



# Long-Term St. Thomas-Elgin Affordable & Social Housing Strategy Executive Summary

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# Introduction

The importance of safe, adequate and affordable housing to a household and community cannot be understated. Beyond the basic human need for shelter, proper housing has been shown to improve the physical and mental health of households, reduces stress and help improve the economic vibrancy of a community. The latter is reflected in the ability to free up income to spend on shelter related costs in the community and the ability to retain and attract residents and staff of local employers.

The intent of the St. Thomas – Elgin County Affordable and Social Housing Strategy is to help support Strategic Direction 1 of the local Housing and Homelessness Plan: Increase affordable housing supply to meet projected need. In addition, this strategy also looks at how the St. Thomas and area municipalities within Elgin County can preserve the existing supply of social and supportive housing.

To accomplish these objectives, this strategy will examine the following areas:

- Exploring and establishing how affordable housing can be defined;
- A housing needs and demand study to explore what kind of affordable housing is needed presently, in the future and in what locality within St. Thomas and Elgin County;
- How the City of St. Thomas could leverage its assets to build more affordable housing;
- Potential financial incentives from the City of St. Thomas and area municipalities in Elgin County to help support the construction of affordable housing;
- Updating the City's existing municipal housing facilities by-law to incorporate best practices;
- Providing recommendations on the implementation of second unit policies for the City and area municipalities' Official Plan and Zoning by-laws;
- Outlining the structure and content of a possible Lodging House licensing by-law;
- Outlining the structure and content of a possible Informal Residential Care Facility by-law; and
- Examining the implications of Ontario's Inclusionary Zoning policies within the St. Thomas and Elgin County context.

Although the City of St. Thomas is separated from Elgin County, it has been designated as the Service Manager for the County by the Province of Ontario.

As Service Manager, the City is responsible for all matters related to operating and administering social housing, administering affordable housing programs and carrying out measures to meet the objectives and targets related to housing needs as identified in local housing studies and housing and homelessness plans. Reflecting the City's role as Service Manager, and to help promote the creation of affordable housing, this report will provide recommendations for both the City of St. Thomas, Elgin County and its area municipalities where appropriate.

# Defining Affordable Housing

“Affordable housing” is a broad term that encompasses a number of different definitions in public policy and the general public. Within Ontario, Section 6.0 of the *Provincial Policy Statement (2014)* provides the following definition for ownership and rental housing:

- a) in the case of ownership housing, 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;
- b) in the case of rental housing, the least expensive of:
  1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or
  2. a unit for which the rent is at or below the average market rent of a unit in the regional market area.

Section 6.0 of the PPS also provides a definition for low and moderate income households based on household income:

- a) in the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area; or
- b) in the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.

Benefits of using Province’s definition:

- Relatively flexible that can be applied to other municipal policies to ensure conformance with each other
- Conform with Provincial policy,
- Can be applied over a broad number of affordable housing developments

Drawbacks of using Province’s definition:

- Can under emphasize or over emphasize affordability problems for some income groups

# Defining Affordable Housing - Recommendations

## St. Thomas Recommendations

- 2.1** It is recommended that the City continue to utilize the PPS' definition of affordable housing within its planning and housing related policies so that they conform with provincial policies and easily align or support each other.

## County Recommendations

- 2.2** The County should continue to use the PPS' definition within its existing planning policies so that they conform with provincial policies.
- 2.3** It is recommended that the Official Plan's (OP) from area municipalities adopt the PPS' definition of affordable housing. While some OP's have adopted the PPS definition, others have not, or do not have a definition.

# Housing Needs and Demand

## Population and Household Trends

### Population Trends

- Between 2011 and 2016, St. Thomas grew by 1,007 person (201 per year) or 2.6% from 37,905 to 38,909 while Elgin County grew by 509 persons (102 per year) or 1.0% from 49,560 to 50,069.
- By 2041, St. Thomas is expected to grow by 12,188 persons (487 per year) or 30% (1.2% per year).
- Recent and future growth is caused by older adults and seniors moving to the area to retire and younger households seeking comparatively affordable ownership housing.

### Age Trends

- St. Thomas and Elgin County (42.5 years) are older than the London CMA (40.7 years) and Province (41.3 years).
- The aging population reflects baby boomers entering into retirement, an influx of older adults into the area for affordable housing and a relatively modest number of households with children moving into St. Thomas and Elgin County.

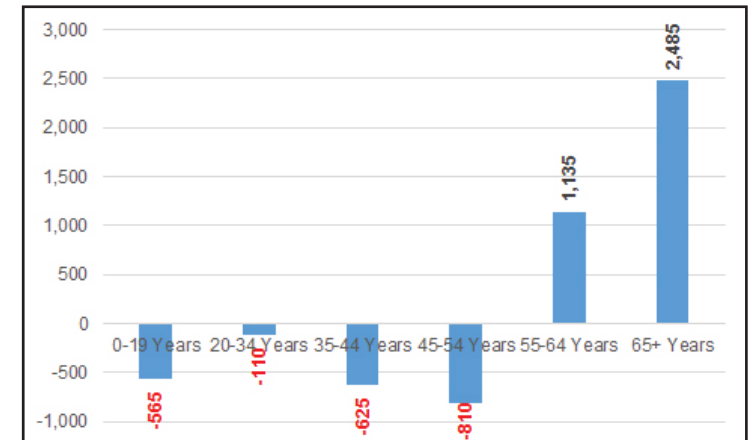
### Household Trends

- The number of households grew more than twice as fast as population in St. Thomas (5.4% or 895 households) and Elgin County (3.4% or 610 households).
- The increase is driven largely by growing numbers of 1 and 2 person households such as couples without children and one-person households.
- Such trends are a result of the growing number of older adult and senior households.

