

TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL **FILE: D04-AFF**

FROM: S. NAYLOR, M.E.S., M.C.I.P., R.P.P., DIRECTOR OF PLANNING SERVICES

NOTED: R. FORWARD, MBA, M.Sc., P. ENG. *R. Forward*
 GENERAL MANAGER OF INFRASTRUCTURE & GROWTH MANAGEMENT

C. LADD, CHIEF ADMINISTRATIVE OFFICER *[Signature]*

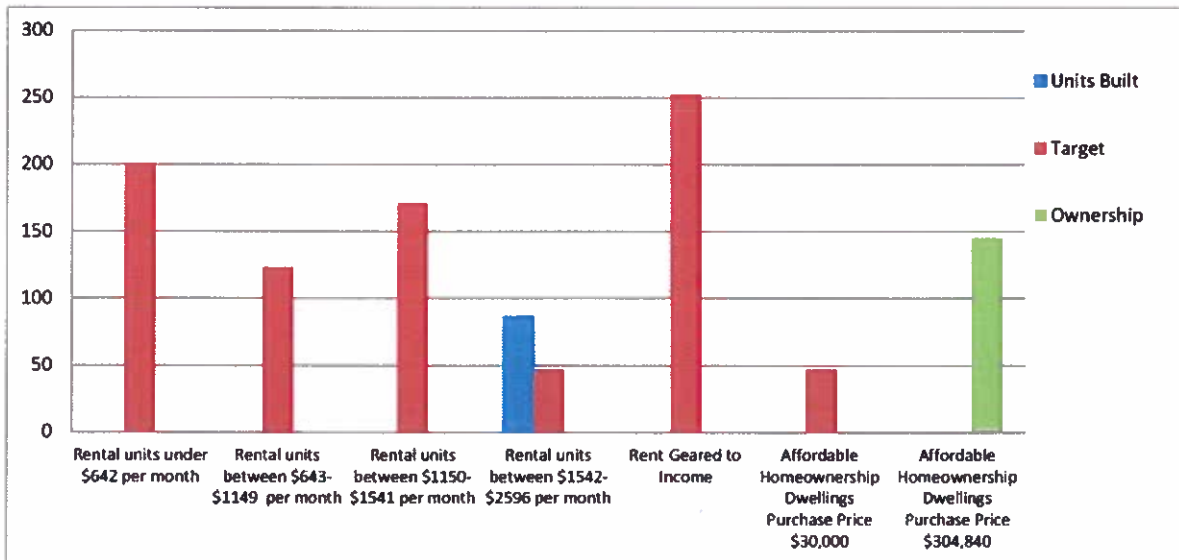
RE: AFFORDABLE HOUSING MONITORING REPORT

DATE: JUNE 27, 2016

Please find attached the first Annual Affordable Housing Monitoring Report for the period 2015 to May 2016.

On February 18, 2015, Council approved the City of Barrie Affordable Housing Strategy. The report which follows represents the initiatives, results and successes which have occurred since the approval of the strategy. The process of monitoring and evaluating results is still in a state of evolution and City staff have been working with our colleagues at the County of Simcoe and surrounding municipalities to ensure consistency and accuracy in reporting on these matters. Staff will continue to monitor and report back to Council on the achievement of the City's goals in this important initiative.

In summary, the City has made significant progress in achieving our 10 year targets in creating rental units affordable to households making an average income between \$1,542 and \$2,596 per month with the creation of 86 new units. This exceeds the 10 year target of 47 units in that category within the first year of the Strategy. With regards to affordable ownership, there were no units constructed that would be affordable to households making \$30,000 per year or less. Out of 451 units occupied in 2015, 145 (or 32%) of them were sold below the affordability threshold of \$304,000 (based on 30% of median household income in Barrie). The numbers in 2016 are somewhat lower, likely due to the fact that not all units which have been issued occupancy have actually been sold yet. The data in this report seems to indicate that while the City has made significant progress in the provision of affordable housing at the higher end of the spectrum, additional work needs to be done to meet targets at the lower end.



If Members of Council have any questions or comments please contact Merwan Kalyaniwalla, Manager of Policy Planning at extension 4314.



