking advantage of existing serviced areas all affect the affordability of housing.

Housing across the Continuum in Greater Sudbury

As described above, the affordable housing continuum includes market (affordable rental housing, affordable home ownership), non-market (affordable rental housing, affordable home ownership), government subsidized housing (emergency shelters, transitional housing and social housing).

Homelessness

In the City of Greater Sudbury, 872 people accessed an emergency shelter in 2016. 440 people at any one time declare they are homeless. Lack of affordable housing, low income, poverty, family breakdown, mental health and addiction are all contributing factors. Homelessness contributes to high costs for emergency hospital visits, police, ambulance, and corrections.

Greater Sudbury has adopted a Housing First approach, that centers on providing homeless people with housing quickly and then providing support services as needed. What differentiates a Housing First approach from other strategies is that there is an immediate and primary focus on helping individuals and families quickly access and sustain permanent housing. A Housing First approach rests on the belief that helping people access and sustain permanent, affordable housing should be the central goal of Social Services work with people experiencing homelessness.

Social Housing

The City of Greater Sudbury provides social housing through the Greater Sudbury Housing Corporation and is the Service Manager for a number of provincial non-profits, co-ops and federal non-profit housing providers. As of December 31, 2016 there were 1804 households on the City of Greater Sudbury's centralized wait list. Of those, 654 are registered as Senior households, 468 qualify for subsidy while the remaining 186 are on the wait list for market rent units within the service area. In 2016, 591 households were housed with subsidy, and a further 15 households into market rent units. Of those 61 were seniors with subsidy, 9 were market rent units. The City of Greater Sudbury's portfolio consists of 4448 units that are comprised of 40 non-profit housing providers operating 84 projects. Housing Services is responsible for the funding and administration of the portfolio. The largest provider is Greater Sudbury Housing Corporation (GSHC) which owns and operates 1848 of these units within 30 projects.

The proposed actions, when combined with existing programs and incentives are intended to increase affordable housing across the housing continuum, including a reduction to Greater Sudbury's centralized waitlist.

Affordable Housing

Market affordable housing, as discussed above, generally refers to housing that costs less than 30% of gross annual household income for low and moderate income households. Through the Province of Ontario's Affordable Housing Program, five projects have been funded to date with a total of 281 affordable housing units being built. In 2017, there were two Requests for Proposal's released under the same program with two priority populations, low income seniors and persons with disabilities. The new funded developments will assist in achieving the City's goal for the mix of affordable housing units created.

Housing Needs in Greater Sudbury and Surrounding Area

Over the last number of years, the City of Greater Sudbury and local agencies have completed more than six studies addressing the state of housing. The studies have each identified a number of gaps, recommendations and action items to improve housing opportunities across the spectrum (see Appendix B – Housing Study Key Themes). Gaps and recommendations from the studies can be summarized under four key themes:

Housing Stock: the development of a diversified housing stock needs to be promoted to increase housing options across the continuum recognizing a growing seniors population, persons with disabilities, those with low incomes, and those with multiple barriers. There is also a need to monitor and maintain the existing housing stock and maintain a supply of suitably zoned land.

Coordination of Support Services: There is a demand for more support services (supportive housing, transitional housing) and in particular to have these services coupled with housing.

Collaboration among Stakeholders: There is a need to further develop and share a support agency inventory.

Communication: There is a need to continue to advocate for funding from other levels of government.

Provincial and Federal Funding

The federal government is investing \$11.2 Billion over 11 years in affordable housing. A new National Housing Fund, with about \$5 Billion over 11 years, will expand lending for new rental housing construction, provide temporary funding to social housing providers, and help social housing providers transition to “more efficient and financially sustainable operating models.” \$2.1 Billion is aimed at reducing homelessness, \$5 Billion is allotted to encourage housing providers to pool resources with private partners and to allow the Canada Mortgage and Housing Corporation to provide more direct loans to cities. Over the next 11 years, \$202 Million is to be used to free up more federal land for affordable housing projects, \$300 Million for housing in the North and \$225 Million to support programs that provide units to indigenous people off reserve.

The Provincial government has introduced a Fair Housing Plan, which contains a set of 16 comprehensive measures which would help more people find an affordable place to call home, while bringing stability to the real estate market and protecting the investment of homeowners. Measures include, imposing a higher tax on vacant land which has been approved and serviced for new housing, freezing property taxes on multi-residential properties in communities where these taxes are high, a rebate program for a portion of development charges for eligible new multi-residential projects and increasing the maximum refund of the Land Transfer Tax for first-time homebuyers.