### Household Income

- Between 2010 and 2015, after tax income rose by 9.0% in St. Thomas/Elgin County which is lower than the London CMA (9.9%) and Ontario (11.2%).
- One person and lone-parent households have the lowest incomes (\$30,614 and \$44,672) while couples with and without children generally have the highest.
- The incidence of low income declined in Elgin County (-230 persons) but rose in St. Thomas (110 persons)

Change in age of population of St. Thomas/Elgin County, 2011-2016



Source: Statistics Canada (2011, 2016), Catalogue no. 98-316-X2016001

Change in Household Types in St. Thomas/Elgin County, 2011 - 2016

	St. Thomas/Elgin County		
	2011	2016	Change
Couple without Children	10,025	10,580	555
Couple with Children	10,385	10,100	-285
Lone-Parent	2,830	3,065	235
Other Census	1,590	1,565	-25
Non-Census	8,645	9,690	1,045
One-Person	7,855	8,840	985
Two-or-more person	805	850	45
<b>Total</b>	<b>33,475</b>	<b>35,000</b>	<b>1,525</b>

Source: Statistics Canada (2016), Catalogue no. 98-316-X2016001



# Housing Needs and Demand

## Population and Household Trends

### Dwelling Types

- More than 86% of new dwellings (2,400 of 2,800) in St. Thomas/Elgin County between 2006-2016 were single detached while apartments made up only 10% (285 units). Remainder were in semi-detached, townhouses and other forms.
- More than half of new apartments constructed in St. Thomas and were funded through affordable housing programs.
- Two recent rental developments include 49 unit apartment building in Aylmer and 400 apartment development in St. Thomas (proposed for Alma College site).

### Housing Tenure

- Between 2011 and 2016, number of renters in St. Thomas/Elgin County increased by 1,110 with the majority in St. Thomas (625 or 56%), Dutton/Dunwich (115 or 10%) and Aylmer (105 or 9%).
- During this time, the number of owner households increased by 390.
- The rise in renter households is attributed to the growing number of older adults and seniors moving out of ownership dwellings for a variety of reasons.

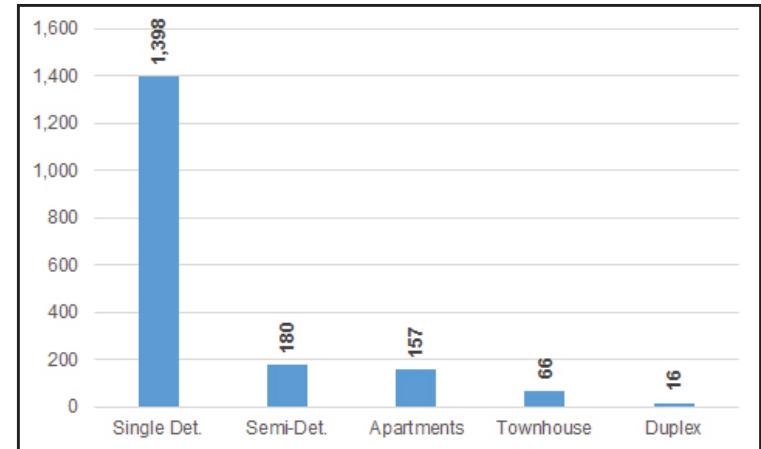
### Ownership Market

- Since 2012, home prices in St. Thomas have increased by 35.7% from \$191,607 to \$260,037.
- Inflation during this period was 7.0%.
- Price increase reflects increasing land and construction costs and demand from households and investors coming from the Greater Toronto Area and London.

### Rental Market

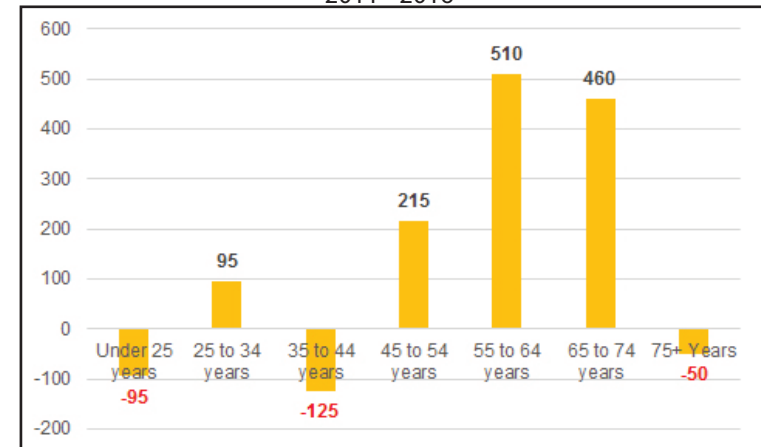
- Vacancy rate is 1.4% in St. Thomas/Elgin County (3.0% is a balanced market)
- Average monthly rents have increased by 10.1% between 2013 and 2017 (inflation was 7.0%).
  - Bachelor - \$ 469/month
  - One Bed - \$ 687/month
  - Two Bed - \$ 855/month
  - Three Bed - \$1,169/month