S. Naylor, M.C.I.P., R.P.P.
Director of Planning Services

AFFORDABLE HOUSING ANNUAL REPORT 2015 -2016 (JUNE)



The City of
BARRIE

AFFORDABLE HOUSING ANNUAL REPORT

A MESSAGE FROM THE MAYOR

On February 18th, 2015 City Council approved the City of Barrie Affordable Housing Strategy. This document provides a progressive plan to encourage, stimulate and increase the supply and range of affordable housing options to meet the needs of our residents, at all income levels and stages of life. Housing is a basic and fundamental need. Access to safe, affordable and adequate housing promotes overall health and wellbeing, increases resident safety and creates a more livable community.

Affordable housing encompasses a range of housing types allowing families and individuals of all income levels to find suitable places to live without spending a disproportionate percentage of their income on housing. Affordable housing can include ownership, rental or subsidized housing.

The Strategy recommended 14 Action items which the City has been working on over the course of 2015-2016. The majority of these actions have been completed or are in the process of being completed.

City Council is dedicated to addressing this increasingly important issue. The following report outlines our successes in this area in 2015 and the first 2 quarters of 2016 but there is still much work left to do. I am confident that with support of your City Council and the hard work of staff and dedicated representatives of the community we can accomplish even more in 2016 and beyond.



Signed

A handwritten signature in black ink, which appears to be "Jeff Lehman". The signature is written in a cursive, flowing style.

Jeff Lehman, Mayor, City of Barrie

WHAT IS AFFORDABLE HOUSING?

“Affordable Housing” is defined in the Provincial Policy Statement, the City of Barrie Official Plan and the City of Barrie Affordable Housing Strategy as:

- i) In the case of home ownership, 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 price of a resale unit in the regional market area.

- ii) In the case of rental housing, the least expensive of:
 - (1) A unit for which the rent does not exceed 30 percent of the 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.”

It is a goal of the Official Plan Affordable Housing policies to achieve a minimum target of 10% of all new housing units to be affordable housing based on the definitions above.

WHAT DOES THAT MEAN IN BARRIE?

Based on the definitions above, affordable home ownership in Barrie is calculated as;

Affordable Homeownership Definition				
2016 Housing Affordability for Barrie				
	Income	Maximum Affordable House Price		
	Adjusted Median Total Household Income (Based on Stats Can income adjusted for Inflation Increase using Consumer Price Index of 9.7% between 2010 to 2016)	CMHC Calculator (30% of annual gross household income)	Regional Maximum (CMHC - 10% Below Average Resale Price)	Lower of Calculated House Price or Regional Maximum
Barrie	\$ 76,209	\$304,840	\$ 318,550	\$ 304,840

Similarly, Average Market Rents (AMR) in Barrie are as follows;

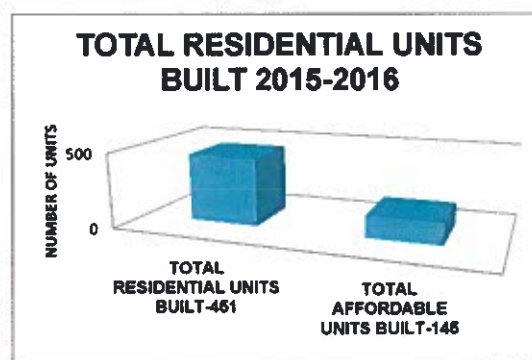
Apartments (Rent per month)	Bachelor	1 bedroom	2 bedroom	3 bedroom	30% of annual gross household income
	\$728	\$1006	\$1167	\$1299	\$1905

Source: CMHC Rental Housing Market Report Fall 2015

Vacancy rates in Barrie dropped from 1.6% in October of 2014 to 1.3% in October of 2015. A healthy vacancy rate is considered to be 5% and above. In 2015 the only Canadian Cities with vacancy rates lower than Barrie's were Abbotsford-Mission, Guelph, Kelowna, Vancouver and Victoria. Average rents in Barrie still remain amongst the highest in Canadian Cities with only Calgary, Vancouver, Toronto and Montreal reporting higher rents. In Ontario, only Toronto and Ottawa have rents higher than Barrie averaging at approximately \$1288.00 and \$1174 respectively (for a 2 bedroom apartment) in comparison to Barrie's rent at \$1169.

