

Guelph & Wellington Task Force for Poverty Elimination  
160 Chancellors Way  
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Joan Jylanne, Senior Policy Planner  
Planning Services  
City of Guelph  
1 Carden Street  
Guelph ON N1H 3A1

Dear Joan,

In our 2014 – 2017 Strategic Plan, the Poverty Task Force identifies affordable housing and homelessness as a priority issue. In an effort to eliminate poverty in our community, we are working toward a goal where everyone in Guelph and Wellington can find and maintain an appropriate, safe, and affordable place to call home. As part of our efforts to reach this goal, the PTF has made a commitment to provide input, monitor, and support the development and/or implementation of municipal housing strategies and plans, including the City of Guelph's Affordable Housing Strategy (AHS) and the County of Wellington's 10 year Housing and Homelessness Plan. Through delegations and participation in stakeholder engagement sessions hosted by the City of Guelph, the PTF has provided high level feedback at different stages of the development of the AHS. As the third phase of the development of the AHS nears completion, the PTF would like to take another opportunity to provide more detailed input and to place clear emphasis on the elements that we believe to be essential in ensuring the strategy is successful.

We believe a strong Affordable Housing Strategy from the City of Guelph must include the following elements:

- ***A definition of affordable housing that is meaningful and resonates with our community.***  
In *The Current State of Housing in the City of Guelph*, the City defines affordable housing according to the minimal expectations as articulated in the Provincial Policy Statement, 2014

and Provincial Growth Plan 2006. While we understand that municipalities are required to follow this definition as a guide, it is limited in its recognition of the full continuum of needs that exist in most communities, including ours. With one of the lowest vacancy rates in the Country, the rise of one person households, and a high incidence of households in core housing need, a definition of affordability for Guelph needs to look beyond a primary focus on private market housing. We encourage the City to expand the definition of affordable housing to one that resonates with the needs of our community and meaningfully addresses them.

- ***A strong goal that demonstrates a clear vision and sense of urgency.***

In the City's *Current State of Housing* report, as well as the *Draft Directions Report*, the focus has been on addressing municipal requirements and identifying tools for affordable housing. The City has identified a problem statement that encompasses the City's affordable housing issues, as well as three specific challenges our community faces. While we recognize the good research, analysis, and community engagement that went into this process, we anticipate that the City will put forward a more concrete goal in the final AHS that demonstrates a clear vision and sense of urgency. As we have shared in previous correspondence with the City, the PTF believes that the goal should recognize that housing should be appropriate, safe, and affordable for residents of Guelph at all income levels. At a minimum, 50% of new housing should be affordable, and half of the affordable housing (25%) should be affordable to people living in the 40% of households making up the bottom two income quintiles and who face the greatest challenges in securing affordable housing.

- ***A format that ensures transparency and accountability.***

We recognize that the City has likely spent considerable time reviewing AHS's from other municipalities and have identified the strengths of each. While we are confident that the City will present a strong AHS, the PTF would like to encourage a format we believe ensures transparency and accountability. For each recommended action that is included in the AHS, the PTF recommends that the City clearly identify the priority, timing, and implementation plan.

### ***Feedback on Specific Priorities & Themes***

According to the Affordable Housing Strategy Draft Directions Survey, the City is currently looking for feedback on the importance of each of the 24 draft directions, including how 8 specific directions can address three issues identified in the Draft Directions. In an attempt to satisfy the needs of the City, while maintaining an emphasis on main directions identified by the PTF in previous correspondences,

we are encouraging the City to dig deeper on four key priorities. These priorities are themed as land, financial incentives, partnerships, and advocacy.

## **1. Land**

Of the 8 specific directions highlighted in the AHS Draft Directions Survey, there are two that the PTF thinks can be grouped. While we strongly support the City in developing a policy to increase the utilization of municipal lands for affordable housing where appropriate, we also feel that this could be done in combination with a community land banking program for added impact. Modeled after best practices, such as the Newburgh Community Land Bank (<http://newburghcommunitylandbank.org/>), the community land bank could operate as a non-profit organization and work in partnership with the City to:

- Acquire title to vacant and abandoned properties,
- Eliminate barriers to redevelopment (remediation, zoning, etc.), and
- Transfer property to a new owner in a way that supports community needs and priorities for affordable housing.
- Work in partnership with local housing providers to build a demonstration project on land from the land bank to show the potential for successful collaboration in the building of affordable housing

## **2. Financial Incentives**

The development of affordable housing will require some investment by the city as well as other partners in the process. We see a range of techniques the City can use as appropriate in encouraging affordable housing. We support the following initiatives as part of the set of tools the city can use to incentivize the development of affordable housing for all income groups:

- Development of Community Improvement Plans
- Tax Increment financing
- Direct financial incentives (grants etc.) for target types of units
- Development charge exemptions for affordable Housing
- Inclusion of social/affordable housing in the next Development charge review (2019)

The PTF has consistently advocated for meaningful investments in the City's Affordable Housing Reserve Fund, along with the development of a policy that would direct how it could be used. We are

pleased to see that providing direct financial incentives has been identified as one of the eight draft directions that the City thinks shows potential for increasing the number of smaller rental units and primary rental housing. Housing reserve funds can assist municipalities to accrue and access funds to make financial contributions towards emergency, transitional and supportive housing projects, as well as other kinds of housing. These funds can be used as a way to leverage additional capital from other levels of government, as well as private and nonprofit partners. Some municipalities have used their funds to provide capital grants in support of affordable housing projects, others to offset municipal development fees or to fund the redevelopment or expansion of existing affordable housing sites.

