
A HOUSING STRATEGY FOR THE COUNTY OF HURON

Prepared for the County of Huron

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Executive Summary

Proper shelter is one of life's basic necessities. Ensuring all its citizens, regardless of income, are adequately and affordably housed is an important responsibility in the County of Huron. This responsibility is shared by the local and senior levels of government, non-profit organizations, the private sector and the community as a whole.

There has been a sense among many members of the Huron County community that there is a growing need for affordable, suitable and adequate housing for groups at risk in the community. With various affordable housing announcements from the Federal and Provincial governments in 2005 and 2006, there is an opportunity for the County of Huron to move forward quickly to help respond to the need for affordable housing in the community.

The County of Huron undertook a Housing Demand and Supply Analysis to provide a detailed understanding of the housing situation across the County. This companion report, a Housing Strategy for the County of Huron, sets out a number of recommendations which can be undertaken by governments as well as community based and private sector organizations to help meet the needs in the County. A complete list of the recommendations is provided below. Some of the key themes in the recommendations include:

- The County of Huron should take the administrative actions to ensure the current Canada-Ontario Affordable Housing Program (AHP) funding is fully accessed to create needed affordable housing in Huron County. This housing funding of over \$1 million can also act as an important economic stimulus.
- Education should be undertaken in Huron County to raise awareness of the affordable housing needs in the community.
- Advocacy by community organizations and municipal governments is important to convince Federal and Provincial governments that they must commit to fund affordable housing on an ongoing basis.
- There should be efforts to ensure a full range of housing options are available for the seniors which represent a significant and growing portion of the population of Huron County.
- Housing resources for low income households should be targeted to the larger communities within Huron County so that those households are able to easily access shopping, support services and other community and government services.
- More support services should be made available in new and existing affordable housing.
- Housing should be upgraded in order to make effective use of existing housing stock and would improve the housing stock for disabled people and help them to stay in their communities.

County of Huron: Summary of Recommended Housing Strategies

The following is a summary of the recommended housing strategies which require action by the County of Huron and area municipalities, action by the Government of Ontario, action by the Government of Canada and action by the community.

Community – Wide Recommendations

1. The County of Huron, federal government representatives, provincial government representatives, area municipalities and other key community stakeholders/support agencies should continue to work together through a variety of means in order to continue to build support for new affordable housing initiatives.
2. The Huron County Housing Coalition, made up of representatives of a variety of community and public organizations, should undertake periodic education initiatives to help inform and educate the public about the need for affordable housing and potential solutions.
3. The County of Huron, the local community legal services clinic, the local real estate association, the Ontario Rental Housing Tribunal and other interested organizations should work together to ensure outreach and education materials are being provided to landlords and tenants in the County of Huron regarding their rights and responsibilities. Improved knowledge could potentially increase the willingness of private landlords to accept tenants that receive the support of Housing Allowance or Rent Supplement assistance.
4. The Huron County Housing coalition should advocate for increased housing funding from the Federal and Provincial governments for new affordable housing initiatives in the County of Huron. This advocacy should be co-ordinated, where appropriate, with other province-wide and federally-focused housing organizations.
5. Community organizations, private sector builders and the County of Huron should work together to advocate to the Province that the Ontario portion of the federal government's 2006 Federal budget housing funds (totaling \$312 million for Ontario) should be released quickly with a specific allocation for each municipal service manager area including the County of Huron. The advocacy should include asking the governments for a simple and flexible program that can allow the local county/community to meet local housing needs in the most suitable local way.
6. The County of Huron, area municipalities and the federal and provincial governments should work together to create a comprehensive inventory of

surplus government lands (building upon any work already done by the various levels of government) which could then be considered, where appropriate, for affordable housing purposes. This inventory should also include reviewing the existing public housing sites to consider the opportunities for small scale rental intensification and/or potential use for the AHP affordable ownership assistance. Community and private organizations should also be encouraged to identify any government lands as potential sites for affordable housing in order for those lands to be examined for such purpose.

Recommendations for the County of Huron

7. Existing non-profit organizations should be contacted by the County of Huron to encourage them to review their own sites to consider the potential to create new affordable housing through small scale intensification. If there are opportunities, the housing providers may wish to try to access recently announced or future government assistance programs.
8. The County of Huron should pass a Municipal Housing Facilities by-law and define affordable housing in its Official Plan and its Housing Facilities by-law as:
 - a) in the case of rental housing, the least expensive of:
 - i. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or
 - ii. a unit for which the rent is at or below the average market rent of a unit in the regional market area.
 - b) in the case of ownership housing, the least expensive of:
 - ii. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of the annual median household income for all households; or,
 - iii. 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.

Low and moderate income households means:

- a) in the case of ownership housing, households with incomes in the lowest 50 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

This Municipal Housing Facilities By-law will allow the County to provide financial incentives to private sector developers to create new affordable housing.

9. The County of Huron should encourage proponents of conversions of non-residential buildings to affordable housing to seek funding under future federal

government Residential Rehabilitation Assistance Program (RRAP) proposal calls. The County could also consider using some of its AHP allocations to encourage applications from developers/potential housing providers to convert non-residential buildings to residential uses.

10. The County should encourage affordable housing “projects” which can offer support services for persons with mental health needs over and above the minimum requirements for three affordable mental health supportive units in the current Rental/Supportive component of the AHP.

11. The County should provide funding for a support service worker for its existing public housing residents.

12. The County should encourage new affordable rental housing to be located in the larger communities so that the residents can more easily access services.

13. The County of Huron should undertake an open competitive proposal call under the AHP to determine which projects to recommend for capital funding. As part of the proposal call the County should:

- Encourage non-profit and private sector developers to contribute land, and equity (including monies obtained through community fundraising) to maximize the affordability of the rental units.
- Given the limited amounts of federal/provincial funds available for the County of Huron, encourage developers of new housing to consider affordable housing as a portion of their new development, thus promoting a mixed income housing community.
- Give priority to housing proposals which are energy efficient and use innovative “green technology” approaches to building design as these approaches have the effect of reducing long term operating costs.
- Give priority to housing proposals where utilities are included in the rent, in order to improve affordability.

14. The County of Huron should pass a by-law to effectively equalize the property tax rate for new affordable rental projects to be equal to that of the single family residential rate.

15. The County of Huron and area municipalities should waive municipal fees and development charges to improve the affordability of new housing developed under the Affordable Housing Program.

16. The County of Huron in partnership with private developers, non-profit providers, area municipalities and senior levels of government should encourage a range of housing options for an aging population including:
-affordable rental housing

- affordable freehold (ownership) housing
- affordable townhouse and apartment condominium housing
- housing developments that incorporate communal services such as dining facilities and exercise rooms

17. The County of Huron should work with support service providers (like TCSS) to increase the number of seniors that can access supportive services in affordable rental housing so they can live independently as long as possible.

18. The County of Huron Planning Department should work with private retirement community developers to include a wider range of house prices that are affordable to local seniors.

19. The County of Huron should work with area municipalities to permit transitional and permanent housing for young adults so they can afford to stay in the County.

20. The County of Huron should work in partnership with the private building industry and the Huron Business Development Corporation to provide training to young adults in the building trades.

21. The County of Huron should work with community agencies so that emergency housing is available in a central location for homeless males in Huron County.

22. The County of Huron Planning Department and area municipalities should encourage the provision of rental housing by permitting accessory apartments in houses in all residential zones.

23. The County of Huron Planning Department and area municipalities should encourage the redevelopment and intensification of underutilized sites for residential purposes, especially those that are close to urban services such as shopping.

24. The County of Huron Planning and Housing Departments and area municipalities should encourage the renovation of the upper floors of buildings in commercial areas and main streets.

25. The County of Huron should refine its official plan policies for housing and use the background information prepared for this housing study in developing housing targets by type and tenure, including affordable housing targets, as set out in Appendix A. Area municipal plans should be revised to include policies regarding affordable housing, housing mix, accessory apartments and residential intensification.

26. In all new housing developments, housing providers should be encouraged to provide a portion of housing that is accessible to those with mobility problems.

27. The County of Huron and area municipalities should support the efforts of Huron County Habitat for Humanity, and other developers of affordable ownership housing, to provide affordable housing through such incentives as the donation of land and waiving of development charges and permit fees.

28. The County should review the existing income mix of non-profit and co-operative housing providers to ensure there is an appropriate mix of RGI and market units, particularly for housing providers in small/rural communities. If certain providers are less able to fill RGI units as many of those clients do not have cars and cannot access services which are available in the larger towns of the County, the County could consider transferring some of the RGI subsidy dollars into market units in the towns.

Government of Ontario Recommendations

29. The Government of Ontario should commit to annually increasing the funding for the Strong Communities Rent Supplement Program by an amount equal to the Tenant Protection Act/Residential Tenancies Act “rent guideline.”

30. The Government of Ontario should increase the shelter component of social assistance rates to an amount equal to 90% of average rents.

Government of Canada Recommendations

31. The Federal government should continue to provide SEED funding to support refining new affordable housing ideas into concrete business plans. Potential affordable housing proponents in Huron County should be encouraged to apply for SEED funding

32. The federal government should continue to fund the RRAP program in future years, and the number of units funded by the conversion and rental upgrade portion of the program should be increased.

33. The federal government should give a specific RRAP unit or dollar allocation to the County of Huron so that the amount of RRAP funding available for the County is known each year.

34. The federal and provincial affordable housing programs should provide adequate capital funding so that at least half of the new housing to be created would be affordable to persons currently on or eligible to be on the County of Huron’s co-ordinated access waiting list.

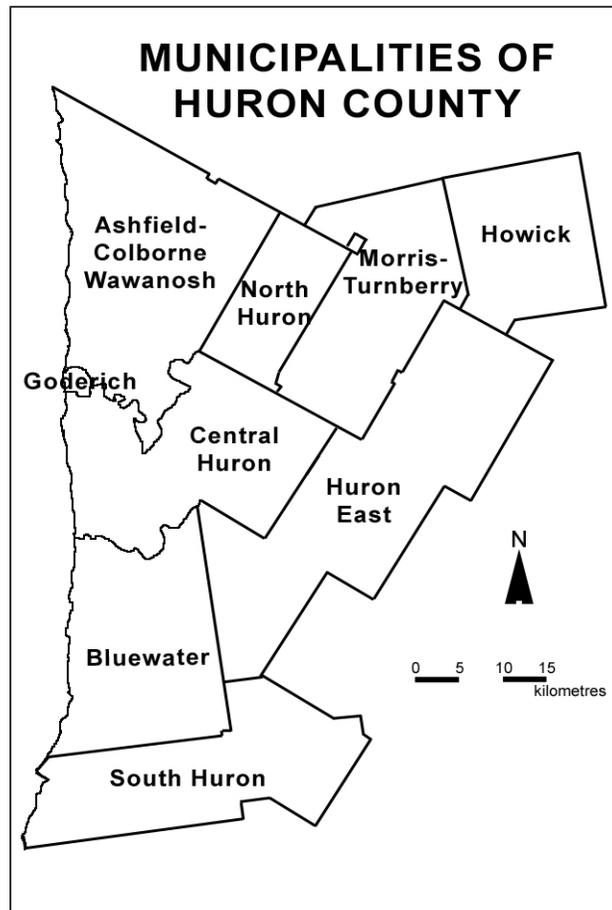
35. The Federal Government should continue to fund the Supporting Community Programs Initiatives (SCPI) which provides funds to assist those who are homeless and provide supports to prevent homelessness. SCPI funding should also be geographically expanded so that all areas of Canada, including the County of Huron, are able to access SCPI funds.