Building Permits for Dwelling Units in St. Thomas, 2007 - 2017



City of St. Thomas (2017)

Change in Profile of Renter Households in St. Thomas/Elgin County, 2011 - 2016



Source: Statistics Canada (2006, 2016), Catalogue no. 97-554-XCB2006034 and 98-400-X2016227

# Housing Affordability Problems and Supply of Social/Affordable Housing

## Centralized Waiting List

- Number of persons on waiting list has increased by 57% (214 persons) from 160 to 374 persons
- Majority on waiting list living in St. Thomas (254 or 68%), Aylmer (38 or 10%) and Elgin County (16 or 4%). Remainder are from areas outside of St. Thomas/Elgin County

## Housing Affordability Problems

- 3,540 households in St. Thomas/Elgin County are paying more than 30% of their income on shelter costs
- Greatest concentration is in St. Thomas (2,090 households or 60%), Aylmer (380 or 11%) and Central Elgin (195 or 6%).
- Majority of affordability problems occur in households earning less than \$30,000
- One-person and lone-parent households and senior households are more likely to have affordability problems

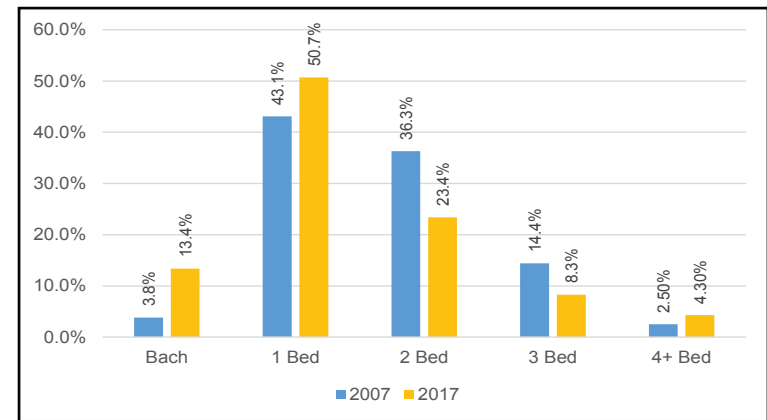
## Social Housing Stock

- More than two thirds of St. Thomas/Elgin County's 1,067 social housing units are located in St. Thomas (723 or 68%) followed by Aylmer (205 or 19%).
- Largest provider is the City of St. Thomas (512 units) followed by Eastwood Homes in St. Thomas (126 units) and Menno Homes in Aylmer (75 units). Remainder of providers have 10 to 67 units.
- Waiting times: 1.4 years for non-senior adults, 1.9 years for seniors and 2.1 years for families

## Affordable Housing Stock

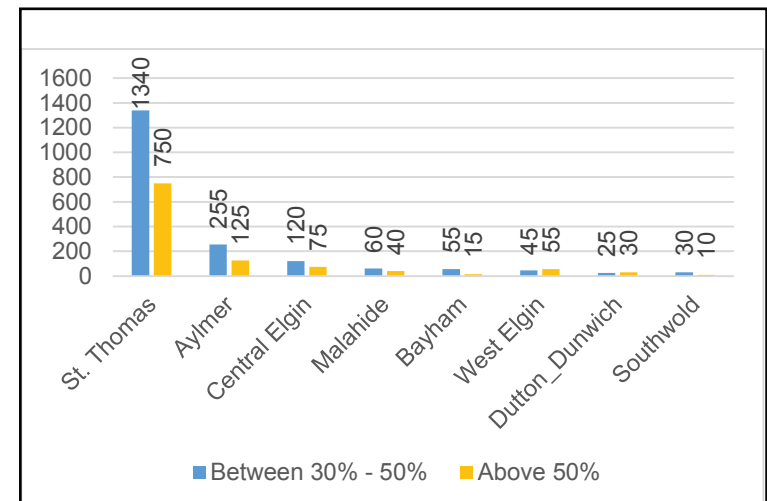
- Since 2008, 235 units of affordable housing were constructed. Almost 65% (154 or 65 per year) were built in St. Thomas, the remaining 81 in Elgin County (8 units per year)
- More than 70% (165) of affordable units had one bedroom
- Only 21 of 235 units were built for non-senior households
- Waiting list for new affordable units is no less than 1.5 years

Social Housing Demand by Unit Type, in St. Thomas/Elgin County, 2007-2017



Source: City of St. Thomas (2017)

Location and extent of moderate and severe affordability problems in St. Thomas/Elgin County, 2016



Source: Statistics Canada (2016)

# Affordable and Social Housing - Recommendations

## **St. Thomas Recommendations**

- 3.1** It is recommended that the City adopt a target of constructing 807 units (35 per year) of affordable housing by 2041. Adopting this target would address the increase of affordability problems for households earning less than \$30,000 per year. All affordable apartments constructed during this time should be accessible to persons with physical disabilities to reflect the growing number of older adults and seniors in St. Thomas and Elgin County.
- 3.2** Based on existing and future affordable housing needs, 65% of future affordable housing capital funds should be allocated to developments in St. Thomas with the remaining 35% allocated for developments in the County. These figures may vary from year to year depending on the number of viable developments in St. Thomas and the County.
- 3.3** It is recommended that the City, in its role as Service Manager, work with existing social housing providers to analyze the financial and operational impact of expiring operating agreements and encumbrances. These activities should take place 2 - 5 years from the end of such agreements to provide sufficient time to properly plan and executive changes if needed.