AFFORDABLE HOME OWNERSHIP

In 2015, the City issued approximately 451 occupancy permits for residential dwelling units across the full spectrum of dwelling types including ground related housing such as detached, semi-detached and town-housing to medium and high density types such as walk-up and high rise apartments. Of these units approximately 145 units were sold below the affordability threshold of \$304,000. Using the affordability definition in the Provincial Policy Statement, City of Barrie Official Plan and City of Barrie Affordable Housing Strategy, these figures reveal that almost a third of the units (32%) would meet the definition of affordability.



In 2016 the City has issued approximately 229 occupancy permits to May 2016. Of these units approximately 9 units were sold under the \$304 000 affordability threshold. This means approximately 4% of units would meet the affordability definition in the PPS, the City's Official Plan and the City's Affordable Housing Strategy as of the end of May 2016.

MARKET BUILT RENTAL

There have only been 2 market built rental projects in Barrie from January 2015 to present. Market built rental is defined as rental projects built without government funding. These projects are as follows;

306 – 314 Georgian Drive

This project is under construction and consists of 73 student rental units in 5 stacked townhouses.

203 Coxmill Road:

To be developed as a 3 storey walk-up apartment consisting of eight residential rental units. This project has received draft site plan approval with conditions issued on May 16th, 2016. Anticipated rents are unknown.

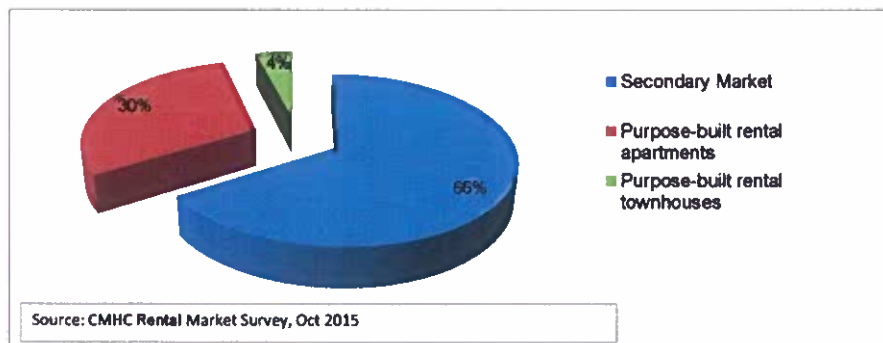
SECOND SUITES

On June 22nd, 2015 Council, in accordance with Provincial Policy, amended its By-law to permit “second suites” as of right in a variety of housing forms throughout the City with the exception of the area identified as the Georgian College Neighbourhood. Second suites are defined as a second dwelling unit located on the same property as the principle dwelling and are usually developed as basement apartments, though the City’s by-law would permit them in detached accessory buildings as well. Second suites are not



considered part of the “primary purpose built rental market” but in Barrie and in many Simcoe municipalities they do and will continue to form an important component of the “secondary rental market which consists of rented single detached, semi-detached, row and condominiums. In Barrie, 7,700 households or 66% of the rented units were in the “secondary rental market” of which second suites form a component.

The process for developing a second suite in Barrie requires the issuance of a Zoning Certificate to ensure compliance with our zoning standards and then application for a building permit to ensure compliance with the Ontario Building Code and the Fire Code. There were 221 zoning certificates issued for second suites from January 2015 to the present of which only 39 occupancies permits were finalized. There are still a number of building permits being reviewed. Given the size and nature of second suites staff are have made the assumption that 90% of second suites will fall within the definition of affordable rental. Consequently of the 39 second suites built in 2015-2016, 35 will meet the definition of affordable.