Other communities across Canada have demonstrated favourable impacts on the provision of affordable housing through an Affordable Housing Reserve. In Saskatoon, AB, for example, a total of 2,534 units in 73 projects were completed, or under construction, with the funding allocated by the Affordable Housing Reserve from 2008 to 2012, slightly exceeding the five-year target of 2,500 units. The funding supported a wide variety of projects including entry-level housing, supportive housing, Aboriginal housing, university residences, rental housing for youth, secondary suites, and Habitat for Humanity projects<sup>1</sup>.

Another example which demonstrates the value of partnership and innovation, is the Surrey, BC Homelessness and Housing Fund. In 2009, the City created a new Homelessness and Housing Fund and transferred \$9 million from the existing Affordable Housing Reserve Fund. The City also established the Surrey Homelessness and Housing Society, a registered non-profit society, to oversee the fund in coordination with the Vancity Community Foundation. The Fund continues to be financed from community amenity contributions routed through the City's Affordable Housing Reserve Fund. However, the society's non-profit status also enables non-municipal funding sources such as donations and grants<sup>2</sup>.

We strongly support using Community Improvement Plans to allow for provision of financial incentives for affordable housing (rec 1.7) We are not sure the downtown should be the primary place for these – we would see other areas of the city as more appropriate and strategic as these could be used to help create vibrant neighbourhood hubs and centres as housing is intensified. The affordable Housing Reserve fund could be useful for this purpose. We see this as high impact rather than medium.

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<sup>1</sup> [http://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhostcast/afhoid/fite/hotrfo/hotrfo\\_006.cfm](http://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhostcast/afhoid/fite/hotrfo/hotrfo_006.cfm)

<sup>2</sup> <http://www.metrovancouver.org/services/regional-planning/PlanningPublications/WhatWorks-AffordableHousingInitiatives.pdf>

We also believe the City should develop height and density bonusing guidelines that would prioritize affordable housing as a community benefit, where appropriate, in exchange for additional height and/or density. We see this as an essential element that could be highly effective if engineered properly in linking increased residential density to explicit commitments to getting additional rental housing built.

It is important to ensure that efforts to reserve and set aside lands for affordable housing, particularly affordable rental housing, is linked to two critical parallel initiatives – affordable housing as part of Community Improvement Plans and the use of density bonusing to create increased supply of affordable units. In the absence of such linked initiatives, we are concerned that reserves may result in land being set aside that is never built on because the construction costs cannot be financed.

We are confident that the City of Guelph has explored similar best practices as part of the development of the AHS. However, communicating specific examples, back by a strong Affordable Housing Reserve Fund policy, would likely increase the receptiveness of council for future investments.

### **3. *Partnerships***

Responding to the affordable housing needs in our community requires strong partnerships. We greatly encourage the City of Guelph to commit to acting in partnership – with builders and developers, community initiatives like the PTF and Wellington-Guelph Housing Committee, with service providers, and most of all, with the County of Wellington.

The direction of working with the service manager on strategies to expand, intensify or diversity existing social housing developments/properties is encouraging and has the potential of providing the best support to low-income individuals and families. Reviewing the supports provided by the City and County to provide eight transitional/affordable housing units and support services at Michael House can help us understand the impact of this approach. The County provided funding through the Investment in Affordable Housing program, and the City provided funds from the Affordable Housing Reserve to offset City fees, as well as reduced parking requirements. These supports were critical in moving the project forward.

While each provided significant support to Michael House, we believe that an intentional partnership agreement between the City and the County could cultivate more significant impacts. By working in partnership, the City and County could be more strategic and pro-active in identifying opportunities to

implement recommendations from both the AHS, as well as the 10-year Housing and Homelessness Plan.

#### **4. Advocacy**

While neither of the two draft directions under advocacy were highlighted among the eight that the City has asked for additional feedback on, the PTF continues to look to the City to be a key partner in advocacy related to affordable housing. In partnership with the County, the PTF, and other community partners, the City should be advocating for additional funding from senior governments to address housing affordability needs of our community, including new supply, supports, and repairs. As well, the City can work with other municipalities to advocate for inclusionary zoning and other tools to assist in the production of affordable housing.

We would like to thank the City for the opportunity to continually provide input into development of the Affordable Housing Strategy. We are eagerly anticipating the final report and look forward to finding ways to work together to meet the affordable housing needs of our community members.

Sincerely,



Randalin Ellery, Coordinator  
Guelph & Wellington Task Force for Poverty Elimination