# Leveraging City Assets

## Growing number of social housing providers leveraging assets to build housing

- Limited capital funding opportunities
- High cost of land/construction
- Provincial housing policies (modernization strategy)
- Difficulty in securing land

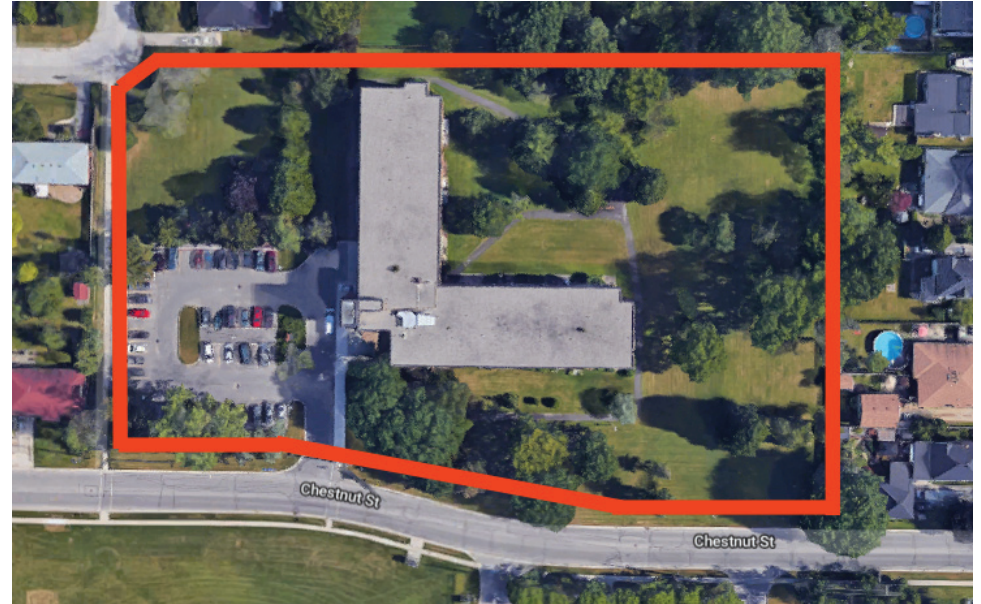
## St. Thomas could leverage existing land, ground oriented houses

- 168 dwellings could be leveraged
- Intensifying underutilized social housing sites (200 Chestnut St., 230 Talbot St., 58 Myrtle St., Aylmer)
- 14 homes to be sold, proceeds to help build 230 Talbot St. - Phase 1

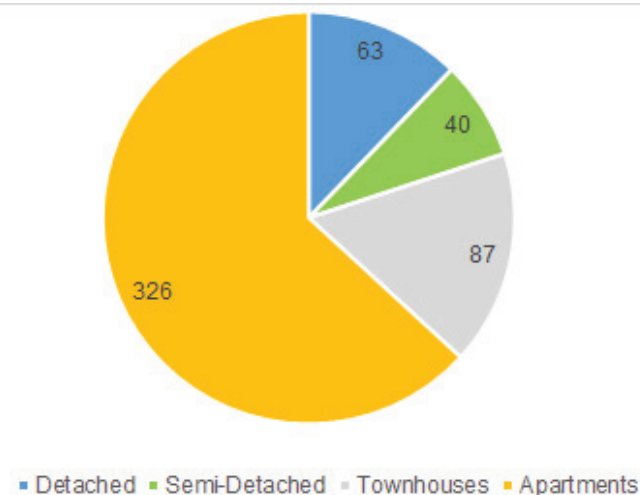
## Benefits of leveraging City owned assets

- Increase number of affordable units
- Adjust city owned stock to demographic changes
- Improve accessibility
- Reduce operating/capital costs
- Source of affordable ownership housing
- Limited availability of “clean” and properly sized sites
- Plan for future allocations of capital funding

200 Chestnut St., St. Thomas



Type of Dwellings in City Owned Housing Stock (2018)





# Leveraging City Assets - Recommendations

## St. Thomas Recommendations

- 4.1** Due to the complexity of constructing new affordable housing through leveraged assets, the City should use 230 Talbot St. (Phase 1) as a pilot project to help inform future leveraging activities.
- 4.2** The City should provide financial incentives in the form of long-term tax increment financing, waiving or deferring municipal fees and charges and providing debentures or financing through Infrastructure Ontario
- 4.3** In leveraging the ground oriented units, the City should attempt to maintain the overall number of family units in its portfolio
- 4.4** Of the properties already owned by the City, 200 Chestnut St., 230 Talbot St. and 58 Myrtle St. (Aylmer) are best suited for additional housing.
- 4.5** It is recommended that the City explore how affordable housing could be incorporated into future public works/asset projects such as new libraries or child care centres.
- 4.6** The City should release an Expression of Interest to community groups, private organizations and area municipalities in the County to identify potential sites and incentives for new affordable housing in St. Thomas and Elgin County.
- 4.7** Due to the lack of “clean” vacant properties in St. Thomas, the City should explore the possibility of purchasing or transferring land in new subdivisions (potentially as part of inclusionary zoning) to construct new affordable housing developments.