GOVERNMENT FUNDED AFFORDABLE HOUSING

The County of Simcoe is the social housing provider within our region. As such, the County has a variety of programs in place to provide financial assistance to the segments of our population in the greatest need ranging from owning and managing social housing projects throughout the County to providing financial assistance for down payments to potential home buyers in need. The following households and/or projects in Barrie received financial assistance from one or more of the County's programs;

2015

Home ownership down payment assistance program for households with income at or below \$72,900: **6 households**

Rent supplement & housing allowance program for low to moderate income households, including recipients of Ontario Works and Ontario Disability Support Program benefits: **52 households**

Federal/Provincial Funding program to create second suites: **0 units completed**

New affordable rental development with federal /provincial funds (rents at 70% average market rent for project as a whole): **38 units**

2016 to end of May

Home ownership down payment assistance program for households with income at or below \$72,900: **1 household (2016 program began in April)**

Rent supplement & housing allowance program for low to moderate income households, including recipients of Ontario Works and Ontario Disability Support Program benefits: **6 households added to the existing 52 for a total of 58**

Federal/Provincial Funding program to create second suites: **3 units completed**

New affordable rental development by Simcoe County Housing Corporation: **54 units (set to open summer 2016)**

AFFORDABLE RENTAL DEVELOPMENT

In the 2015-2016 period, the City has seen the development of two affordable rental projects which received government funding projects described above. These two projects affordable rental projects were;

98 Penetanguishene Road

A senior's rental project owned and administered by Riverbank Homes consisting of 38 one bedroom units of which 6 are available at market rents, 6 are barrier free units and the remaining 26 are available at 70% of average market rent.



33 Brooks Street

A senior's rental project owned and administered by the Simcoe County Housing Corporation consisting of 54 units. This project is currently under construction and is scheduled to open in the summer of 2016.



AFFORDABLE HOUSING TARGETS

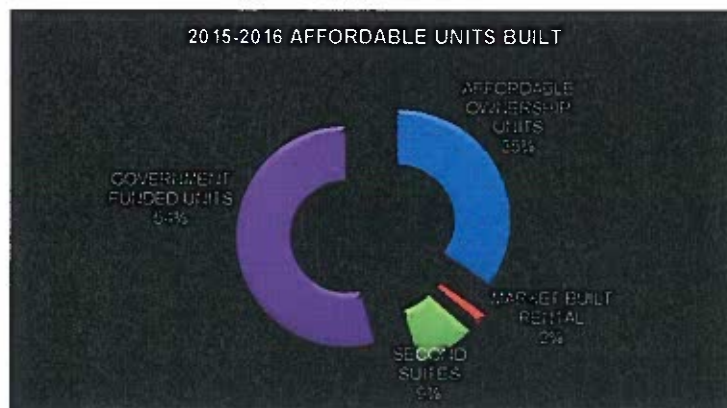
The City of Barrie Affordable Housing Strategy also identifies housing targets which were derived from the County of Simcoe’s 10 Year Housing and Homelessness Prevention Strategy. These targets are intended to be achieved over the 10 year period from the date of approval of the City’s Housing Strategy and are identified on Page 4 of the Strategy and are as follows;

Units affordable to persons making							
	<\$642 /mth	\$643 - \$1,149 /mth	\$1,150 - \$1,541 /mth	\$1,542 - \$2,596 /mth	Rent-Geared to Income	Affordable Homeownership Dwellings <\$30,000 per year	Total Affordable Dwellings required
Required Rents	\$192	\$192 - \$344	\$344 - \$462	\$462 - \$778		Purchase Price: \$115,000	
City of Barrie	200	123	171	47	252	47	840
Simcoe County	518	341	649	174	805	198	2,685

Based on the rents and/or purchase price required for housing at these income levels, the two projects at 98 Penetanguishene Road and 33 Brooks Street will cumulatively achieve and in fact exceed the target 47 units for households with an income between \$1542 and \$2596/month. (Note that 6 of the units at 98 Penetanguishene are available at market rent which would exceed the threshold for this category)

There are no units which have been developed in Barrie in the first two rental categories however it can be assumed that some of the second suites that have been developed in 2015-2016 may fall into the third category.

There are no units available in Barrie either new or resale that are available for ownership to households making less than \$30,000 per year.



OTHER INITIATIVES

New Community Improvement Plan

In 2016, Council is considering a new Community Improvement Plan (CIP) which will provide financial incentives for the development of affordable housing throughout the City. These incentives are targeted towards emergency shelters, transitional housing, social housing and affordable rental units. The incentives range from waiver of applications fees to reductions in development charges as well as incremental reductions in taxes for a limited time period. The goal of this CIP, among other things, is to provide financial assistance to private and non-profit housing providers to encourage the development of new affordable housing units.