1 INTRODUCTION

1.1 BACKGROUND

Huron County is located in southwestern Ontario north of the City of London and west of Kitchener-Waterloo. The County covers an area of 3,400 square kilometres. It is bounded on the north by the County of Bruce, on the northeast by the County of Wellington, which includes the City of Guelph, on the southeast by the County of Perth, which includes the City of Stratford, on the south by the County of Middlesex, which includes the City of London, and on the southwest, by the County of Lambton, which includes the City of Sarnia. The Cities of Kitchener and Waterloo are located approximately 100 km from Huron County and the City of London is about 60 to 80 km away. Huron County is located on Lake Huron and is sometimes referred to as “Ontario’s West Coast”.

The County of Huron is an upper tier municipality with nine lower tier municipalities as shown below.



As an upper tier municipality, the County of Huron is responsible for delivering a range of services including: Public Health, Social Services, Homes for the Aged, the Huron County Museum, Planning and Development, Highways, Emergency Management Services, Housing Services, Early Years and Child Care and Provincial Offences.

There has been a sense among many members of the community that they are witnessing a growing need for affordable, suitable and adequate housing in the community. Indeed in a recent economic development community survey, housing was identified as a priority issue which needed to be addressed. In response to these concerns and to enable the County to take advantage of recent allocations of funding for affordable housing, the County of Huron has decided to undertake a study of housing needs and solutions in the County. The consulting team of Tim Welch Consulting and Lapointe Consulting Inc. was selected to undertake the housing study. The housing study is being conducted for the Manager of Housing Services, County of Huron. In addition, the Huron County Housing Coalition has provided input into the study.

1.2 PURPOSE OF THE STUDY

The Terms of References outline three study purposes including:

1. To collect and analyze housing data including supply and demand dynamics to determine current housing priorities;
2. To identify and address the housing requirements, particularly affordable housing, on an immediate, short and long-term basis, and
3. To recommend a housing development strategy for Huron County that links to the relevant range of priorities, visions, studies and strategic plans of the County and member municipalities, including the development of targets, programs and policy recommendations for consideration in addressing immediate, short and long-term housing needs in Huron County.

Specific objectives of the housing study are:

- i. To evaluate the current housing market in Huron County by quantifying supply and demand;
- ii. To assess the condition of the current and/or available stock;
- iii. To quantify economic and demographic indicators related to housing in order to identify and evaluate current and future housing needs in Huron County;
- iv. To identify constraints to the provision of affordable and special needs housing;
- v. To identify public and private sector opportunities to provide housing to meet the current and future requirements of local residents;
- vi. To identify all senior government funding programs that are available to encourage the development and sustainability of affordable and special needs housing;

vii. To use the results of the study to recommend housing strategies for Huron County;

There has been a recognition among many individuals and organizations in the County of Huron that there is a significant need for affordable, suitable and adequate housing for many residents in the community.

Providing new affordable housing for residents of Huron County has been difficult in recent years due to a number of significant government policy and program decisions. In 1993 the Federal Government decided that it would no longer provide funding for the creation of new non-profit or co-operative housing. In 1995 the Province of Ontario follow suit by canceling the provincial government programs which supported the creation of new non-profit and co-operative housing.

In 1998 it was announced that the Provincial government was downloading its financial responsibilities for the existing social housing to municipal governments (including the County of Huron) and in 2002 the County became responsible for the administration of the existing Housing as well as direct ownership of the public housing which had been owned and operated by the Province for the previous four decades.

It has taken some time in Huron County to adjust to the shifting of government responsibilities for social and affordable housing.

Community members are also aware that over the past couple of years there have been positive affordable housing initiatives developed by the Federal and the Provincial levels of government as well as in other municipalities.

There is now an opportunity for the County of Huron **to move forward** to help respond to the need for affordable housing in the community. The County of Huron, in co-operation with a large number of community organizations and individuals, including representatives of the Huron County Housing Coalition, has undertaken a study of housing needs and strategies for the County of Huron.

The companion report, *Housing Need and Demand and Housing Supply Analysis In the County of Huron* analyzed housing data covering supply and demand in Huron County including affordable housing need in the County.

This report, *A Housing Strategy for the County of Huron*, provides a housing strategy for the County of Huron. These recommendations reflect both the demographic needs in the community as well as taking into consideration the priorities and programs of the municipal, provincial and federal governments in meeting the housing needs of the community. This report presents a variety of positive recommendations which can be implemented by the County of Huron,

community organizations, private sector companies, area municipalities within the County, the Government of Ontario and the Government of Canada.

1.3 Study Process

The process used in creating this strategy document included:

- undertaking background research regarding various federal, provincial and other municipal government housing policies and programs;
- carrying out interviews with government officials, community stakeholders; and
- holding a community forum.

Interviews were held with County of Huron representatives, and discussions were held with Ministry of Municipal Affairs and Housing officials and staff of Canada Mortgage and Housing Corporation (CMHC). An examination of the three components of the Affordable Housing Program (AHP) is also part of this report. In addition, research was carried out and interviews were conducted with staff from other municipalities to gain the perspective of what has been occurring in other jurisdictions in terms of meeting the need for affordable housing.

Consultation occurred through a variety of methods. The Members of the Huron County Housing Coalition, representing a number of social and support service agencies provided general input and feedback to the studies as well as providing suggestions on who should be interviewed.

A number of members of the Coalition, in their respective agency roles were interviewed for this study to provide their perspectives on housing needs as well as potential actions or recommendations which could help meet those housing needs. In addition a number of other key informant interviews were undertaken to ensure the perspective of a wider number of stakeholders were included in this study. These interviews were conducted with representatives of social housing providers, elected officials and other stakeholders in the County. A list of stakeholders interviewed is included in Appendix B.

The opinions of individuals who either currently have housing needs or may have in the future were also sought in carrying out this study and they provided feedback at the community forum of September 13, 2006.

This community forum brought together about 35 community representatives and individuals to give feedback on the housing need and demand analysis study. This forum also provided the opportunity to hear about affordable housing initiatives in other communities, give their perspective on the housing needs in the community, and what actions could help meet those needs. This input has helped shape the recommended strategies in this report.

1.4 Findings of the Phase 1 Housing Analysis Report

The following presents a brief summary of the identified housing needs and demands as set out in the Housing Analysis report.

Population and Household Growth

In 2001, the County of Huron was home to 59,701 people. The Ministry of Finance estimates the population in Huron County at 62,000 persons in 2001 and at 61,931 in 2005 .

Population for Huron County is predicted to grow steadily for each 5-year period from 2006 to 2026. Growth between 2006 and 2011 is expected be modest, increasing by 1.6% or 980 persons. After 2011 growth is predicted to increase with an average of just over 300 persons added annually to the County population between 2011 and 2026. By 2026 Huron County's population is expected to reach 67,780 persons, representing an increase of 5,770 persons from the 2006 postcensal population of 62,010.

Huron County, being a more rural community, has a higher share of its population that is younger than 20 years (28% in Huron County compared to 26% in Ontario);

A smaller proportion of Huron County's population is 20-34 years indicating that younger people tend to leave Huron County for educational and employment opportunities (15.4% in Huron County compared to 20.0% in Ontario).

In Huron County 17.4% of residents are 65+ years compared to 12.9% in Ontario. It should also be noted that the proportion of the population aged 65 years and over is expected to almost double from 2006 to 2026.

This shift towards an aging population can be expected to increase demand for services and housing in Huron County to accommodate the needs of "young old", "old" and "old old" seniors in the not-too-distant future.

Sixty percent (60%) of the population is rural and 40% urban in based on 2001 Census data. This compares to the Province as a whole where 85% of the population live in urban and 15% in rural areas.

All municipalities within Huron County had a positive growth in the number of households from 1991 to 2001 even though some municipalities lost population over that period. The declining population growth is due to the overall decrease in the household size over this period and the out-migration of certain age groups.

Close to three quarters of all households in Huron County are family households (see Chart 6 below). Couples without children account for the single largest category (34.7%) followed by households composed of couples with children (31.8%). Lone parents represent 7.3% and multiple-family 0.5% of all households. Non-family households represent about one quarter of all households in the County. One-person households constitute the largest share within this category (23.9%).

Compared to Ontario as a whole, Huron County has a higher proportion of family households, primarily because of the higher proportion of couples without children. In Huron County 34.8% of households are childless couples compared to 28% in Ontario – a reflection of the higher proportion of seniors in Huron County compared to Ontario as a whole.

Home owners in Huron County are primarily couples with children or childless couples which together account for about three quarters (75%) of owners. Tenants on the other hand have a higher percentage of single person households (49%) and smaller proportions of couples with children and childless couples. Single parents account for 6% of owners but 11% of all renters.

Over the next five year period, the County of Huron will need between 1,800 and 2,200 additional housing units to accommodate the projected population increase.

Over the next twenty year period, the City will need between 11,700 and 12,500 additional housing units.

Economic Base

The largest portion of the resident labour force in Huron County is employed in Manufacturing and Construction, which together represent 22 % of the employed labour force. Given the vast expanse of agricultural land in Huron County, it is not surprising that Agriculture is also an important sector in the local economy. Nearly every fifth employee (18%) works in this sector. Each of the following sectors accounts for about 15% of the experienced labour force in the County: Wholesale and Retail Trade (16%), Health and Education (15%) as well as Other Services (15%). The smallest sector, Finance and Real Estate, accounts for nearly 4 % of the work force in 2001.

One of the most noticeable differences between the Province and the County lies in the high proportion of Huron County's labour force employed in the *Agriculture and Other Resource-Based Industries* (also called the primary sector) - 18% in Huron County compared to 3% in the Province as a whole.

Income Trends

The lowest wages are found in the food service industry and among those working in retail jobs e.g. cashiers, grocery clerks, whose averages wages range from \$7.75 to \$ 10 per hour in 2005. Farm workers are paid between \$9.00 and \$14.50. Many of those employed in manufacturing are in the range of \$8.00 to \$19.00 per hour.