The Investment in Affordable Housing for Ontario (2014 Extension) program provides more than \$800 Million in federal and provincial funding to improve access to affordable housing to March 31, 2020. Program components include rental housing, homeownership, Ontario Renovates and an operating component with three streams: rent supplement, housing allowance direct delivery and housing allowance shared delivery. The Social Infrastructure Fund (SIF) doubled the funding to the IAH program, with new money to build, renovate and provide affordable housing around the province.

The actions for which direction is requested through this report will ensure that Greater Sudbury is well positioned to take advantage of funding that becomes available through the above programs such as those mentioned above offered by senior levels of government.

Existing Greater Sudbury Affordable Housing Policies, Programs and Incentives

The City of Greater Sudbury has a number of programs and incentives in place that are available to assist in the development of affordable housing projects.

New Multi-Residential Tax Class

In 2003, Greater Sudbury established a new multi-residential tax class. Under By-law 2003-102F, land used for residential purposes that has seven or more self-contained units, vacant land principally zoned for multi-residential redevelopment is eligible to be classified under the new multi-residential tax class. Properties are eligible to remain under that tax class for 35 years. Since the inception of the new multi-residential property tax class in 2003, 31 developments have qualified for this new tax class, which provides a reduction of approximately half the tax rate of multiple residential developments not within that class.

Downtown Community Improvement Plan

The City of Greater Sudbury established a Community Improvement Plan (CIP) for the Downtown in 2003. Incentives include fees rebate for planning applications, building and demo permits, and other items such as legal agreements; a grant for the completion of feasibility studies including structural analysis, soil studies, evaluation of mechanical systems, concept or design plans and market analysis, building renovation design, business plans; a façade improvement program; and building improvement loans. Tax Increment Financing (TIF) component is a rebate program for downtown businesses who rehabilitate or redevelop their property in accordance with the goals and objectives of the Plan. The maximum years of benefit was 10, in which the year one grant covers 100% of the tax increment and decreases by 10% per year thereafter. The application had to be received prior to the rehabilitation and the financing couldn't exceed the costs of the rehabilitation. The 2003 Downtown CIP was replaced in 2016 with the current Downtown CIP.

Brownfield Strategy and Community Improvement Plan

The Brownfield Strategy and CIP was adopted by Council on October 12, 2011 and amended by By-law 2013-193 on August 13, 2013. It was designed to help overcome barriers to development of Brownfields such as tax arrears, absentee property owners, real or perceived contamination and capital intensive remediation costs. Four financial incentive programs are available to help reduce upfront costs: a tax assistance program which cancels all or a portion of property taxes during the rehabilitation period; a landfill tipping fee rebate program; a planning and building fee rebate program and tax increment equivalent grants.

Town Centre Community Improvement Plan

The 2011 Town Centre CIP aims to address challenges facing Town Centres by introducing strategies to further their economic development, physical improvement and to promote private sector investment. Town Centres are as follows: Capreol, Chelmsford, Levack, Flour Mill BIA, Lively, Copper Cliff and Kathleen Street. Incentives offered under this CIP include a Tax Increment Financing Program, a planning and building fees rebate program, a feasibility study grant, a façade improvement grant program and building improvement loan program.

Development Charges

The Development Charges By-law 2014-151, as amended by by-law 2016-120, exempts affordable housing projects, provided they remain affordable in perpetuity. Second units within or attached to an existing single detached dwelling, semi-detached dwelling, row or street townhouse are exempt unless the unit exceeds the gross floor area of the existing dwelling. Currently, within an accessory structure, development charges apply at the single rate of \$16,150. Within a new residential building, they apply at the multiple rate of \$9,784 plus the consumer price index increase. At present, development charge exemptions only apply to those affordable housing projects that commit to remaining affordable in perpetuity. Potential amendments to the Development Charges By-law could ensure that its requirements are in line with the requirements of any Federal or Provincial funding programs.

Municipal Capital Facilities for Municipal Housing Projects

By-law 2015-113 allows the City of Greater Sudbury to provide financial or other assistance at less than fair market value for the provision of municipal housing project facilities. Criteria that must be met are: must meet the definition of affordable must be available to households on the waitlist first it is not available if income increases above levels established by the Housing Manager housing provider must be a non-profit the term cannot be less than 20 years, and the agreement is binding on the housing provider's heirs, successors and permitted assigns.