Introduction of new housing types and reduction in standards

One of the recommendations of the Affordable housing Strategy was to review existing zoning standards to remove or reduce standards which increased the cost of developing affordable housing. The City established a committee known as the Built Form Task Force which consisted of staff and representatives of housing providers, developers and other stakeholders to tackle this issue. In June of 2016, a public meeting was held to consider new housing types which currently do not exist in Barrie such as container housing, micro



housing, back to back town housing and others as well as reductions in performance standards. The Task Force also looked at existing engineering standards, urban design standards and financial impediments. A report on this matter will be considered by Council in the fall of 2016.



APPENDIX A: RENTAL MARKET INDICATORS

I. O Rental Market Indicators Privately Initiated Apartment Structures of Three Units and Over Provinces and Major Centres ¹																		
Centres	Vacancy Rates (%)				Availability Rates (%)				Average Rent 2 Bedroom (\$) (New and existing structures)				Percentage Change of Average Rent Two Bedroom From Fixed Sample (Existing structures only)					
	Oct-14		Oct-15		Oct-14		Oct-15		Oct-14		Oct-15		Oct-13 to Oct-14		Oct-14 to Oct-15			
Newfoundland & Labrador 10,000+	4.1	a	4.1	a	-	5.4	a	5.1	a	-	812	a	834	a	3.1	b	1.1	a
St. John's CMA	4.6	a	4.7	a	-	6.0	a	6.1	a	-	888	a	923	a	3.2	b	1.2	a
Prince Edward Island 10,000+	5.4	a	4.8	b	-	6.2	a	5.1	b	-	819	a	814	a	0.7	a	**	
Charlottetown CA	5.9	a	4.2	b	-	6.7	a	4.6	b	-	836	a	830	a	0.3	b	**	
Nova Scotia 10,000+	4.1	a	3.8	a	-	4.7	a	4.7	a	-	955	a	992	a	1.7	a	1.7	a
Halifax CMA	3.8	a	3.4	a	-	4.5	a	4.5	a	-	1,005	a	1,048	a	1.8	b	1.7	a
New Brunswick 10,000+	8.0	a	7.4	a	-	8.6	a	7.8	a	-	735	a	744	a	1.2	a	1.1	a
Moncton CMA	8.7	a	7.4	a	-	9.1	a	7.9	a	-	762	a	760	a	1.2	a	++	
Saint John CMA	9.0	a	8.5	a	-	10.0	a	8.7	a	-	714	a	718	a	0.7	b	1.5	c
Québec 10,000+	3.7	a	4.3	a	-	4.1	a	4.7	a	-	711	a	728	a	2.0	a	**	
Ottawa-Gatineau CMA (Que. Part)	6.5	b	5.9	b	-	7.0	b	7.3	b	-	750	a	751	a	2.1	c	0.9	d
Montréal CMA	3.4	a	4.0	a	-	3.9	a	4.4	a	-	739	a	760	a	2.2	a	**	
Québec CMA	3.1	a	4.0	a	-	3.7	a	4.6	a	-	775	a	788	a	2.0	a	1.3	a
Saguenay CMA	4.2	b	7.1	b	-	4.3	b	7.2	b	-	595	a	598	a	2.1	c	1.0	d