The median income was \$45,885 in the County of Huron compared to \$53,845 in Ontario (from the 2001 census for incomes in 2000). For most household types, there is a significant difference in the median income between tenants and owners. Single person households and lone parents households have the lowest incomes among tenants. Incomes also vary with age with the lowest incomes found in households under 25 years of age and over 65 years of age.

Younger age groups (under 25 years of age) and those in the older age categories (65 years and older) tend to have the lowest incomes. For example, the median income of those under the age of 25 is \$32,446, for those 65-74, the median income is \$34,857, for those 75-84, it is \$29,499 and for those 85 years and over, \$20,923.

Residents on Fixed Incomes

As of July 2006, there were 357 households in the County of Huron receiving Ontario Works; 123 of these were single persons, while the 221 of the households were families with two or more persons. There were 13 children receiving OW in the care of grandparent or other guardian.

At the same time there were approximately 1,134 households on the Ontario Disability Support Program in the County of Huron. This estimate is based on 2,168 ODSP recipients in Huron County and the City of Stratford Service area combined (as tracked by the Ontario Ministry of Community and Social Services) with Huron County representing approximately 50% of the caseload of the two municipal service manager areas. Of the ODSP recipients in Huron County, the majority are single person households.

A single person on ODSP would have a monthly income of \$959 with a maximum shelter portion of \$427. A single adult and one child would receive \$1,468 with a maximum shelter portion of \$672. By comparison a single person on Ontario Works would receive \$536 with a maximum shelter component of \$335 and an adult and one child would receive \$987 with a maximum shelter portion of \$527.

Seniors are another group that has limited incomes. The maximum that a single senior citizen 65 and over can obtain from the government is \$1,168. This monthly income is a combination of Canada Pension Plan (CPP), Old Age Security (OAS) and GAINS payments. For a senior couple, the maximum monthly income from CPP, OAS and GAINS would be \$1,963 per month. It is estimated that about 650 senior households in Huron County would receive the maximum government pension payments.

People living on minimum wages or on Ontario Works or Ontario Disability Support Program or seniors with Canada Pension Plan/Old Age Security and GAINS have insufficient money to pay for average rents in the County of Huron.

Type and Tenure of Housing Stock

There were approximately 22,400 occupied dwellings in Huron County according to the 2001 Census (not including seasonally occupied residents). Single detached dwellings are the predominant form of housing in Huron County

accounting for 84% of all occupied dwellings units. Apartments represent 10% of all housing – 9% in low-rise buildings, 1% in duplexes and 0.1% in high-rise buildings.

The majority of dwellings units are owned (78%) compared to 22% that are rented. About 95% of all owned dwellings are single-detached homes. The majority of rented dwellings (44%) are also single-detached homes but apartments come close at 40% of all rented units.

The proportion of all residential units that are rented has declined slightly from 23% in 1991 to 22.4% in 2001 while the proportion that is owned has increased from 77% to 77.6%. These trends have been observed even to a stronger degree across Ontario due to lower interest rates and the general aging of the population (ownership levels increase with age until 75+ years).

There is a considerable amount of variation in the percentage of units that are owned and rented across Huron County. The highest proportion of tenants can be found in Goderich (30%), North Huron (27%) and South Huron (26%); these are the more urbanized municipalities in Huron County. The highest ownership rate at 90% is in Ashfield-Colborne-Wawanosh. Other rural municipalities like Howick, Central Huron or Bluewater have comparably high ownership rates.

Building Conditions

Close to 37% of all buildings in Huron County need either major or minor repairs. The highest demand for repairs was reported from Huron East (43% need either major or minor repairs) and from North Huron (42%). Better building conditions can be found in South Huron (31%) and Goderich (32%). In the stakeholder interviews and community meetings it became clear that much of the more inexpensive rental housing is in need for upgrades and repairs. This is one reason why low-income tenants are hit hardest by rising utility costs.

Rental Housing Costs

In summer 2006, the average monthly rent for an apartment in Huron County was \$615 (\$524 for a one-bedroom apartment, \$622 for a two-bedroom and \$842 for a three or more bedroom apartment). Rents generally have been increasing at the rate of inflation. Lower income households have a problem keeping up with rising rents because incomes at the lower income level have not been increasing at the same rate as inflation.

At the municipal level, Goderich has the highest average rental costs at \$716 while more rural municipalities like Central Huron have lower average rents at \$486. In general, apartments close to amenities and services in the towns and bigger villages of Huron County pay higher rents than those located outside of urbanized areas and within easy reach of shopping facilities and services.

Ownership Housing Costs

The average cost of homes sold in summer 2006 in Huron County is \$191,923¹ compared to \$284,747² in the Province (see Chart 18 below). In Huron County, house prices increased by 40.3% since 2001 when the average house price was \$136,785 as reported in the 2001 Census by Statistics Canada. In Ontario house prices increased at an even higher rate of 43% between 2001 and 2006. This increase is much higher than the increase in salaries at about 20% or the inflation rate, which rose at about 12% for the same time period.³

The highest average house prices are in Bluewater (\$211,168), Goderich (\$202,227) and South Huron (\$204,765), the municipalities with a high attraction for out-of-the-county buyers. Relatively, low average house remain in Morris-Turnberry (\$164,487) and Huron East (\$171,704).

Housing Affordability

“Affordable” housing means affordable to various incomes, not only to the lowest incomes. Housing is generally considered affordable if households do not pay more than 30% of their gross income on housing.

An analysis of rents in apartments in Huron County conducted in summer 2006 compared to the incomes of tenants indicates that only 19% of all offered rental housing is affordable to the 30th percentile of tenants, i.e. the lowest 30th percent of tenants. In comparison, tenants with median incomes can afford 99% of all apartments in Huron County but only about 44% of three or more bedroom units. Thus tenants with incomes below the median income face affordability problems.

Affordability problems exist to a greater degree for ownership housing. Median income households with an annual income of \$50,794 (2006 estimated) can afford a house for \$129,279 or about 28% of all houses offered on the market. This includes many houses at the lower price end that need major capital investment for repairs and upgrades. At the 60th percentile – the more well off households – households earn \$60,832 annually and can afford a house price of \$166,919. Forty six percent (46%) of all houses in Huron County are affordable to the 60th percentile, which also marks the upper threshold of affordability according to the Ontario Provincial Policy Statement. The analysis suggests that households with low and median incomes in Huron County have difficulties to buy a home.

Approximately 19% of all households in Huron County are paying housing costs that are not affordable, i.e. they are paying more than 30% of their gross income on housing. This represents 3,720 households with affordability problems.

¹ Huron County Housing Department, Lapointe Consulting Inc.

² Canadian Real Estate Association

³ Statistics Canada, www.statcan.ca

Tenant households are more likely to have affordability problems: While 38% of tenants pay 30% or more on housing, only 13% of owners pay 30% or more. This reflects much lower average tenant incomes.

Several households groups have difficulties to afford the average rents. Minimum wage earners have decreasing incomes due to many years of wage freezes without inflationary compensations. The same is true for persons living on Ontario Works or the Ontario Disability Support Program. All these groups have either to pay a higher proportion of their income on rent and forego other basic necessities or they live in substandard housing. Single seniors on CPP, OAS and GAINS also face affordability problems.

Social Housing Supply

In Huron County social housing is a mixture of public housing built approximately 30 - 40 years ago, non-profit and co-op housing developed in the 1980s and early 1990s. As well rent supplements are provided for low-income households living in private sector and non-profit rental housing. As of September 2006, there are 627 households who receive such housing assistance – 616 in affordable units (which are a mixture of market rent and rent-geared-to-income units) and 11 in rent supplemented units.

In addition, there is the Second Stage Housing and Counselling Services of Huron that is one 'special' needs housing provider operating a Women's Shelter. Further Support Service are provided by Town and Country Support Services (TCSS) that offer care in the home and in the community to the elderly. As several community stakeholders pointed out there is a lack of supportive housing for persons with mental health needs.

Waiting Lists for Social Housing

On the waiting list for rent-geared-to-income housing, there are a total of 235 households listed in September 2006. Separate waiting lists are maintained for the non-profit and co-operative housing units. About half of all applicants on the waiting list for social housing are waiting for an accommodation in Goderich stressing the importance of affordable housing close to services and amenities. Many households are discouraged from applying by the long waiting times – a wait of four years is typical for a one-bedroom apartment in Goderich.

Population Projections and Future Housing Requirements

The most recent forecasts that have been prepared for Huron County by the Ontario Ministry of Finance in 2005 are for a population of 67,780 by 2026 that is an increase of 5,770 persons. Between 2006 and 2011, this forecasts projects a growth of 980 persons to a population of 62,990 by 2011. Huron County's population will increase by 1,430 person to 64,420 by 2016 and by another 1,660 persons adding up to 66,080 inhabitants by 2021.

The most significant change in the population is the decrease in younger age groups and the increase in the age groups 55 and over. The most important decrease will occur among the youngest age group (25 years and younger) with a loss of 1,260 persons or 4% till 2026. The retirement age group of persons 65 years and older will see the highest increase; its proportion will rise by 9% or 7,350 persons.

Over the next five-year period (2006-2011), Huron County will need about 1,087 additional housing units to accommodate the projected population increase.

Over the next ten-year period (2006-2016), Huron County will require approximately 2,276 additional units and over the next twenty-year period (2006-2026), the County will need about 4,641 new residential dwellings, or 232 units annually.

The age distribution projections indicate the importance of providing more affordable rental housing options for seniors in Huron County to meet future housing needs. There is also a demand for more affordable home ownership for medium income households.

Currently almost all of the housing being produced is single detached housing. Nearly no new apartments are being built and new buildings focus on the well off out-of-county retirees and empty nesters. Meanwhile local residents have problems finding an affordable dwelling in an urbanized area. This is why one projection scenario uses a lower proportion of single-detached houses (75% of all new units) and supports the construction of apartments (15%), semi-detached homes and row houses (5% each) in order to create a more diversified housing market and meet future demands.

1.5 Housing issues and gaps in the market

Based on the analysis of data obtained in the study along with information from key informants in the non-profit sector, the private sector and community agencies as well as the community forum, we have identified the following housing issues and gaps in the market.

1. Need for a greater range of housing options

Almost all new housing is single-detached ownership housing, even though there is a need for a greater range of housing options. Seniors need more affordable rental housing if they want to downsize from a house. Young seniors (55 plus) also demand safe and quiet apartments in Goderich. Young persons (under 25) need more rental housing options if they want to move out of home but stay in their communities. There are very few small, affordable apartments for first time renters in Huron County. More semi-detached homes would also provide the possibility of ownership housing for moderate-income households.