Second Unit Policies

In 2016, Greater Sudbury implemented policies to allow second units as of right, subject to certain criteria. Second units are self-contained residential units with a kitchen and bathroom located in a dwelling or within structures accessory to dwellings. They provide opportunity for additional income for the homeowner, can provide options for extended families or caregivers, maximize densities to make more efficient use of infrastructure, and provide more options for affordable housing. The Zoning By-law and Official Plan have been amended to provide criteria for the development of second units, including restrictions of one per lot, availability of adequate servicing, no exterior alterations that would change the character of the neighbourhood, minimum of one parking space per unit and cannot be located on or adjacent to hazard lands. The City has also enacted a by-law requiring the registration of second units. The registration process will ensure that the unit meets Ontario Building Code and Fire Code requirements and provides clear title to owners of secondary units when selling properties or arranging financing. This will allow the City of Greater Sudbury to maintain an inventory of dwellings that contain secondary dwelling units to be shared through a public registry.

New Downtown Community Improvement Plan

A new Downtown CIP was adopted in December 2016. The purpose of the CIP is to revitalize Downtown Sudbury, increase the residential population in the downtown, create and retain employment opportunities, grow the municipal assessment base, grow the municipal property tax revenue, repair and intensify the existing urban fabric with compatible projects. The Downtown CIP will take advantage of existing infrastructure and enhance the quality of the public realm. There are six programs under the CIP, a Tax Increment Equivalent Grant Program, a Façade Improvement Program, a Planning and Building Fee Program, a Residential Incentive Program (per-door grant); a Feasibility Grant Program and a Downtown Sudbury Multi-Residential Interest-Free Loan Program. Under the Residential Incentive Program, a grant of \$10 per square foot of newly created habitable residential space, or \$20,000 per dwelling unit, whichever is lesser, is available. The maximum amount of incentive provided under the program to any approved eligible property will not exceed \$200,000. The Multi-Residential Interest-Free Loan will provide interest-free loans of up to 25% of the project costs, to a maximum of \$250,000 to property owners who undertake the creation of a new multiple dwelling upon vacant land or parking areas; and/or, a building addition containing at least four new dwelling units; and/or the conversion of existing commercial, industrial, institutional space into a multiple dwelling.

Development Charge Review

Development Charges generally apply to all new construction at the time a building permit is issued to help pay for the cost of infrastructure required to provide municipal services to the new development, such as roads, transit, water, sewer, community centres, fire and police facilities. Bill 7, which received royal assent, proposes to exempt municipalities from imposing development charges when a second unit is created in a new residential building. The changes to the *Development Charges Act* will come into effect at a later date. Planning Services is in the process of reviewing development charges for second units in accessory structures with Hemson Consulting and will be reporting back to Council in late 2017 with findings and recommendations to be considered in the next by-law.

Official Plan Policies

Phase 1 of the five year review of the City of Greater Sudbury's Official Plan (OP) is scheduled to go before Council for adoption in the third quarter of 2017. A new Section is proposed to be added to the Official Plan as part of the Phase 1 amendment, which speaks to planning for an aging population. The proposed policies help ensure that Greater Sudbury is an elder-friendly community that facilitates "aging" in place by supporting the creation of age-friendly housing options, providing accessible, affordable and convenient public transportation; and supporting an active lifestyle for an aging population. A new Section is proposed which recognizes the vital role rental housing plays in the housing continuum and limits the conversion of rental units to condominium ownership. The OP suggests a mix of housing types comprised of 50 to 60% single detached dwellings, 15% semi-detached and row housing, and 25-30% apartment dwellings. In order to maintain a balance of ownership and rental housing, a tenure mix of 70% ownership and 30% rental is also proposed. Rental conversion policies are also proposed to be revised in the updated Official Plan and are applicable when converting rental units to condominium ownership. Adopting such policies helps ensure an adequate supply of rental housing to meet the needs in the community. It also helps to ensure an organized process for the conversion of residential rental units to condominium ownership when conditions are suitable while providing measures to mitigate hardship for tenants of rental properties that are the subject of conversion applications.

Affordable Housing Strategy Work Completed So Far

Council's Strategic Plan directs Housing Services, Social Services and Planning Services to "develop an affordable housing strategy, targeted to seniors and those who have low incomes, including policy review, removal of barriers and consideration of incentives". Additionally, the Innovative Housing with Health Supports in Northeastern Ontario Strategic Plan completed by the North East LHIN makes a number of recommendations including reviewing housing options across the north east, building on current best practices and leveraging non-traditional and informal support options. A report to the Community Services Committee recommended a team be struck for policy development and that recommendations be brought back to the Committee for consideration. To date Planning, Housing and Social Services have undertaken a number of initiatives to assist in the development of a strategy including a review of the existing legislative and policy framework (Appendix A – Existing Legislative and Policy Framework), synthesis of work completed in the Greater Sudbury area to date (Appendix B – Housing Study Key Themes), review of municipal best practices (Appendix C – Municipal Practices), meetings with stakeholder groups, surveys and GIS analysis of municipal lands.

