

Housing Strategy Study

Stakeholder Discussion Questions

February 25, 2021

1. Introductions:

Please share with the group:

- ✓ Your name;
- ✓ The name of your organization; and
- ✓ Your interest in affordable housing

2. Some Background Information:

- ❖ Population projections indicate the population of the City of Pickering is anticipated to grow from 91,771 (2016) to 165,136 by 2034.
- ❖ Older adults currently represent the fastest growing segment of the population in Pickering, and are forecast to represent an increasing share of the population over the next decade.
- ❖ In 2015, 25% of all households were facing housing affordability issues (i.e., spending more than 30% of household income on housing costs), consisting of:
 - 46% of renters
 - 22% of owners
- ❖ In 2019, the average price of a new single-detached home in Pickering was \$961,753 and \$699,087 for a resale home.
- ❖ In 2018, a home in the City of Pickering would be considered affordable if it sold at or below \$450,902.
- ❖ In 2016, 5% of all households experienced severe housing affordability due to spending more than 70% of household income on housing costs.

3. What should the City of Pickering be doing to facilitate:

- (a) Affordable housing, in general?
- (b) Purpose-built rental housing?
- (c) Community housing¹?

4. What are the obstacles, if any, to building:

- (a) Affordable rental housing in Pickering?
- (b) Affordable homeownership housing in Pickering?

¹ The term “community housing” is an umbrella term that typically refers to either housing that is owned and operated by non-profit housing societies and housing co-operatives, or housing owned by provincial, territorial or municipal governments. (From The National Housing Strategy Glossary of Common Terms, <https://eppdscrmssa01.blob.core.windows.net/cmhcprodcontainer/files/pdf/glossary/nhs-glossary-en.pdf?sv=2018-03-28&ss=b&srt=sco&sp=r&se=2021-05-07T03:55:04Z&st=2019-05-06T19:55:04Z&spr=https,http&sig=bFocHM6noLjK8rlhy11dy%2BkQJUBX%2BCDKzkjLHfhUIU0%3D>)

5. **Major Transit Station Area** is defined in *A Place to Grow, Growth Plan for the Greater Golden Horseshoe* as: The area including and around any existing or planned *higher order transit* station or stop within a *settlement area*; or the area including and around a major bus depot in an urban core. **Major transit station areas** generally are defined as the area within an approximate 500 to 800 metre radius of a transit station, representing about a 10-minute walk.

The diagram below shows the proposed MTSA for the City of Pickering as delineated in Durham Region's Major Transit Station Areas Proposed Policy Directions paper released in December 2020.



Inclusionary Zoning is a land-use planning tool that may be used by municipalities to require affordable housing units to be included in proposed developments. In 2019 the *More Homes More Choices Act, 2019* (former Bill 108), limited the use of inclusionary zoning by municipalities to protected **major transit station areas** or where a development permit system/community planning permit system is in place.

In order for a municipality to utilize the inclusionary zoning provisions enabled through the *Planning Act*, they must undertake an “assessment report” to inform the development of appropriate official plan policies and zoning by-law provisions. The Region of Durham has indicated that they are exploring the possibility of preparing an assessment report for their jurisdiction. This would enable the local municipalities, including the City of Pickering, to use this information in establishing inclusionary zoning official plan policies and zoning by-law provisions should they choose to do so.

The adoption of by-laws to implement inclusionary zoning cannot be appealed to the Local Planning Appeal Tribunal, except by the Minister of Municipal Affairs and Housing.