2. Need for more affordable rental housing

Waiting times for rent-geared-to-income units usually exceed one year. For a one-bedroom in Goderich, the waiting time is up to four years. There need to be more units for single persons. Low-Income households such as minimum wage earners – for example in the tourism industry – also face affordability problems because their wage does not cover the higher rents in the towns such as Goderich where they find their jobs. The shelter portion for persons on Ontario Works and on the Ontario Disability Support Program (ODSP) is too low compared to the actual rents in Huron County. Rising utility costs have become a 'second' rent for tenants. Affordable housing options for youth at various stages of independence are needed to keep them in Huron County.

3. Need for more affordable ownership housing

Low and median income tenants can hardly afford to buy a home in Huron County. Currently there is not much choice on the housing market that is affordable even to the 60th percentile households. A greater diversity of housing options such as semi-detached homes and row houses would provide more households with the opportunity to buy their own home. Affordable ownership options such as that provided by Habitat for Humanity Huron County are needed to assist lower income households move into their own housing and build up equity.

4. Need for supportive housing in Huron County

Huron County offers no supportive housing for disabled persons. Seniors need supportive housing if they face mental health problems (i.e. Alzheimer disease) and housing that enables them to age in place. In addition, Huron County has no emergency housing for young males, which enables them to stay in their communities. The largest source of affordable housing in Huron County - the

415 public housing units now owned by the County – has a number of residents which need support services to either age in place or successfully maintain their tenancies, but, unlike most other municipalities, there are no support workers provided by the County.

5. Need for more accessible housing

Apartments and rent-geared-to-income units are in need for improvements such as shower handles or elevators to suit to the needs of disabled and elderly persons. Minor changes to existing units would improve the housing stock for these groups and allow them to stay in their communities.

6. Need to renovate the housing stock

According to the statistical and qualitative data, many lower income households are living in sub-standard rental housing – i.e. farmhouses in the countryside – that need major repairs and improvements. The poor quality results in high utility costs for the tenants. There is a need to upgrade such housing without removing them from the rental housing stock. This should be incorporated in a local agenda for sustainable housing.

7. Need to increase the mobility of low-income households

Most inexpensive rental housing and also some rent-geared-to-income units in Huron County are located outside of the towns far away from amenities and services. Low-income tenants face accessibility problems without a car and without public transport in the communities. Living cut off from their communities and friends they also suffer from social isolation. There is a need to increase the personal mobility for low-income households in the countryside.

8. Need to increase the cooperation with the private sector

Private landlords prefer to rent to financially stable households. There should be more incentives for private landlords to rent to those in need such as security funds or financial counsellors to support households with low incomes.

9. Need for better public education around housing issues

There is a need to educate the public around housing issues and the importance of having safe, affordable permanent housing for low and medium income households. There is a need to overcome the negative perceptions around the term ‘affordable housing’ which today embraces various incomes, not only those with the lowest incomes. A better public education around housing issues would also support the following housing issue.

10. Need to enhance the abilities of local housing actors

In order to enhance the abilities of local housing actors, i.e., those interested and involved in the provision of housing, it would be beneficial to have even more exchange and co-operation between the individual housing stakeholders to combine their strengths and to increase the synergy effects. These housing

groups would benefit from more volunteers and would like to see social and economic issues being addressed together.

11. Need to lobby at the federal and provincial level

Huron County should lobby at the provincial government level for more flexible affordable housing programs that can be adjusted to the needs of local communities. The Federal and Provincial housing programs are often unattractive to the private sector and to non-profit organizations due to a lack of program consistency and long-term financial commitment.

1.6 Constraints

In order to move forward to try and overcome the gaps in the Housing market, there needs to be continuing co-ordination and efforts among a wide variety of organizations and individuals in Huron County.

There have been significant changes in the community over the past decade which have made community responses to housing issues more challenging. The downloading of responsibility for various government services (including the administration of social housing) from the provincial to the municipal levels of government has added to strains in the community's ability to focus on moving forward to meet new housing needs.

Constraints regarding moving forward to help meet housing needs include:

- There has only recently been a coordinated approach in the community, through the efforts of the Huron County Housing Coalition, for working together to expand the efforts to meet the County's housing needs;
- County Council has been moving gradually to meet the additional housing needs in the community over and above the housing it now administers – with this study and strategy representing a significant step forward in providing a comprehensive approach to meet the housing needs in the community;
- Limited capacity of the County and area municipalities to provide additional funding for housing;
- There has been only tentative and emerging senior government programs over the past four years to support the creation of new affordable housing making it difficult for potential housing providers to move forward with their plans; this has made it difficult to build the community infrastructure and expertise needed in Huron County which is important in creating additional affordable housing;
- Only limited funds have been recently allocated to the County of Huron under the federal/provincial affordable housing program;
- There are public misconceptions about affordable housing and the needs in the community and, there also appears to be a lack of recognition of the

- importance of the economic stimulus which can be created by affordable housing including its importance in providing affordable accommodation for workers in the retail/service sector;
- The need to access appropriate land at a reasonable price is often a barrier to creating affordable housing; and
 - In trying to meet the goal of maintaining the existing affordable housing stock, there is a perception that the enforcement of property standards by-laws needs to be strengthened, including better education for both tenants and landlords.

1.6 OVERCOMING THESE HURDLES

At the community forum of September 28, 2005 there was a desire to overcome the hurdles and constraints that currently stand in the way of achieving the housing vision for the community. This can be done through a variety of approaches:

- There needs to be a continuing positive engagement with City Council on housing issues;
- Good co-operation between many groups interested in housing issues should continue through either the Huron County Housing Coalition or an expanded community based committee/advisory group; a key focus should be continued advocacy at the federal and provincial levels of government to expand their financial support for new affordable housing in the County of Huron;
- Housing proponents and the municipal government should look at examples of new affordable housing that have been successfully created in other comparable communities to see what lessons can be learned;
- Consideration should be given to the creating a mix of new housing that can provide rental housing for both low income and moderate income households as well as offering affordable ownership housing. This type of housing could offer a continuum of care or support services;
- Partnerships with a variety of non-profit (including service clubs) and private sector interests can be a positive factor in spurring the creation of new affordable housing;
- The community should look for corporate donors to help create new affordable housing/assist in meeting affordable housing needs;
- Securing land for affordable housing must be explored through a variety of approaches/sources; and
- Potential housing proponents must be prepared to develop specific and effective business cases for new housing proposals to ensure success in accessing limited financial resources.

2 HOUSING OPPORTUNITIES

While there have been affordable housing programs in Ontario and Canada for over 50 years, by the mid-1990s federal and provincial governments “got out of the housing business.” However in the past few years there has gradually emerged renewed interest and financial support by senior orders of government to create new affordable housing programs. At the same time, other housing programs such as the Residential Rehabilitation and Assistance Program have continued as have various types of seed funding.

This section outlines the changing programs and policies at the federal and provincial levels and the opportunities that are provided through such changes.

2.1 BACKGROUND ON AFFORDABLE HOUSING PROGRAMS

In the County of Huron affordable housing (sometimes referred to as low income housing or social housing) has been developed through a variety of programs supported at the federal and provincial levels of government over the previous half century.

The current affordable housing supply is a mixture of public housing built approximately 30 - 40 years ago and non-profit housing developed (mostly through private non-profit housing corporations) in the 1980s and early 1990s. As well rent supplements are provided to low-income households living in private sector rental housing. In total there are currently 627 households who receive such housing assistance – 616 in affordable units (which are a mixture of about 25% market rent and 75% rent-geared-to-income units) and 11 in rent supplemented units.

Part of that that housing is supportive housing as provided by the Women’s Shelter, Second Stage Housing and Counselling Services of Huron. It has been operating transitional housing since 1991 and provides 22 rent geared to income apartments in secure buildings where women and children can live for one year. Residents are offered individual and group counselling, as well as information in housing, legal aid, financial assistance, and job training.

In the early 1990’s the federal government and the provincial government withdrew funding for new affordable housing (other than subsidies to existing developments.) The federal government first withdrew in 1993 from funding new affordable housing and then the Province of Ontario followed suit in 1995. The late 1990s, Ontario saw very little increase in the supply of rental housing which was affordable to low income households.

2.2 RESIDENTIAL REHABILITATION ASSISTANCE PROGRAM (RRAP)

After 1993, the federal government's only ongoing housing initiative was the Residential Rehabilitation Assistance Program (RRAP). RRAP provided a modest amount of funding across Canada each year to support, among other things, the renovation of homes for low income homeowners as well as funding the conversion of non-residential buildings to affordable apartments.

Other components of RRAP include:

- RRAP Rooming House (which financially supports the renovation of rooming houses for low income tenants);
- RRAP Disabled, which provides financial support to modify a home to persons with disabilities;
- RRAP Rental to support bringing below standard apartments up to code and in 2005, the federal government announced RRAP funding to help homeowners create an accessory apartment.

These RRAP initiatives are helpful to improving existing housing and increasing the supply of affordable housing in the County of Huron and renovating existing affordable housing. There is currently no specific RRAP allocation just for the County of Huron. Local proponents have to compete across most of the Ontario resulting in uncertainty as to whether any RRAP funding would be allocated in the County of Huron in any specific year.

There have been RRAP allocations in Huron County in the following amounts since 2000:

RRAP Component	# of units assisted	CMHC funding (\$)
RRAP Homeowner	46	360,000
RRAP Disabled	7	57,000
RRAP Conversion	-	-
RRAP Rental	19	139,000
RRAP Rooming House	-	-
Shelter Renovation	48	202,000

While the RRAP program has been in existence for over 30 years, it is currently set to expire at the end of March 31, 2007.

2.3 PRE-DEVELOPMENT FUNDING

2.3.1 SEED Funding

In 2003 the federal government launched a new SEED program to provide up to \$20,000 in funding for the pre-development work for either non-profit or private

sector organizations with new affordable housing ideas. There have been no SEED funded projects in the County of Huron, although there have been a few SEED proposals funded in the neighbouring counties of Bruce, Grey and the City of Stratford, for example. This support money is essential to getting many good affordable housing ideas worked into solid business plans to develop housing.

SEED funding has been allocated in two previous proposal calls – one in 2003 and the other in early 2005 while in the summer of 2006 CMHC announced that the SEED funding was available on a first come, first served basis. As of mid-October, 2006 SEED funding was still available for groups in Huron County to apply for. Potential affordable housing proponents should be encouraged to take advantage of this pre-development funding.

2.3.2 PDF

The federal government also provides financial support for a modest number of new affordable housing programs each year through Project Development Funding (PDF) program. The funds available to an individual project can be up to \$100,000 in financial assistance to pay for pre-development work such as full architectural drawings, environmental studies etc. The majority of the funds for a project are to be repayable if the project goes ahead. The total budget for this program in Ontario is just over \$1 million annually. One limitation to the program is that these funds are not to be used by projects which are intending to apply for funding under the new Affordable Housing Program.