Service Providers Partnership Consultation was held on February 8, 2017 (attended by staff from Canadian Mental Health Association (CMHA), Canada Mortgage and Housing Corporation (CMHC), North East Local Health Integration Network (NELHN), Greater Sudbury Housing Corporation (GSHC), Sudbury and District Health Unit (SDHU), Native People of Sudbury Development Corporation (NPSDC), Health Sciences North (HSN), United Way, Ministry of Housing which represent a cross section of the service providers within the City). The goal of the meeting was to seek the groups' perspectives on barriers to the provision of affordable housing and opportunities for the creation of more affordable housing, the integration of support services and innovative models of development.

The Development Liaison Advisory Committee (DLAC) Meeting held on March 31, 2017 (attended by representatives from various consulting firms, members of the Sudbury & District Homebuilders Association, Conservation Sudbury, staff members from Planning Services, Building Services, Engineering Services, Housing Services, Social Services, and the Service Providers represented by CMHA, SDHU, and HSN). The meeting brought two groups (the development community and the service providers) together, with the goal of seeking the development community's perspective on barriers and opportunities for affordable housing, but also to allow both groups to hear each other's perspective.

Affordable Housing Survey – Two surveys were developed, one tailored to the service provider group and one tailored to the development community. The survey was made available two weeks prior to the DLAC meeting and remained open for one week after the meeting. The survey provided both groups the opportunity to provide opinions in a more confidential format and offer further insight into affordable housing perspectives in Greater Sudbury.

What We Heard From the Service Providers

Barriers

- limited capital funding and incentives
- high operating costs
- limited revenue from low end market rents
- lack of ongoing operating funding
- NIMBY attitudes
- lack of suitable land for development

- high development fees and charges
- cumbersome property tax and assessment process
- low return on investment
- provincial programs structure and regulatory requirements too restrictive

Opportunities

- municipality matching funding from senior levels of government
- simplified Investment in Affordable Housing (IAH) requirements
- marketing suitable city-owned lands
- municipal policy framework for establishing social housing
- strategic asset management of current housing stock
- introduce new by-laws to make things more accessible
- reduced fees for permits etc.,
- better working relationships with non-profits and private contractors

What We Heard From the Development Community

Barriers

- value too low for new builds
- the economics are difficult to make work
- need more cooperation from city officials
- cost of development and construction

Opportunities

- additional incentives

Review of existing vacant/surplus municipal land – Council's Strategic Plan directed Housing Services, Social Services and Planning Services to develop a surplus municipal property affordable housing strategy. The assessment completed evaluated only those properties large enough for multiple residential development. Planning Services established criteria to evaluate the suitability of vacant/surplus municipal land for potential development of future affordable housing projects. Criteria was developed based on best practices utilized by other municipalities and includes 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 were removed from the inventory.

A preliminary review indicates that there are a limited number of municipally owned lands that meet all of the criteria identified above. 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 which would make development of the sites more costly, which eliminated approximately 20 additional sites. The typical zoning of properties identified through the review process is Park or Open Space. In order to transfer those properties zoned Park for affordable housing development, the City would be required to follow the process and criteria outlined in the Parkland Disposal By-law and discussed further in the following section.

Implementation Recommendations and Monitoring Outcomes

A three pronged approach to the affordable housing strategy: regulatory, policy-based and operational is recommended.

I. Building Healthy, Inclusive, Sustainable Communities: Regulatory

Direction to further investigate amendments to the zoning By-law to allow more flexibility

Amending the Zoning By-law will serve to encourage affordable housing across the spectrum, including permitting a broader range of housing types in various zones and permitting service integration within housing development. Ontario's Community Hubs Strategic Framework and Action Plan will focus IAH funding to provincial priority areas, including affordable housing as part of community hubs to allow people to have greater access to supports, including education, social and health care services. Consideration should be given to how best to accommodate such mixed use hubs through zoning provisions. Consideration of lot sizes should also be given as smaller minimum lot sizes increase the density of development. Reduced parking requirements should also be reviewed to determine where reduction in the number of required spaces may be appropriate.

II. Promoting and Preserving Affordable Housing: Policy

Direction to develop an Affordable Housing Community Improvement Plan.