Rendering of 230 Talbot St. (Phase 1)



58 Myrtle St., Aylmer



# Affordable Housing Incentives

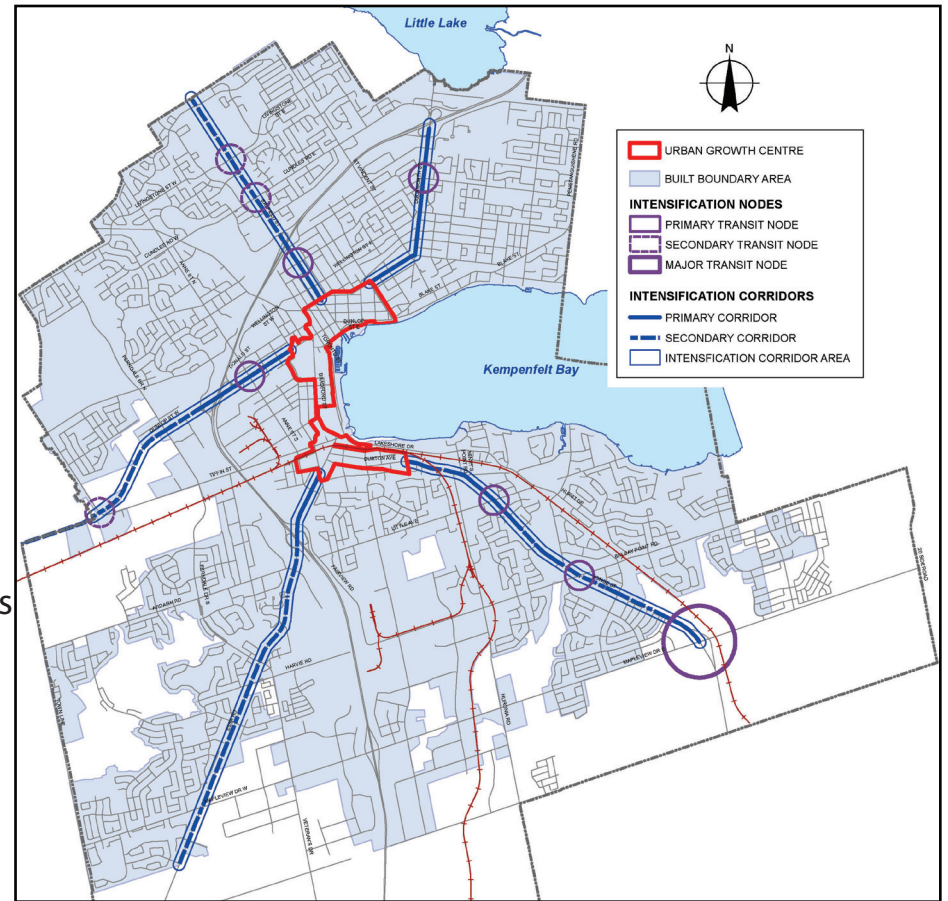
Growing number of municipalities using financial incentives to help create affordable rental housing. Common incentives include:

- **Tax Increment Financing** - Increases in property taxes from site improvements are delayed for up to 20 years. Full value of taxes begin at the end of eligible period
- **Development Charge Grant/Waiver** - A grant or waiver from municipal Development Charges for eligible developments
- **Development Charge Deferral** - Defers the payment of Development Charges to a later date (either upon completion of construction or 10 - 20 year period)
- **Municipal Fee Grant/Waiver** - A grant or waiver from municipal fees associated with development approvals applications
- **Housing Trust Fund** - Municipally created fund to provide capital funding for affordable housing developments
- **Second Unit Funding** - Capital funding to help support the creation of legal second units

Implemented through Affordable Housing Community Improvement Plan on portions (e.g. transit corridors - Cambridge) or entire built-up area (e.g. Barrie, Peterborough)

Most important incentives according to local developers:

- Capital funding
- Development Charge Waivers
- Tax Increment Financing (long term)



Barrie's Affordable Housing CIP is shown in blue and overlaps with the downtown CIP (area in red outline). Source: City of Barrie (2018)

# Affordable Housing Incentives - Recommendations

## St. Thomas Recommendations

- 5.1** The City should continue to work with developers to allow alternative standards for smaller houses to improve affordability for ownership housing. Due to the lack of high frequency transit and in some cases the need for parking for support service staff, the City should continue to require parking utilization studies to justify reductions in parking requirements.
- 5.2** To help preserve the affordable housing built since 2007, the City should continue to tax these properties at the “single family rate” subject to an extension of the project’s affordability period.
- 5.3** The City should implement a city wide Affordable Housing Community Improvement Plan (CIP) to ensure that affordable housing can be built across suitable areas of St. Thomas (e.g. residential areas).
- 5.4** It is recommended that the City provide a waiver or grant for the development charges required by eligible affordable housing developments. Funding for this grant could come through an annual allocation (similar to the downtown CIP).
- 5.5** To help meet its affordable housing targets, the City should implement a 20 year Property Tax Increment Financing program for eligible affordable housing developments.
- 5.6** As capital funding from the federal/provincial programs will not be able to fully meet community demand for affordable housing, the City should explore the feasibility of establishing a housing trust fund to provide additional capital funding for suitable developments.
- 5.7** To help promote the creation of second units, the City should provide modest capital funding (under \$25,000 per unit) through their federal/provincial funding allocation to interested and suitable home owners.

