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AFFORDABLE HOUSING PROGRAM REQUIREMENT FOR A HOUSING DELIVERY PLAN

The Community Services and Housing Committee recommends adoption of the recommendations contained in the following report, November 17, 2005, from the Commissioner of Community Services and Housing:

1. RECOMMENDATIONS

It is recommended that:

1. Staff be directed to develop a Housing Delivery Plan, under the Provincial Affordable Housing Program, as proposed in Section 4 of this report.
2. The Regional Clerk forward this report to the local municipalities for information.

2. PURPOSE

The purpose of this report is to inform Council of the need for the Region, in its role as Consolidated Municipal Service Manager (CMSM), to file a Housing Delivery Plan with the Province in order to access funds at a future date from the capital component of the Affordable Housing Program (AHP). This report proposes a process to be undertaken to prepare a general plan of approach for Council's consideration.

3. BACKGROUND

3.1 Announcement of Federal/Provincial Housing Program

Preliminary details of the extension and revision of the AHP were announced by the Province at the end of August 2005 and reported to Council at its October 27, 2005 meeting.

As outlined in our earlier report, further program details will be supplied by the Province over the next several months. As part of this further roll-out of information the Province has now indicated CMSMs will be required to file a Housing Delivery Plan in order to access funding under the capital component of the Program. It is expected that this Plan will provide a high level indication of how and over what time periods CMSMs will deliver the units with the funds they have been allocated under the AHP.

The date for the submission of the Delivery Plan has not yet been determined by the Province and will, in part, be contingent upon when sufficient program details are forwarded to CMSMs. The Province has indicated however that there will be a short turn around time to file the Delivery Plan, once program details become available.

4. ANALYSIS AND OPTIONS

4.1 Required Provincial Elements of the Delivery Plan

The Province has indicated that a Housing Delivery Plan must address the following elements:

- An indication of how different tenant groups will be served, including those suffering from mental illness as well as victims of domestic violence, new immigrants, aboriginals, people with disabilities, and seniors. The provincial allocation of 360 units for York Region for the Program includes 52 units for those with mental illness and 38 for victims of domestic violence. The Plan must also outline the eligibility criteria to be used by the CMSM to determine tenant eligibility in areas such as incoming household income limits.
- An outline of different types of development which will be used by the CMSM to deliver their allocations. The AHP now allows for expanded flexibility on the part of CMSM to create affordable housing including new development, acquisition of existing rental stock, use of second suites and conversion of non-residential buildings.
- An indication of how projects will be deemed eligible to receive funding. Eligibility will be a mixture of provincially imposed requirements and regionally desired outcomes. For example, there are provincially mandated maximum unit sizes that will need to be adhered to when considering projects. Additionally, the Region could also, for example, indicate a desire for third party projects to be located within centres and corridors.
- An indication by the CMSM of the intended municipal contributions. Program guidelines stipulate municipalities must continue to have at least equalized property tax rates for new multi-residential units and single family residences. York Region has this policy in place. In addition to the Program requirement, the Region could continue to offer grants in the amount of regional development charges paid by non-profit groups developing affordable rental housing, as approved by Council in June 2003.
- A preliminary timeline for implementation of the AHP.
- The project selection process for third party projects which must be fair and transparent.

4.2 York Region's Considerations for a Delivery Plan

A York Region Delivery Plan will reflect several considerations including:

- The eight principles of the Region's Housing Supply Strategy approved by Council in June 2002:

1. Integration of housing into the broader community.
 2. Permanent/ long term affordability.
 3. Focus on modest housing form.
 4. Intensification along Regional centres and corridors.
 5. Linking housing to transit, employment and proximity to services such as shopping and healthcare.
 6. Serving households on the Social Housing Waiting List.
 7. Local municipal support for housing initiatives.
 8. Regional contributions will be secured in a way to achieve public accountability.
- Leveraging, to the extent possible, limited Regional financial resources.
 - Maximizing the use of federal and provincial funding.
 - Examining the range of procurement options allowed under the AHP to determine a “best-mix” for the Region.

4.3 York Region's Plan Development Process

Staff will consult with local municipalities through the staff Inter-Municipal Working Group for Affordable Housing. It is not required at this stage to identify project specific allocations; however it will be important for local municipalities to provide general input into the process, given that they retain control over much of the downstream site and building approval processes for specific projects. It is recognized that local municipal staff have an understanding of their local housing markets and conditions which is a valuable resource in developing a housing delivery plan.

Other stakeholders such as non-profit groups, members of the Alliance to End Homelessness, builders and rental building owners will be consulted through focus groups. A consultant will be retained to conduct these information sessions.

Feedback from these sources will be incorporated into an overall Delivery Plan for Council's consideration. The plan will also show preliminary expected costs to the Region to participate in the Program.

Finally, the Plan when completed would allow for the Housing Supply Strategy to be updated, particularly in regard to goals, timelines, and targets.

5. FINANCIAL IMPLICATIONS

The cost to the Region to hire a consultant to facilitate feedback and help in the formulation of the Housing Delivery Plan is estimated to cost \$15,000. This cost can be accommodated within the proposed Community Services and Housing Department's 2006 Operating Budget.

Staff will also report to Council regarding the financial and potential legal impacts to the Region of participating in the Program when fuller program details are available.

6. LOCAL MUNICIPAL IMPACT

Regional staff will seek input from local municipal staff through the Inter-Municipal Working Group for Affordable Housing in developing a general plan of approach to deliver the Affordable Housing Program in York Region. The Plan will be high-level, reflective of the Region's Housing Supply Strategy and not involve specific project planning. Local municipalities will retain their mandate over site and building approvals on a project by project basis as each situation warrants.

7. CONCLUSION

In order to access funds at a future date through the capital component of the Affordable Housing Program, the Region must file a Housing Delivery Plan with the Province. The date for the submission of the Plan has not yet been determined by the Province, and will in part be contingent upon when sufficient program details are forwarded to Service Managers. The Province has however indicated that there will be a short turn around time to file the Delivery Plan, once program details become available.

The process to develop the Plan should be started now in order to receive appropriate input from a range of stakeholders. The completed Plan will be brought back to Council for further consideration.

The Senior Management Group has reviewed this report.