2.4 PROVINCIAL RENT SUPPLEMENT AND SHELTER ALLOWANCES

Housing assistance to tenants in rental housing can be provided directly to landlords or to tenants. The gap between what a tenant can afford and the rent paid to a landlord is often called a rent supplement. When the subsidy is provided to the tenant and can be carried to wherever tenants move, this is called a shelter allowance.

2.4.1 Provincial Rent Supplement

The Province of Ontario, starting in the late 1990s, began to undertake modest initiatives to support new affordable housing. In 1999 the Province announced a rent supplement initiative through which market rents are subsidized in selected apartment buildings for low income households from local co-ordinated access waiting lists (the subsidy is directed to the landlord, not the tenant). This program has had three different names since being first announced seven years ago and is currently entitled the Strong Communities Rent Supplement Initiative. The

funding for this program has been committed by the Province for a twenty-year period although no allowance for rent inflation has been planned for. This will likely result in a decrease number of households supported through this rent supplement program as rents increase over time.

In the County of Huron there has been modest take-up of the Strong Community Rent Supplements as only two rental units are currently supported through this initiative, although at one point four units were supported.

2.4.2 Shelter Allowances in Income Support Programs

One of the most effective ways of promoting housing affordability in the County of Huron (and across Ontario) would be for the Government of Ontario to increase the shelter component of ODSP and OW closer to the average market rent in each community. As seen in the housing analysis report, the gap between social assistance shelter allowances and average rents in the County of Huron are substantial.

A December 2004 publication from the Ministry of Community and Social Services noted, 76% of Ontario Disability Support Program beneficiaries are tenants, but only 22% of these ODSP beneficiaries who rent live in subsidized housing. Only 35% of OW recipients live in subsidized housing. An increased supply of new affordable housing with below-market rents and a housing allowance program will help some OW and ODSP recipients, however most will continue to rent in the private, unsubsidized market.

2.5 FEDERAL-PROVINCIAL AFFORDABLE HOUSING PROGRAM

2.5.1 Affordable Housing Agreement between Ontario and Canada

In November 2001 the federal government announced a significant return to providing financial support for the creation of new affordable housing. In the 2001 and 2003 federal budgets \$1 billion was allocated to capital subsidies for new affordable housing across Canada. This approach of one time “up front” capital subsidies is different from many of the previous federal and provincial government programs. Instead of providing long-term operating subsidies to produce rents affordable to low and moderate income households, capital grants are provided up front to reduce the size of the mortgage, and, therefore, enable the housing provider/landlord to charge lower rents.

The flowing of Ontario’s portion of these funds has been long and complex.

An affordable housing agreement between the governments of Ontario and Canada in May of 2002 resulted in the Federal government making available \$25,000 per new unit of affordable housing only if matching funds were provided by either the Provincial government, municipal governments or community organizations. As the Provincial government only offered to provide \$2,000 per unit in matching funds, a significant financial contribution was required from municipalities if they wished to participate in the program. Given the financial burden of many recently transferred services from the provincial to the municipal levels of government, only a minority of municipal services managers (13 of 47) chose to participate in the pilot phase of what became know as the Community Rental Housing Program (CRHP).

While many of the 13 Service Managers did decide to allocate significant funding in support of new housing, it is worth noting that many non-profit organizations were able to contribute significant resources through either the provision of land or through successful community fundraising efforts. There have been a substantial number of projects where community groups raised hundreds of thousands of dollars to contribute to projects.

2.5.2 The Canada-Ontario Affordable Housing Program

On April 29, 2005 Canada and Ontario signed a new four-year Affordable Housing Program (AHP) agreement which provided for a much larger contribution by the Provincial government for the creation of new affordable

housing. The announcement of a \$301 million contribution by each of the federal and provincial governments included support for:

- the creation of 15,000 affordable units. These will be targeted to people on, or eligible to be on, a social housing waiting list. Some of this housing will be targeted to victims of domestic violence as well as to the creation of supportive housing for persons with a mental illness. Other provincial priority groups include seniors, the working poor, aboriginals, recent immigrants and persons with disabilities;
- the creation of 5,000 housing allowances to enable low-income households to occupy existing vacant units that they otherwise could not afford; and
- an affordable home ownership assistance program for households with low and moderate incomes

A federal/provincial/municipal announcement on August 31, 2005 provided further details of the emerging program components. Full Program details of these three components were finalized by the Spring of 2006 and Municipal Service Managers across Ontario have spent the summer and fall of 2006 preparing for and issuing proposal calls so that good use of these housing funds can be made in their respective communities.

a. Rental and Supportive Housing

A first wave allocation announced funding for 5,320 units across Ontario, allocating a modest 15 units for the County of Huron. The capital funding per new unit of affordable housing created is to be an average of \$70,000 per unit. Thus the total capital funding for Huron county for this wave of allocations is \$1.05 million in capital funds. It should be noted that this funding can be used for new construction, for the conversion of non-residential structures into rental housing and for the acquisition and rehabilitation of existing rental housing stock. While larger capital subsidies are made available under this program compared to the Pilot Phase), there is a requirement that the rents be no more than 80% of average rents. This is a change from the previous pilot phase which required rents to be no greater than average rents (and were therefore less affordable to low income households).

The program could allow more units to be created by providing a smaller capital subsidy per unit but this would make it more difficult to set lower, more affordable rents for many of those households identified in the needs analysis: i.e. those living on basic seniors' pensions, working for minimum wage or receiving social assistance.

Of the 15 units allocated for the County of Huron, the Province is requesting that at least five of the units should be for supportive housing (3 for tenants with mental health issues and 2 for victims of domestic violence). While there is no

support service dollars attached to the capital funds, the expectation from the government of Ontario is that supports funded through other provincial initiatives will provide the supports necessary for these units.

This could be possible, for example, if a mental health agency transferred the support they currently provide for some of their clients living in currently unaffordable housing, if the clients were to move into new affordable housing.

In 2005, the County of Huron did pass a motion indicating that the County of Huron would like to participate in the Affordable Housing Program. The County is now preparing to issue a proposal call in the late fall of 2006 to ensure that these Federal-Provincial funds are fully used in the County.

There was a “Strong Starts” component to this initiative for new affordable housing projects which were ready to begin construction by March 2006 but the County of Huron, given the quick timelines set by the province, chose not to participate in that component of the program. According to an August 26, 2006 press release by the Ministry of Municipal Affairs and Housing, only 14 of the 47 municipal service managers had affordable housing projects funded under “Strong Starts.”

b. Housing Allowances

The 5,000 housing allowances across Ontario are intended to provide support for low income households to move into vacant apartments and have their rent subsidized by this federal/provincial program. The County of Huron has been allocated 20 housing allowance units (including two funding allocations for Victims of Domestic Violence) for a total in \$192,000 over a five-year period. However the average housing allowance permitted under this program is only \$160 per month. This compares with the approximately \$300-400 per month currently funded through rent supplement programs administered by the County of Huron.

The County of Huron has advertised for interested landlords but so far there has been no take up of housing allowance units due to a lack of significant interest by private sector landlords.

c. Affordable Home Ownership

The affordable home ownership component of the AHP essentially provides a down payment assistance to moderate income households wishing to purchase a home.

In the County of Huron \$126,000 has been allocated by the Province for this program, to assist 17 households with an average down payment of about \$7,400 each. Households earning \$50,500 per year or less, purchasing homes

priced \$167,500 per less are eligible for the financial assistance. This assistance is repayable if the home is re-sold within a 20 year period.

These more substantial financial commitments show that federal and provincial governments are currently willing to provide financial resources which support new affordable housing. The only municipal contribution required to participate in the rental housing stream of the program is to have any new affordable projects funded by the AHP pay municipal property tax equal to the single family residential rate rather than the higher multi-residential property rate. As noted in the needs and demand study, the property tax rate difference is generally less than 10%.

This does not mean that municipalities will lose tax money by supporting the new affordable housing. As new affordable housing projects are developed, this in fact will be a net generator of revenue for the municipality as they will still be receiving new tax revenues which they would not have received had the new affordable rental building not been built.

The program does encourage, but does not require, additional municipal or community contributions to new affordable housing created under this program.

The municipal service managers are also being handed responsibility to administer these new programs with an offsetting administration fee which has been estimated at \$75,000 for the County of Huron.

While there are administrative responsibilities for the City with a new program, the municipal role also offers the opportunities for significant municipal input into the allocations of the federal/provincial funds.

In 2005 the County of Huron has expressed their intent to participate in the supportive and rental funding as well as the housing allowance portion of the Affordable Housing Program.

2.5.3 Federal 2006 Federal Budget Housing Program

In the amended 2005 federal budget there was a commitment to fund \$1.6 billion in new affordable housing initiatives across Canada over a two years period. Although there was a change in Federal government as a result of the January 2006 Federal Election, the Spring, 2006 Federal Budget re-stated this federal housing commitment, albeit at a slightly reduced amount of \$1.4 billion.

On September 25, 2006, the Federal Government confirmed that the Housing funds would be moving forward in three streams - \$800 million to be transferred

to the Provinces and Territories, \$300 million for an urban aboriginal component and \$300 million for a Northern Housing initiative.

Under this arrangement the Province of Ontario is being allocated \$312 million from the Provincial funds of \$800 million. While the Province of Ontario has made no further administrative decisions on the use of these funds, if they allocate these funds on a similar basis as the AHP Rental and Supportive component, Huron County could be allocated approximately another \$1 - \$1.5 million in capital funding for new affordable housing.

2.5.4 CMHC Mortgage Insurance Premiums

In March of 2005 the federal government announced a significant improvement in the financing of new affordable housing – that of waving the CMHC mortgage insurance premiums for housing created under the new affordable housing programs. The premium for non-profit projects prior to March, 2005 were as high as 5% of the total mortgage, adding tens of thousands of dollars to the costs of new affordable housing. The waving of premiums needs to continue to support the creation of new affordable housing.

2.5.5 Supporting Community Partnerships Initiatives (SCPI)

In December of 1999 the Federal Government announced a new funding initiative to provide funding for initiatives to either assist homeless persons or prevent homeless for persons who are vulnerable. Originally the funding – about \$150 million per year over three years across Canada was to be targeted to just the largest Cities in the Country. In Ontario this would have originally been just the Cities of Toronto, Ottawa and Hamilton. The Federal Government later expanded funding to many mid sized urban areas. No funding was provided to Municipal Service Managers with smaller populations such as Huron County. The SCPI funding is set to expire set to expire at the end of March 31, 2007.