## County Recommendations

Despite the lower need for affordable housing compared to St. Thomas, there is growing demand for purpose built affordable and market rental buildings within Elgin County. As Elgin County does not collect property taxes or development charges, it should encourage area municipalities to implement the following incentives to help stimulate the construction of rental housing:

- 5.8** Area municipalities should implement an Affordable Housing Community Improvement Plan for areas that are appropriate for new multi-residential developments such as villages, settlement areas etc.
- 5.9** Despite having comparatively lower development charges to neighbouring municipalities, area municipalities should provide a waiver or grant for the development charges required by eligible affordable housing developments.
- 5.10** Area municipalities should implement a 20 year Property Tax Increment Financing program for eligible affordable housing developments
- 5.11** Due to the modest amount of capital funding allocated to the St. Thomas - Elgin County district, area municipalities should explore the feasibility of creating an affordable housing trust fund to provide capital funding to eligible developments
- 5.12** To help promote the creation of second units, area municipalities should consider providing modest capital funding grants (under \$25,000 per unit) to interested and suitable home owners.

# Updating Municipal Housing Facilities By-law

Municipalities are allowed to provide financial assistance to facilities and uses that are listed in Ontario Regulation 603/06 (2016). Municipal housing projects are permitted and defined as:

- “housing project” means a project or part of a project designed to provide or facilitate the provision of residential accommodation, with or without any public space, recreational facilities and commercial space or buildings appropriate thereto; (“ensemble domiciliaire”);
- “housing unit” includes a unit in a housing project owned or rented by an occupant; (“logement”)

To receive incentives, municipal housing projects must enter into a facilities agreement with the local municipality.

To ensure facilities agreements comply with O. Reg. 603/06, all municipalities must create a housing facilities by-law with the following information:

- Definition of affordable housing
- Outline who is eligible for living in affordable units
- All requirements that projects must meet to obtain incentives

The City has an existing housing facilities by-law (80-2005) that is used for new affordable housing projects. It is being updated to:

- Ensure that projects adhere to capital funding program requirements
- Update to reflect best practices
- Allow the City to provide incentives for future affordable housing developments



# Updating Municipal Housing Facilities - Recommendations

## St. Thomas Recommendations

- 6.1** Update the existing by-law's preamble and legal references to ensure that it references the most recent provincial legislations (e.g. Housing Services Act).
- 6.2** The City should simplify the definition of affordable housing in the by-law by:
- outlining the maximum rents for affordable units,
  - provide flexibility on including utility costs in rents,
  - remove references to minimum and maximum unit sizes, and
  - retain language on maximum income and housing costs for households living in affordable units.
- 6.3** It is recommended that the City not change the criteria for determining households that are eligible for affordable housing
- 6.4** Reporting requirements for future affordable housing developments should be based on the type and the depth of incentives provided by the City.
- 6.5** Flexible language should be used to outline the affordability period for developments that receive incentives from the City.
- 6.6** No changes are recommended to the by-law's existing Rent Supplement provisions
- 6.7** No changes are recommended to the by-law's existing rent increase provisions
- 6.8** Any future incentives provided by the City should be listed in the by-law as per O. Reg. 603/06 (18.2.1).

## County Recommendations

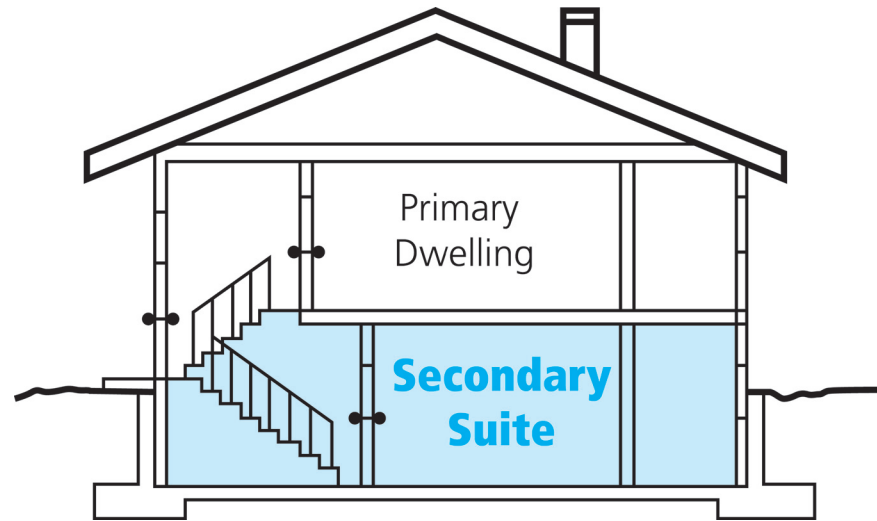
- 6.9** It is recommended that area municipalities within the County create municipal housing facilities by-laws to provide incentives for future affordable housing developments.