An Affordable Housing Community Improvement Plan is intended to incentivize the development of affordable housing in the City by both the public and private sectors. In accordance with Section 28 of the *Planning Act*, an Affordable Housing CIP will encourage investment by providing financial incentives and other tools that may be applied to eligible properties for purposes that conform to the goals, objectives and policies of the CIP.

Programs that can be implemented as part of an Affordable Housing CIP include, waiving of municipal fees normally required for planning approvals (eg. Zoning by-law amendments, minor variances, severances, site plan control, etc) provided a project remains affordable for a specified period of time; Tax Increment Grant programs; grants to cover all or part of studies that may be required as part of the development and per door grant programs which provide a grant on a square footage or per dwelling unit created basis.

Direction to Investigate Amendments to the Parkland Disposal By-law

In support of Council's priority of developing a strategy for the use of surplus municipal lands for affordable housing, a review of potential properties found that the majority of surplus properties consisted of parkland. At present, the City's parkland disposal by-law contains criteria that are to be considered prior to determining whether park land property should be declared surplus and sold by the City. Disposal can be considered if the site is non-essential for current or future use, if there is ample supply based on the adopted classification system and service area standards, the site protects significant municipal assets, where there are opportunities to add or link to existing green space and the proposed site has low or limited recreation potential, conservation potential, or attractiveness/sense of place. Amendments to the By-law could be tailored to facilitate the creation of affordable housing.

As discussed above, an evaluation of all municipal lands was undertaken to determine where there may be suitable locations for the development of multi-unit affordable housing project within the City of Greater Sudbury. Use of surplus municipal land for housing can have two aspects, the physical use of the surplus land for an affordable housing development or the dedication of funds received through the sale of surplus lands for future affordable housing projects. Design criteria needs to ensure neighbourhood compatibility, urban design, accessibility, flexibility, energy efficiency, durability of construction materials, provision of common spaces and areas for service provision that will also form an important element of an Affordable Housing CIP. An additional criterion for eligible projects would be a requirement that a certain number of units meet the CMHC definition of affordable housing.

III. Meeting the Needs to Support Affordable Housing: Operational

Direction to have a designated Affordable Housing point of contact and website.

A key theme from both the service providers and the development community was that they often have difficulty determining who the appropriate staff member is to discuss affordable housing projects, and often they are passed along to various staff members who each deal with different aspects of the process. A single point of contact who would be knowledgeable on all components of and roles associated with affordable housing both at the City and external agencies. This person would be able to guide members of the public, development community and/or service providers through the process or to the appropriate people. A consolidated affordable housing web page, including all available resources for service providers, clients, and developers would also assist in achieving a streamlined affordable housing information service.

Next Steps

A detailed review of best practices has been completed with respect to affordable housing strategies as well as consultation with the local service providers and development community. Five key Action Items have been identified as playing a vital role in increasing the amount of affordable housing in the City of Greater Sudbury and are outlined below. It is anticipated that the Action Items will be completed within the first half of 2018 in accordance with the timelines established in Council's Corporate Strategic Plan.

Action Item 1.

The Health and Housing Working Group be directed to develop an Affordable Housing Community Improvement Plan that includes:

- a) Locational criteria to ensure close proximity and access to public transit, public services and facilities, medical facilities, pharmacies, and commercial areas;
- b) Design criteria to ensure urban design that is compatible with surrounding uses, accessibility, flexibility, energy efficiency, durability of construction materials, provision of common spaces and areas for service provision;
- c) Financial incentives;
- d) The ability for the City of Greater Sudbury to acquire, prepare and dispose of property for the purpose of creating affordable housing;
- e) Requirements for units to meet the definition of affordable housing;

- f) The Health and Housing Working Group be directed to fund up to \$1 Million from the Social Housing Capital Reserve Fund to fund an Affordable Housing Community Improvement Plan;

Action Item 2.

The Health and Housing Working Group be directed to investigate and propose amendments to the Parkland Disposal By-law for the purpose of facilitating the creation of affordable housing;

Action Item 3.

The Health and Housing Working Group be directed to investigate and recommend amendments to the Zoning By-law to be more flexible and encourage affordable housing development across the housing continuum;

Action Item 4.

The Health and Housing Working Group be directed to designate a single point of contact for affordable housing and develop a consolidated affordable housing webpage; and

Action Item 5.

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

Each action will be brought back by way of report for consideration by Council, Community Service Committee or Planning Committee, as appropriate, prior to the implementation of any changes.

REFERENCES

Canada Mortgage and Housing Corporation, 2010, *A Guide for Canadian Municipalities for the Development of Housing Action Plan*, https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/tore/tore_003.cfm

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