3 BEST PRACTICES/HOUSING INITIATIVES AND BENEFITS IN OTHER ONTARIO MUNICIPALITIES

As stated above, 13 Ontario municipalities become directly involved in the creation of new affordable housing under their own affordable housing initiatives or through making active use of the Affordable Housing Program.

The following represents a snapshot of some initiatives in other municipalities to promote the creation of new affordable housing. There are some innovative policies/programs which the County of Huron could consider adopting (with appropriate local modifications).

3.1 BEST PRACTICES

3.1.1 City of Peterborough

The City of Peterborough has had a number of affordable housing initiatives supported by Peterborough City Council as well as community organizations over the past five years.

The initiatives have included:

- Waiving City Development Charges;
- Equalizing the property tax rate for all new multi-residential rental buildings with that of the single family tax rate;
- Waiving city building permit fees;
- Establishing an Affordable Housing Property Reserve Fund, contributing \$75,000 per year into a fund which can help purchase land for future housing needs;
- Undertaking a housing needs analysis and passing an affordable housing strategy;
- Using some of the provincial rent supplement funding to make a portion of the new units affordable to low-income households from the local waiting list.;
- Participated in Community Rental Housing Pilot project ; and
- 279 units in 10 projects are currently under development

3.1.2 City of Ottawa

The City of Ottawa has taken a number of affordable housing initiatives over the past four years, including:

- providing capital grants of up to \$25,000 per new rental unit, although the amount of the City's grants has declined since the Province modified the Community Rental Housing Program in late 2003. The City has had the goal that at least 60% of the units are at rents no higher than 70% of average market rents;
- providing grants to offset the cost of City Development Charges;
- equalizing the property tax rate for all new multi-residential rental buildings with that of the single family tax rate;
- using government owned land for affordable housing developments through public proposal calls;
- using a portion of the provincial rent supplement initiative to make some of the new units affordable to low income households from the local waiting list; and,
- developing an active housing policy statement under its new Official Plan encouraging more affordable housing in all new residential developments.

3.1.3 City of Brantford

The City of Brantford has also participated in the Community Rental Housing Program although it may be scaling back the level of its financial contributions due to increased provincial funding. The Kingston initiatives to support new affordable housing have included:

- waiving development charges;
- Providing annual grants which effectively equalize the property tax rate for all new multi-residential rental buildings with that of the single family tax rate;
- waiving City building permit fees;
- undertaking an inventory of municipally owned lands to see which may be suitable for affordable housing;
- Undertaking a housing needs study in 2003 (updated in 2006) and developing a Brantford affordable housing strategy;
- Using some municipal housing funds to create additional rent supplement units
- using a portion of the Provincial Rent Supplements in new affordable projects; and,
- 3 projects are recently completed under the pilot phase of the AHP creating 102 new affordable apartments.

The City of Brantford is preparing for a proposal call under the Rental and Supportive component of the AHP as well as the Affordable ownership component of the AHP in the late fall of 2006.

3.1.4 Region of Waterloo

The Region of Waterloo has a number of initiatives to increase the supply of affordable housing. The Region of Waterloo issued its first affordable housing proposal call in the summer of 2000 and its Regional Council passed an affordable housing strategy in the spring of 2001.

The initiatives have included:

- capital grants of up to \$15,000 per new rental units (as of the spring of 2005, over \$7.8 million in Regional funds have been allocated for capital grants);
- grants to offset the cost of Regional Development Charges (about \$4,200 per apartment);
- equalizing the property tax rate for all new multi-residential rental buildings with that of the single family tax rate (saving about \$60 - \$100 per month per apartment in property tax operating costs);
- two parcels of government owned land used (including one created as a result of a density bonus given to a private sector developer) to contribute to affordable housing developments;
- a 140-unit rent supplement initiative funded entirely by the Region of Waterloo, targeted mostly to the new affordable housing;
- using a portion of the provincial rent supplement initiative to make some of the new units affordable to low-income households from the local waiting list; and,
- an affordable ownership pilot program providing one-time capital assistance of \$3,000 - \$8,000 to existing social housing tenants to move into ownership housing. An educational component complements the financial assistance.

As result of these various municipal initiatives, combined with the federal and provincial government funds and community fundraising efforts **(over \$2.5 in community and corporate donations have been fundraised over the past five years for new affordable housing initiatives in Waterloo)**, there are 510 rental units built and occupied in 16 projects, with 500 further units under construction or in the design/financing stage. This represents a total of 1,010 new rental housing units being developed.

3.1.5 County of Oxford

The County of Oxford had a housing Needs study and Affordable Housing Strategy completed in 2004.

With the revised delivery of the Affordable Housing Program in early 2006, Oxford County has aggressively moved ahead in the delivery of the new program.

In 2006 Oxford County has:

- Issued a proposal call for the Rental/Supportive component of the AHP
- Had county council recommend 3 projects to use the \$1.75 million allocated (to create 54 new units), and request funding for additional funds of \$1.75 million to support the creation of 3 other projects with 40 units
- Agreed to provide offsetting grants to equalize the multi-residential property tax rate with the single family residential tax rate for the new affordable housing projects
- Agreed to waive County Development Charges for new affordable rental and ownership housing under the AHP
- Worked with area municipal governments to have the City of Woodstock agree to waive their municipal development charges for an affordable housing project
- Passed a municipal housing facilities by-law to define affordable housing and permit the County to provide financial benefits for new affordable housing

3.2 Economic Benefits

According to a recent study for the Region of Waterloo, municipal investment in affordable housing brings significant economic benefits, including to the municipality itself. According to the study, “every dollar invested by the Region in the form of capital contributions levers a further \$6 from other sources – including other orders of government, project sponsors and private mortgage financing. Based on current cost estimates and recommended grants and contributions, the leverage will increase [so that] each \$1 invested by the Region will lever \$8 from other sources.”⁴

Similarly the 2005 report “An Affordable Housing Strategy for the City of London” looked at preliminary data from three new projects in the City of London and the report indicated a leverage ratio of 6:1 (approximately each \$1 invested by the City will lever \$6 from other sources) The report further noted that with the Provincial government now increasing its funding commitment for new affordable housing, it is expected that the leveraging effect of City housing funds should increase.

⁴ Pomeroy, Steve: *The Region of Waterloo Affordable Housing Strategy: Measuring Community Returns on Investment*. November, 2004

This level of return on investment was significant with a situation where a municipality was providing capital grants of up to \$15,000 per unit in addition to lower property tax rates and providing grants to offset regional development charges.

In the County of Huron, with a more modest financial contribution of perhaps waiving municipal charges and fees or contributing municipal land, the leverage ratio would likely be higher than the figures in the London and Waterloo reports. In London and Waterloo larger municipal contributions, which included municipal capital funding of up to \$15,000 per unit, were provided in leveraging the investment in housing. In Huron County a more modest level of municipal investment will likely be provided in supporting new affordable housing, therefore resulting in a higher leveraging ratio.

The Waterloo study also discusses recent CMHC research which indicates that each unit of residential construction generates roughly 2.5 person-years of employment, most of it local in the form of construction work, but some of it added to the general economy. Thus, even the modest initial allocation under the federal-provincial Affordable Housing Program for 15 units in the County of Huron would lead to the creation of roughly 37 person-years of employment.

The third consideration in examining the economic benefits of new affordable housing is the generation of property tax revenue. Although the new affordable housing requires the new housing to pay taxes at a “reduced rate” (the single family residential rate rather than the multi-residential rate paid by private and existing non-profit housing rental buildings), **they do pay taxes**.

The Waterloo study has estimated that the present value of the first 20 years of tax income from the new affordable housing is equal to almost half (46%) of the Region’s total investment (It is worth noting once more that the proposed investment by the County of Huron will be much smaller than the Region of Waterloo (no capital grants) and therefore the payback would happen much more quickly).

In fact, without the municipal support in lowering the tax rate, a new affordable housing project under this AHP would not be built and the County would have no new property taxes generated. The County and the area municipalities should look at the AHP as an opportunity to generate an additional property tax revenue of approximately \$9,000 per year or at least \$225,000 in additional municipal revenues over a 25 year period.

Another way of looking at this is that there is no actual “cost” to the County in stimulating new affordable housing and instead it is a net generator of municipal revenue, especially as most new affordable housing will be multi-residential and infill housing which is less costly to service (no extension of roads, for example,

compared to new single family subdivisions). This benefit to the County does not even count the other financial benefits new affordable housing brings such as easing the burden on other municipal and health/social services (e.g. shelters, hostels, food-banks, etc.) nor does this calculation count the important social benefits such as fighting homelessness or potentially contributing to neighbourhood revitalization).

4.0 A CO-ORDINATED HOUSING STRATEGY FOR THE COUNTY OF HURON

ELEMENTS OF THE STRATEGY

While the Federal-Provincial Affordable Housing Program (AHP) provides some much needed financial support to help meet affordable housing needs, it in itself is not adequate to meet all of the affordable housing needs in the County of Huron. A co-ordinated housing strategy needs to be a broad action plan which provides direction as to how all levels of governments, community organizations, private sector representatives and concerned individuals can work together to address the housing needs in the community.

In order to be effective a housing plan to meet current and future housing needs in the County of Huron, in co-ordination with other levels of governments and community groups, should:

- ⇒ Establish a definition of affordable housing for the County of Huron;
- ⇒ Educate and inform the public about housing needs and solutions;
- ⇒ Support the renovation and rehabilitation of existing housing, including the conversion of non-residential to residential uses;
- ⇒ Support the development of local affordable housing solutions;
- ⇒ Support the development of new affordable rental housing;
- ⇒ Promote aging in place developments for older persons in the County of Huron;
- ⇒ Support the development of affordable ownership housing;
- ⇒ Provide land for affordable housing;
- ⇒ Adopt official plan policies and housing targets to support affordable housing development; and,
- ⇒ Support energy efficiency in residential development.

Recommendations for the Community

It is clear that there is no single solution which will meet all of the housing needs in the County of Huron nor is there only one organization or sector which can meet all of the housing needs in the community. In order to successfully move ahead, there is a need to create a partnership between the public, private, non-profit and community agencies to achieve housing goals.

Recommendation #1

The County of Huron, federal government representatives, provincial government representatives, area municipalities and other key community stakeholders/support agencies should continue to work together through a variety of means in order to continue to build support for new affordable housing initiatives.

Community Education

There is a need to continue to educate residents of the County of Huron on the housing needs and benefits, including economic benefits, of affordable housing initiatives. The Huron County Housing Coalition, in co-operation with the County of Huron Housing Services, should play a role in undertaking initiatives to inform and educate the public about the need for affordable housing in Huron County.

Community education is also needed around potential solutions and the availability of assistance through various housing programs

Recommendation # 2

The Huron County Housing Coalition, made up of representatives of a variety of community and public organizations, should undertake periodic education initiatives to help inform and educate the public about the need for affordable housing and potential solutions.