# Second Units

**What Are Second Units?:** Self-contained residential units with kitchen and bathroom facilities within or outside a house

**Key Benefits of Second Units:**

- Increase new rental stock in a community
- Increase neighbourhood density
- Provide flexible living space (can be repurposed at later date)
- Relatively affordable rental units compared to new market units
- Improve housing affordability for home owners
- Create inclusive neighbourhoods



*Source: City of Vaughan*

**Province has mandated that all municipalities permit second units in Official Plans and Zoning By-laws for single and semi-detached and townhouses**

- OP and Zoning policies cannot be appealed to Ontario Municipal Board

**Existing City of St. Thomas Planning Policies**

- OP permits second units in single detached, semi-detached and duplex dwellings
- No provisions for second units in Zoning By-law 50-88
- Zoning by-laws permit Converted Dwellings: allows a dwelling to be divided into two or more dwelling units

# Second Unit - Recommendations

## St. Thomas Recommendations

- 7.1** Amend the City's Official Plan to permit the creation of second units in single detached, semi-detached and townhouses.
- 7.2** Update the City's Zoning By-law to provide development standards for second units
- 7.3** It is recommended that the Converted Dwellings dwelling type continue to be used and implemented alongside second units to help preserve existing and create new rental units.
- 7.4** The City should establish a registration program to keep track of where legal second units are created and allow tenants to identify where legally created and operated second units are within St. Thomas.
- 7.5** To help generate awareness and interest among homeowners, it is recommended that St. Thomas create an education program that promotes the creation of second units in newly built and existing dwellings.
- 7.6** It is recommended that the City explore how incentives could affect the number of new second units built within St. Thomas and the Service Manager area.
- 7.7** The conditions in which garden or granny suites could be permitted within St. Thomas from a planning and engineering perspective (e.g. service capacity) should be examined by City staff.

## County Recommendations

- 7.8** Area municipalities should amend their Official Plans to define and permit second units in single detached, semi-detached and townhouse units.
- 7.9** The zoning by-laws for area municipalities to outline where second units can be created and to outline appropriate development standards for second units.
- 7.10** A monitoring or registration program should be established so that area municipalities can monitor the number and location of legal second units.
- 7.11** To help generate awareness and interest among homeowners, it is recommended that area municipalities create an education program that promotes the creation of second units in newly built and existing dwellings
- 7.12** It is recommended that the lower tier municipalities explore the conditions in which it would permit garden suites if they currently do not a permitted use within their respective zoning by-laws. For municipalities that do contain provisions regarding garden suites, it is recommended that they be updated to conform to Section 39 of the Planning Act.

# Lodging House Licensing By-law

**What is a Lodging House?** Residential dwelling where single rooms (bedrooms) are rented to non-related tenants and share common facilities such as a bathroom, kitchen and common area.

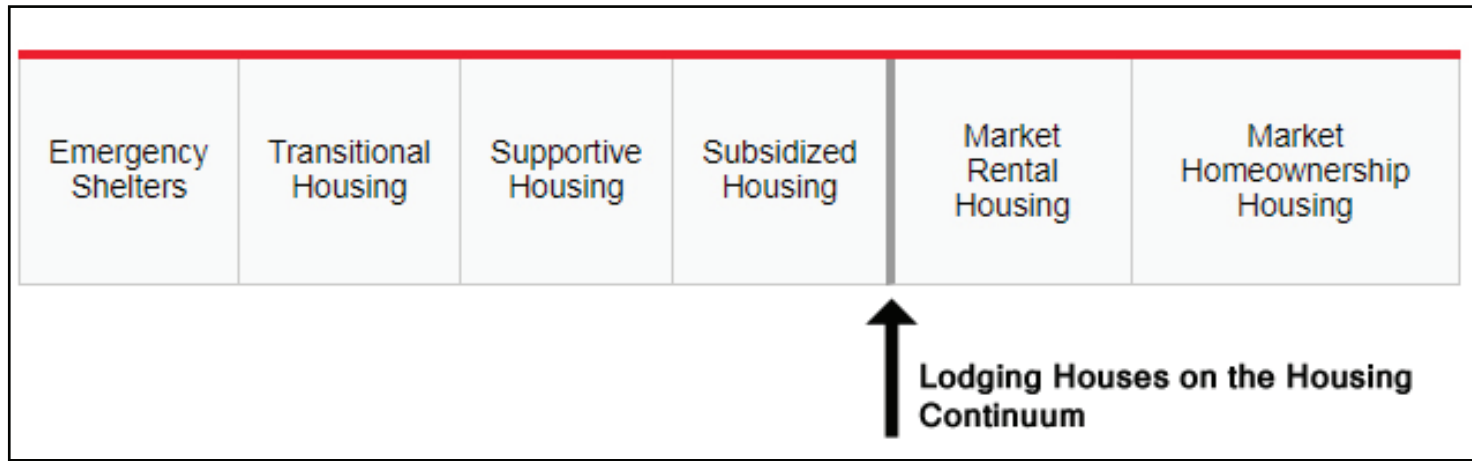
## Why are lodging houses important?

- They provide a source of affordable housing for one and two person households who have low incomes but can't access social housing.
- Monthly rents are typically \$325 - \$450 compared to \$687 for a one bedroom apartment.
- Demand is still high due to low availability of affordable housing and out-patient population from the Southwest Centre for Forensic Mental Health Care.

## 11 known lodging houses in St. Thomas, most near downtown

**City has a lodging licensing by-law 123-88 (1991) but has not been used in 10 years. Purpose of licensing by-law is:**

- Ensure tenants live in a safe and sanitary conditions
- Identify location of and preserve lodging house units



Source: CMHC, 2018

# Lodging House Licensing By-law - Recommendations

## St. Thomas Recommendations

- 8.1** Update the existing lodging house licensing by-law to reflect best practices and feedback from tenants. These changes include:
- Move lodging house property standards from licensing by-law to the City's existing property standards by-law,
  - Remove all standards that are applicable for Long Term Residential Care Facilities (e.g. cleaning linens),
  - The licensing by-law should primarily contain provisions related to the licensing process such as inspections, terms of the license etc., and
  - Utilize a simplified definition for lodging house owners and keepers.
- 8.2** The City should explore how it could provide capital funding to licensed lodging house through programs such as Ontario Renovates to help preserve this form of affordable housing.
- 8.3** The City should explore how the delivery of support services to lodging house tenants could be improved. While City and support service staff could do direct outreach to tenants, the City could also invite owners of licensed lodging houses to participate in the Residential Care Homes Network.