Sherbrooke CMA	5.4	a	5.8	a	-	5.5	a	5.9	a	-	604	a	608	a	1.7	b	1.3	a
Trois-Rivières CMA	5.3	b	6.0	a	-	5.7	a	6.2	a	-	568	a	581	a	1.8	c	1.2	a
Ontario 10,000+	2.3	a	2.4	a	-	3.8	a	4.1	a	-	1,086	a	1,121	a	2.1	a	3.1	a
Barrie CMA	1.6	b	1.3	a	-	3.2	b	2.8	a	-	1,118	a	1,167	b	1.5	a	4.3	d
Brantford CMA	2.4	a	2.5	a	-	3.2	b	3.8	b	-	855	a	870	a	1.8	c	3.9	b
Greater Sudbury/Grand Sudbury CMA	4.2	b	3.5	b	-	5.3	b	4.1	b	-	927	a	953	a	1.6	c	2.5	b
Guelph CMA	1.2	a	1.2	a	-	2.4	a	2.4	a	-	988	a	1,027	a	3.0	a	3.4	a
Hamilton CMA	2.2	a	3.4	a	-	3.6	a	6.6	a	-	959	a	1,034	a	2.8	a	3.8	b
Kingston CMA	1.9	a	2.8	a	-	3.5	a	4.1	b	-	1,070	a	1,096	a	2.1	a	2.9	a
Kitchener-Cambridge-Waterloo CMA	2.3	a	2.4	a	-	3.8	a	4.2	a	-	975	a	997	a	1.6	a	2.7	a
London CMA	2.9	a	2.9	a	-	5.1	a	5.3	a	-	943	a	963	a	1.0	a	2.3	a
St. Catharines-Niagara CMA	3.6	b	2.8	a	-	5.7	a	4.8	a	-	892	a	909	a	1.6	a	3.2	a
Oshawa CMA	1.8	a	1.7	a	-	2.9	a	2.4	a	↓	1,010	a	1,035	a	2.8	b	1.9	c
Ottawa-Gatineau CMA (Ont. Part)	2.6	a	3.4	a	↑	4.7	a	5.5	a	↑	1,132	a	1,174	a	++		3.1	b
Peterborough CMA	2.9	a	3.7	b	-	3.7	b	5.1	b	↑	952	a	959	a	1.4	a	1.6	b
Thunder Bay CMA	2.3	a	4.6	a	↑	3.2	a	5.2	a	↑	888	a	917	a	3.9	c	2.3	b
Toronto CMA	1.6	a	1.6	a	-	3.0	a	3.1	a	-	1,251	a	1,288	a	2.6	a	3.4	a
Windsor CMA	4.3	a	3.9	a	-	5.6	a	4.8	a	↓	798	a	824	a	1.9	b	2.6	a
Manitoba 10,000+	2.5	a	2.9	a	↑	3.3	a	5.2	a	↑	983	a	1,012	a	4.1	a	3.3	a
Winnipeg CMA	2.5	a	2.9	a	↑	3.4	a	5.5	a	↑	1,016	a	1,045	a	4.2	b	3.3	a
Saskatchewan 10,000+ (3)	4.1	a	6.8	a	↑	5.3	a	8.4	a	↑	1,056	a	1,056	a	4.7	a	++	
Regina CMA	3.0	a	5.4	a	↑	4.4	a	6.1	a	↑	1,079	a	1,079	a	3.0	a	++	
Saskatoon CMA	3.4	a	6.5	a	↑	5.0	a	8.6	a	↑	1,091	a	1,087	a	4.3	a	0.5	b
Alberta 10,000+ (4)	2.1	a	5.6	a	↑	3.1	a	7.6	a	↑	1,238	a	1,253	a	5.7	a	1.2	a
Calgary CMA	1.4	a	5.3	a	↑	2.7	a	7.7	a	↑	1,322	a	1,332	a	5.9	a	++	
Edmonton CMA	1.7	a	4.2	a	↑	2.5	a	6.1	a	↑	1,227	a	1,259	a	6.1	a	2.2	a
British Columbia 10,000+	1.5	a	1.2	a	↓	2.3	a	1.7	a	↓	1,112	a	1,155	a	2.4	a	3.7	a
Abbotsford-Mission CMA	3.1	a	0.8	a	↓	4.6	a	1.3	a	↓	835	a	864	a	1.1	a	2.8	a
Kelowna CMA	1.0	a	0.7	a	↓	1.7	a	0.9	a	↓	980	a	1,002	a	1.6	b	3.9	b
Vancouver CMA	1.0	a	0.8	a	↓	1.6	a	1.2	a	↓	1,311	a	1,368	a	2.5	a	4.4	a
Victoria CMA	1.5	a	0.6	a	↓	2.6	a	1.0	a	↓	1,095	a	1,128	a	2.6	a	2.4	a
Canada CMAs (1)	2.8	a	3.3	a	↑	3.7	a	4.3	a	↑	941	a	966	a	2.5	a	2.9	b
Canada 10,000+	3.0	a	3.5	a	↑	3.9	a	4.5	a	↑	915	a	939	a	2.4	a	2.7	b