Maintenance of Existing Housing Stock

It is important, based on maintenance concerns raised in stakeholder interviews and at the community forum, that more is done to ensure that existing rental housing is properly maintained in the County of Huron.

Education of landlords and tenants as to their rights and responsibilities is certainly an important part of ensuring proper maintenance is carried out. More outreach appears to be necessary to ensure tenants and landlords are aware of options available to deal with maintenance concerns.

Recommendation #3

The County of Huron, the local community legal services clinic, the local real estate association, the Ontario Rental Housing Tribunal and other interested organizations should work together to ensure outreach and education materials are being provided to landlords and tenants in the County of Huron regarding their rights and responsibilities. Improved knowledge could potentially increase the willingness of private landlords to accept tenants that receive the support of Housing Allowance or Rent Supplement assistance.

New Affordable Rental Housing

The total AHP capital funding for affordable rental housing in Huron County is for 15 units – or \$1.05 million in capital funding (assuming \$70,000 per unit). While the funds are a good first step, the allocations granted to the County of Huron under the first wave of the AHP are inadequate to meet all of the affordable housing needs in the County.

The County government, the Huron County Housing Coalition and other groups should advocate to the federal and provincial levels of government to increase the amount of affordable housing funding for the County of Huron (and the province as a whole).

The allocations announced for Huron represent less than one tenth of the number of households on the County's waiting list. While the recent housing initiatives announced recently are welcomed, the County of Huron will have a growing population over the next 20 years.

Recommendation #4

The Huron County Housing Coalition should advocate for increased housing funding from the Federal and Provincial governments for new affordable housing initiatives in the County of Huron. This advocacy should be co-ordinated, where appropriate, with other province-wide and federally-focused housing organizations.

The 2006 federal budget committed \$1.4 billion for new affordable housing initiatives. In September 2006 the federal government transferred Ontario's portion of these funds to the Province, but the Provincial government has made

no firm commitment on when these funds will be used for housing. It is important for the provincial government to release these funds quickly so that they can be put to use creating housing in the community and to build upon the momentum in the County of Huron to create new affordable housing.

Recommendation #5

Community organizations, private sector builders and the County of Huron should work together to advocate to the Province that the Ontario portion of the federal government's 2006 Federal budget housing funds (totaling \$312 million for Ontario) should be released quickly with a specific allocation for each municipal service manager area including the County of Huron. The advocacy should include asking the governments for a simple and flexible program that can allow the local county/community to meet local housing needs in the most suitable local way.

Government Lands

One of the key aspects of developing new affordable housing is the ability to acquire suitable land. This is a particular challenge for non-profit housing providers. And a contribution of land can improve the affordability of the housing to be created on that land.

At the Federal, Provincial and County levels of government there has been some interest expressed in using government land for affordable housing, but so far there has been no systematic approach to this issue. The potential use of government land holdings for affordable housing should be fully explored.

Recommendation #6

The County of Huron, area municipalities and the federal and provincial governments should work together to create a comprehensive inventory of surplus government lands (building upon any work already done by the various levels of government) which could then be considered, where appropriate, for affordable housing purposes. This inventory should also include reviewing the existing public housing sites to consider the opportunities for small scale rental intensification and/or potential use for the AHP affordable ownership assistance. Community and private organizations should also be encouraged to identify any government lands as potential sites for affordable housing in order for those lands to be examined for such purpose.

Recommendations for the County of Huron

Intensification of Existing Non-Profit Housing Sites

In other municipalities in Ontario, consideration is being given to whether additional affordable housing can be created through adding more housing to existing non-profit housing locations. The extra units can serve to provide some additional variety in the size of units on a site (e.g. adding a few one bedroom apartments to a family townhouse complex so that as children grow up and leave home, the childless parents could remain in the same neighbourhood).

Recommendation #7

Existing non-profit organizations should be contacted by the County of Huron to encourage them to review their own sites to consider the potential to create new affordable housing through small scale intensification. If there are opportunities, the housing providers may wish to try to access recently announced or future government assistance programs.

Municipal Housing Facilities By-law/Defining Affordable Housing

Affordable Rental Housing

While the term affordable housing has many connotations and has been used differently in a number of recent government housing programs, the issue of affordability is seen by many to be related to the income of the persons in need of housing. The concept of housing being affordable if it represents no more than 30% of household income has resonance in the County of Huron.

Concerns do exist with the definition of affordable housing in the Provincial policy statement which came into effect on March 1, 2005, as its use of households in the lowest 60% of the income distribution could lead to a false sense that if more rental housing, for example, was created at a monthly rent of \$954⁵ per month, the level that would be affordable to the 60th percentile of tenants, this would meet the affordable housing rental needs in the community. This rent level is in fact, unaffordable to low income households earning minimum wages or receiving basic pensions or social assistance.

The recommendation below regarding the definition of housing affordability is consistent with the provincial housing policy statement (as the Provincial Policy Statement sees its affordable housing definitions as a minimum and what is being proposed in recommendation #8 set out below strengthens the minimum requirement of the Provincial Policy Statement) but the County of Huron should also encourage a range of affordable housing which is lower than the affordable housing definitions of the Provincial Policy statement.

⁵ The 60th percentile for tenants in 2006 is estimated at an annual income of \$38,180.

3.2.1 Ownership Housing

There are similar problems with the provincial definition of affordable housing which defines affordable housing as that which is affordable to the 60th percentile for all households or 10% below the average resale price. This would result in an affordable new dwelling of \$167,000 affordable to the 60th percentile of all households or \$173,000 using the 10% below resale prices definition.⁶ Instead we recommend using the median household income estimated at \$50,794 in 2004 which would result in an upper threshold for affordable housing of \$129,000 (assuming a 10% down payment).

In 2001 the Provincial government introduced changes to a regulation under the Municipal Act to allow municipalities to offer financial incentives to private sector developers, such as waiving development charges, if affordable housing was created as a result of such incentives. Given the desire to see affordable housing created by both the non-profit and the private sector a municipal capital facilities by-law is needed. It should be noted that such a by-law must be passed to enable grants and other contributions to developers.

Recommendation #8

The County of Huron should pass a Municipal Housing Facilities by-law and define affordable housing in its Official Plan and its Housing Facilities by-law as:

- a) in the case of rental housing, the least expensive of:
 - i. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or*
 - ii. a unit for which the rent is at or below the average market rent of a unit in the regional market area.**
- b) in the case of ownership housing, the least expensive of:
 - iv. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of the annual median household income for all households; or,*
 - v. 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.**

Low and moderate income households means:

- a) in the case of ownership housing, households with incomes in the lowest 50 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*

⁶ The 60th percentile for all households in 2006 is estimated at \$60,832 and the affordable house price would be \$166,919 including taxes and utilities.

This Municipal Housing Facilities By-law will allow the County to provide financial incentives to private sector developers to create new affordable housing.

Convert Non-Residential Buildings to Residential Uses

The creation of affordable housing through the conversion of non-residential space into apartments (such as converting former office or factory space to apartments or creating apartments out of unused space above stores on main streets) is both permitted by the AHP (as well as by RRAP) and it is an efficient way to make use of the existing municipal infrastructure of roads, sidewalks, and sewers. Conversion of non-residential buildings can also serve to help revitalize some older neighbourhoods and can provide housing close to existing shopping and services for low income households who do not own cars.

Recommendation #9

The County of Huron should encourage proponents of conversions of non-residential buildings to affordable housing to seek funding under future federal government Residential Rehabilitation Assistance Program (RRAP) proposal calls. The County could also consider using some of its AHP allocations to encourage applications from developers/potential housing providers to convert non-residential buildings to residential uses.

Support Services

Many of the stakeholders interviewed felt that there are significant gaps in supports and affordable supportive housing for those households which require support services to be successfully housed. These include supports in affordable housing for those with mental health issues as well as other tenants in need of supports. Many of these tenants currently live in the County's own housing.

Recommendation #10

The County should encourage affordable housing "projects" which can offer support services for persons with mental health needs over and above the minimum requirements for three affordable mental health supportive units in the current Rental/Supportive component of the AHP.

Recommendation #11

The County should provide funding for a support service worker for its existing public housing residents.

Location of New Affordable Housing

Many of the key stakeholders interviewed expressed concern about low income households living in rural areas where it is difficult to access services when the household does not own a car, or for families with children, there is only one car. There was a strong consensus that new affordable housing should be created in the larger towns of the county.

Recommendation #12

The County should encourage new affordable rental housing to be located in the larger communities so that the residents can more easily access services.

Making Effective Use of the AHP Funding

As shown in other communities, while government financial support is crucial to create new affordable housing, community resources can also play an important role in the creation of new affordable housing. Placing affordable housing as part of a larger mixed housing community can also help the developer achieve an economy of scale in developing new housing.

Recommendation #13

The County of Huron should undertake an open competitive proposal call under the AHP to determine which projects to recommend for capital funding. As part of the proposal call the County should:

- o Encourage non-profit and private sector developers to contribute land, and equity (including monies obtained through community fundraising) to maximize the affordability of the rental units.*
- o Given the limited amounts of federal/provincial funds available for the County of Huron, encourage developers of new housing to consider affordable housing as a portion of their new development, thus promoting a mixed income housing community.*
- o Give priority to housing proposals which are energy efficient and use innovative “green technology” approaches to building design as these approaches have the effect of reducing long term operating costs.*
- o Give priority to housing proposals where utilities are included in the rent, in order to improve affordability.*

Property Taxes

In order to participate in the AHP the municipal service manager, that is, the County of Huron, must effectively reduce the property tax ratio for any of the

funded housing projects from the existing multi-residential property tax rate to the single family residential rate (reducing the municipal property tax payments by about 10% and perhaps lowering the operating costs by about \$10 -15 per month in most parts of the County).

Recommendation #14

The County of Huron should pass a by-law to effectively equalize the property tax rate for new affordable rental projects to be equal to that of the single family residential rate.

Municipal Fees and Charges

While the financial resources of the County of Huron and area municipalities are limited, other contributions to the creation of new affordable housing can further result in lower rents. If the County and area municipalities recognize that without the combined government assistance to new affordable housing projects, these affordable housing units would not otherwise be built and no additional municipal fees and development charges would be collected, there is no actual “loss” of revenue by the municipal tax base

Recommendation #15

The County of Huron and area municipalities should waive municipal fees and development charges to improve the affordability of new housing developed under the Affordable Housing Program.

Housing Needs of Seniors

Huron County currently has a higher than average portion of seniors living in the County and the number of seniors are expected to increase significantly over the next 20 years. In order to successfully house the growing number of seniors, the County should encourage a wider variety of housing.

Recommendation #16.