Lodging House in St. Thomas

# Informal Residential Care Facility Licensing By-law

**Residential Care Facilities (RCF) provide supportive housing to non-senior individuals who require assistance for daily activities due to physical disabilities, mental health and addictions challenges.**

- Level of supports varies depending on individual need but are most commonly in the form of meals, administration of medicine, bathing, supervision etc.
- Found in a wide variety of settings from converted single family homes (boarding or group homes) to large-scale facilities

## **Importance of Residential Care Facilities:**

- Reduced visits to hospitals and correctional facilities;
- Preventing homelessness by providing stable housing; and
- Allow tenants to receive holistic supports in the community rather than an institution

**Most RCF's are formally licensed and regulated by the Province of Ontario and receive per bed operating subsidies**

- Some informal facilities may receive operating subsidies from local support service organizations if they comply with local standard of care policies
- Some informal facilities do not receive operating subsidies as they do not adhere to local standard of care policies and are not licensed by the province
- Two informal facilities in St. Thomas, some unregulated beds within formal facilities

## **St. Thomas is exploring the possibility of creating an RCF licensing by-law to:**

- Ensure RCF's are safe and that they comply with Building/Fire Code and property standards
- Provide requirements for staff and general administration for RCF's to ensure tenants safety and rights are respected
- Ensure that suitable supports are being provided to tenants
- Track the number of informal/unlicensed beds in St. Thomas

# Informal Residential Care Facility Licensing By-law - Recommendations

## St. Thomas Recommendations

- 9.1** To help protect the health and well-being of RCF tenants, it is recommended that the City create a by-law to license care facilities and beds that are not licensed by the Province
- 9.2** The City should explore the preferred structure of the licensing by-law such as separating the licensing standards from the City's Standards of Care or having both in the same by-law.
- 9.3** A number of changes should be made to the City's existing policies for informal RCF's including:
- requiring annual inspections to ensure that the RCF meets all applicable building, fire, property and health codes and standards,
  - license and owner contact information posting requirements, and
  - establish a confidential complaints process/telephone line and create financial penalties for RCF owners who do not comply with the policies in the City's licensing by-law and associated Standards of Care.
- 9.4** To ensure that the licensing by-law accounts for the differences in regulating entire RCFs and unregulated beds in regulated facilities, the City should consult with the latter prior to implementing a licensing by-law.
- 9.5** It is recommended that the City's department for administering and monitoring business licensing be responsible for the proposed Residential Care Facility By-law. Compliance with the City's requirements could be undertaken by various City departments and support service agencies such as CMHA Elgin.



# Inclusionary Zoning Policies

**Inclusionary Zoning:** Municipal program that requires private developers to allocate a portion of their housing units in new residential developments for lower and moderate income households

## **Key Principals/Benefits of Inclusionary Zoning:**

- Providing an adequate supply of safe and affordable housing is a societal responsibility
- Affordable rental and ownership housing should be available in all neighbourhoods
- Reduce the stigma of affordable housing by mixing incomes
- Avoid the socio-economic problems commonly associated with concentrated affordable housing by mixing market and affordable housing

**Ontario passed legislation in April 2018 permitting municipalities (not mandatory) to enact Inclusionary Zoning with the following provisions:**

- Applicable only in developments with 10 or more dwelling units
- Municipal Assessment Report (need for affordable housing, impact of policies on housing market)
- Amend Official Plan/Zoning Policies
- Reporting Requirements
- Exempted Developments

## **Limited applicability in St. Thomas due to following factors:**

- Low number of non-affordable multi-residential developments
- Units would likely only be secured through new subdivisions
- Reluctance of most home builders to provide inclusionary units
- Incentives and planning provisions (e.g. density bonus) may be needed to secure land or affordable units



Development built under the Montgomery County Maryland, inclusionary zoning ordinance. The inclusionary units are in the middle. Photo by Eric Larsen



# Inclusionary Zoning - Recommendations

## St. Thomas Recommendation

- 10.1** The City should strengthen the Official Plan's existing affordable housing targets so that they outline the required amount of affordable housing and dwelling types in new residential developments.
- 10.2** It is recommended that the City undertake work to complete the municipal assessment report that is required to implement Inclusionary Zoning policies. In particular, this work should focus on the potential impact that such policies would have on the housing market and local home builders.
- 10.3** If determined to be feasible, the City should amend its Official Plan and Zoning By-laws to implement inclusionary zoning policies as outlined in the assessment report.

## County Recommendations

- 10.4** The County and Area Municipalities should strengthen their affordable housing targets to promote a greater variety of ownership dwelling types and tenure.
- 10.5** It is recommended that area municipalities complete the outstanding components of the municipal assessment report that is required to implement Inclusionary Zoning policies. In particular, this work should focus on the potential impact that such policies would have on the housing market and local home builders.
- 10.6** If determined to be feasible, area municipalities should amend their respective Official Plans and Zoning By-law to implement the inclusionary zoning policies and standards as identified in provincial legislation.