The County of Huron in partnership with private developers, non-profit providers, area municipalities and senior levels of government should encourage a range of housing options for an aging population including:

- affordable rental housing*
- affordable freehold (ownership) housing*
- affordable townhouse and apartment condominium housing*
- housing developments that incorporate communal services such as dining facilities and exercise rooms*

Recommendation #17

The County of Huron should work with support service providers (like TCSS) to increase the number of seniors that can access supportive services in affordable rental housing so they can live independently as long as possible.

Recommendation #18

The County of Huron Planning Department should work with private retirement community developers to include a wider range of house prices that are affordable to local seniors.

Housing for Young Adults

An issue raised in many of the stakeholder interviews is that many young adults, at the beginning of the working lives, have modest incomes and need housing that they can afford.

Recommendation #19

The County of Huron should work with area municipalities to permit transitional and permanent housing for young adults so they can afford to stay in the County.

Recommendation #20

The County of Huron should work in partnership with the private building industry and the Huron Business Development Corporation to provide training to young adults in the building trades.

Recommendation #21

The County of Huron should work with community agencies so that emergency housing is available in a central location for homeless males in Huron County.

Housing and Planning Policies

As noted in the Housing Supply and Demand report, 84% of all new residential dwellings are single detached homes.

Given the large and growing percentage of seniors, the related increase in population with mobility issues and that, generally speaking, more affordable housing is likely to occur in multi-residential structures rather than in single-detached dwellings, the County of Huron will need a greater mix of housing types than in its recent past. Accessory apartments in homes are also generally rented

at more affordable rates and rental apartments converting existing buildings can be a further source of affordable apartments.

While the this strategy assumes a continuing high proportion of single detached dwellings, some of these could be smaller bungalows built on smaller lots and could therefore, provide an opportunity for some seniors to downsize. Similarly, seniors wishing to downsize could move into row bungalows which have proven to be a desirable housing option for retirees in other parts of Ontario. Row housing would also provide opportunities for moderate income households to purchase their own home. The increase in apartment structures could include both rental and condominium units.

The County of Huron is currently updating its official plan and is developing a comprehensive set of policies regarding housing. The County and area municipalities will also be required under provincial policies to adopt long-term housing targets that provide for a full range of housing types and densities; support residential intensification and redevelopment and adopt affordable housing targets.

Recommendation #22.

The County of Huron Planning Department and area municipalities should encourage the provision of rental housing by permitting accessory apartments in houses in all residential zones.

Recommendation #23

The County of Huron Planning Department and area municipalities should encourage the redevelopment and intensification of underutilized sites for residential purposes, especially those that are close to urban services such as shopping.

Recommendation #24.

The County of Huron Planning and Housing Departments and area municipalities should encourage the renovation of the upper floors of buildings in commercial areas and main streets.

Recommendation #25

The County of Huron should refine its official plan policies for housing and use the background information prepared for this housing study in developing housing targets by type and tenure, including affordable housing targets as set out in Appendix A. Area municipal plans should be revised to include policies regarding affordable housing, housing mix, accessory apartments and residential intensification.

Recommendation #26.

In all new housing developments, housing providers should be encouraged by the County to provide a portion of housing that is accessible to those with mobility problems

Affordable Home Ownership

Home ownership can be very beneficial for some moderate income households, particularly because homeowners have the opportunity to build equity. Moving from rental to ownership can also be a form of empowerment for moderate income households. There have been innovative approaches to affordable home ownership, particularly in Western Canada, which have been used as a form of neighbourhood revitalization. Across Canada Habitat for Humanity promotes homeownership by lowering the cost of building through volunteer labour and by providing interest-free loans to selected households.

Other examples include the Options for Homes approach which lowers housing costs by the developer taking out a second mortgage which is payable only when the unit is sold.

In order to meet both the needs of lower income families and the needs of seniors for more affordable housing, it is worth exploring affordable ownership options within the County of Huron. Innovations in affordable home ownership have typically come from community organizations, sometimes with the support of private sector builders. Affordable home ownership can also be supported through targeted government incentives such as the affordable home ownership initiative under the Affordable Housing Program.

Recommendation #27.

The County of Huron and area municipalities should support the efforts of Huron County Habitat for Humanity, and other developers of affordable ownership housing, to provide affordable housing through such incentives as the donation of land and waiving of development charges and permit fees.

Flexibility on Housing Mix

In stakeholder interviews, non-profit housing providers located in the smaller communities of Huron County were sometimes having difficulty filling their Rent

Geared to Income units as some low income households do not have a car and therefore cannot easily access needed services from the small communities.

Recommendation #28

The County should review the existing income mix of non-profit and co-operative housing providers to ensure there is an appropriate mix of RGI and market units, particularly for housing providers in small/rural communities. If certain providers are less able to fill RGI units as many of those clients do not have cars and cannot access services which are available in the larger towns of the County, the County could consider transferring some of the RGI subsidy dollars into market units in the towns.

Government of Ontario Recommendations

In addition to the Provincial Rent Supplements under the Strong Communities Rent Supplement Initiative, in 2005 it was announced that there would be a housing allowance component of the Affordable Housing Program. While modest for the County of Huron (20 units, funded at \$160 per month for only a five-year period), the housing allowance initiative does represent an opportunity to meet some of the housing affordability needs in the County.

The housing analysis indicated that some of the greatest gaps were for seniors and single persons working at or near minimum wages or receiving fixed incomes such as basic pensions, ODSP or OW.

Recommendation #29

The Government of Ontario should commit to annually increasing the funding for the Strong Communities Rent Supplement Program by an amount equal to the Tenant Protection Act/Residential Tenancies Act “rent guideline.”

Recommendation #30

The Government of Ontario should increase the shelter component of social assistance rates to an amount equal to 90% of average rents.

Government of Canada Recommendations

ENCOURAGING THE DEVELOPMENT OF LOCAL INITIATIVES

While many groups are interested in developing affordable housing, before any group can obtain funding or obtain concessions from the local municipality,

serious background analysis needs to be done to see if it is feasible to provide housing at affordable rents or prices. SEED funding from CMHC is an important source of financial assistance to conduct predevelopment studies.

Recommendation #31

The Federal government should continue to provide SEED funding to support refining new affordable housing ideas into concrete business plans. Potential affordable housing proponents in Huron County should be encouraged to apply for SEED funding

RENOVATION AND CONVERSION

One aspect of improving housing conditions in the County of Huron is to encourage the renovation and upgrading of rental housing. RRAP is an important source of funding across Canada for such initiatives.

While education is important, it is also beneficial to provide financial assistance to landlords who need to undertake necessary capital repairs to their rental units and wish to keep their rents affordable.

Recommendation #32

The federal government should continue to fund the RRAP program in future years, and the number of units funded by the conversion and rental upgrade portion of the program should be increased.

Recommendation # 33

The federal government should give a specific RRAP unit or dollar allocation to the County of Huron so that the amount of RRAP funding available for the County is known each year.

Federal and Provincial affordable housing initiatives should be structured to ensure a significant portion of the housing created is affordable to low income residents on the co-ordinated access waiting list in the County of Huron.

Recommendation #34

The Federal and Provincial affordable housing programs should provide adequate capital funding so that at least half of the new housing to be created would be affordable to persons currently on or eligible to be on the County of Huron's co-ordinated access waiting list.

Preventing Homelessness

The Federal Government's Supporting Communities Partnerships Initiatives (SCPI) has provided funding for initiatives to either assist homeless persons or prevent homeless for persons who are vulnerable in the urban areas of Canada. No funding, however, was provided to Municipal Service Managers with smaller populations such as Huron County. The SCPI funding is set to expire set to expire at the end of March 31, 2007.

Recommendation #35

The Federal Government should continue to fund the Supporting Community Programs Initiatives (SCPI) which provides funds to assist those who are homeless and provide supports to prevent homelessness. SCPI funding should also be geographically expanded so that all areas of Canada, including the County of Huron, are able to access SCPI funds.

6. Conclusion

There is a growing sense among members of the community that action can be taken to address the need for affordable, suitable and adequate housing for seniors and other groups at risk in the County of Huron. While modest, the various affordable housing announcements from the Federal and Provincial governments in 2005 and 2006 provide an opportunity for the County of Huron, in partnership area municipalities, private sector builders and developers and with a variety of community organizations, to respond to the need for affordable housing in Huron County.

Appendix A

Five and Ten-Year Affordable Housing Targets

	Owned	Rented	Total
Tenure Split 2006-2016	83.8%	16.3%	100.10%
Affordable Housing Definition	Owners at or below the median household income	Tenants at or below the 60th percentile of tenant incomes	
2006-2011 Housing Requirements	911	177	1087
Affordable Housing Targets	182 20.0%	89 50.0%	271 24.9%
Affordable Target for Lower Income Tenants		Tenants at or below the 30th percentile of tenant incomes 44	
2011-2016 Housing Requirements	996	194	1189
Affordable Housing Targets	199 20.0%	97 50.0%	296 24.9%
Affordable Target for Lower Income Tenants		Tenants at or below the 30th percentile of tenant incomes 48	

APPENDIX B: LIST OF INTERVIEWEES

- James Bearss*, South Huron Seniors
- Shelley McPhee-Haist*, Town and Country Support Services
- Melissa Hamer*, Community Matters Project
- Rebecca Rathwell*, Community Matters Project
- Jocye Wilson*, Howick/Goderich - Huron County Planning and Development Department
- Sandra Weber, North Huron/Morris-Turnberry - Huron County Planning and Development Department
- Monica Walker-Bolton, Ashfield-Colborne-Wawanosh - Huron County Planning Department
- Craig Metzger, Bluewater - Huron County Planning Department
- Claire Dodds, South Huron - Huron County Planning Department
- Cindy Fisher, Huron East - Huron County Planning Department
- Carol Leeming, Huron East - Huron County Planning Department
- Susanna Reid, Central Huron - Huron County Planning Department
- Pam Stanley, Huron Business Development Corporation; Habitat for Humanity Huron County
- Vicky Parent*, Huron Safe Homes for Youth
- Don Brisson*, Housing Services Huron County
- Lynne Harris*, Huron Perth Community Legal Services
- Dorothy Beuermann, Huron County Child Abuse Prevention Committee
- Debbie Zock*, McCormack and Zock Property Management
- Marg Wright*, Ontario Disability Support Program

- Rob Evans*, Goderich Council
- Michele Hansen*, Huron County Women's Shelter
- Judy Binder*, Canada Mortgage and Housing Corporation
- Gertie Gerrits*, Second Stage Housing
- Deb Shewfelt, Mayor Town of Goderich
- Brenda Triebner, Royal LePage
- Janice Dunbar*, Huron County Health Unit
- John MacKinnon, Huron County Social Services

Note: * indicates that the person is member of the Huron County Housing Coalition.