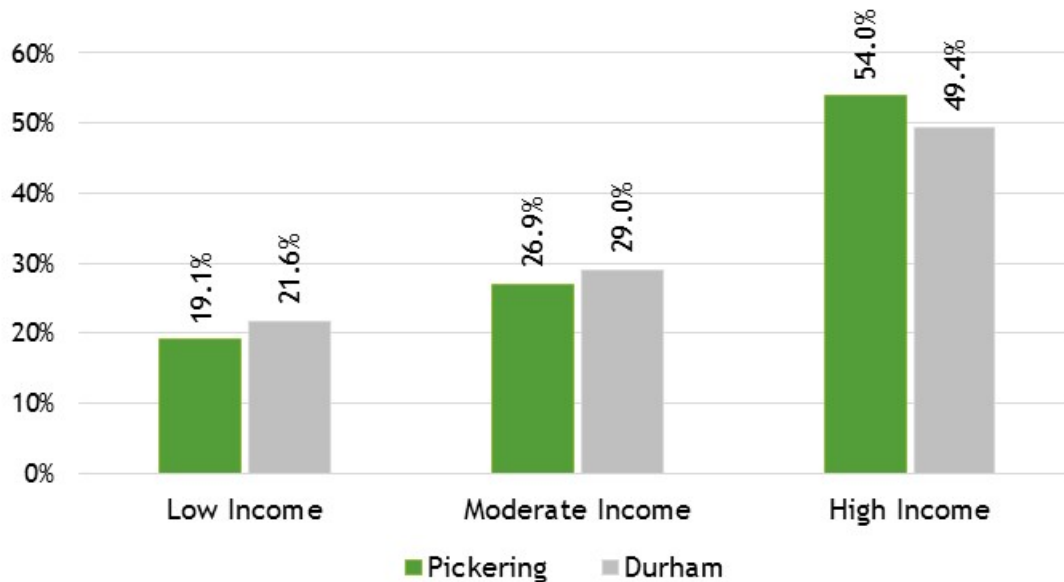
Currently, there are no policies in the Pickering Official Plan that enable the use of inclusionary zoning.

Should Pickering implement Inclusionary Zoning:

- (a) Within its protected MTSA?
- (b) In other areas within Pickering that are outside of the MTSA?

6. Pickering Official Plan (POP) policy 6.4 (a) establishes a target of a minimum 25% of new residential construction, on a City-wide basis, be of forms that would be affordable to households of low or moderate income.

Figure #: 2015 Proportion of Population by Income Groups – Pickering and Durham Region



Source: Statistics Canada Census 2016.

The median monthly, and average monthly, shelter costs for rented dwellings in Pickering is \$1,376 and \$1,359 respectively. To put this into perspective, the hourly wage earned by a cashier of \$14.00 would mean an affordable rent of \$728; the hourly wage earned by a construction worker of \$20.31 would mean an affordable rent of \$1,056; and the hourly wage of a registered nurse of \$25.07 would mean an affordable rent of \$1,304.

None of the workers in these examples would be able to afford rental or ownership housing in the current market in the City of Pickering.

The average rent in the Secondary Rental Market was \$1,859 for a one-bed room unit in 2019.

The Secondary Rental Market is generally defined as rental dwellings that were not originally purpose-built for the rental market, including rental condominiums.

Worker	Hourly Wage	Affordable Monthly Rent
Cashier	\$14.00	\$728.00
Construction Worker	\$20.31	\$1,056.00
Registered Nurse	\$25.07	\$1,304.50

Source: Durham Region Housing Policy Planning Discussion Paper, December 2019,
<https://www.durham.ca/en/regional-government/resources/Documents/Council/Reports/2019-Committee-Reports/Planning-Economic-Development/2019-P-47.pdf>

- (a) Should Pickering increase its affordable housing target?
 - (b) Should Pickering increase its affordable housing target in certain locations, and if so where?
7. A **Community Improvement Plan** (CIP) is a tool that can focus on the development and redevelopment of targeted areas within a community in order to stimulate private sector investment to achieve certain goals identified by the municipality.

Implementing a CIP requires that a municipal council adopt official plan (OP) policies and a by-law to designate a community improvement project area. The CIP must specify municipal programs and incentives and their eligible works, improvements, buildings or facilities. Municipal programs and incentives can include: grants, loans or Tax-Increment-Equivalent Financing programs (TIEF).

Community benefits charges (CBCs) are intended to fund municipal infrastructure for community services, such as land for parks, affordable housing and child care facilities, that are needed to support new residents and businesses associated with new development. CBCs will work with development charges and parkland dedication to ensure that municipalities have the tools and resources they need to build complete communities (i.e. While CBCs will effectively replace Section 37 benefits, development charges and parkland dedication, or cash in lieu of parkland dedication, will continue to remain separate requirements). CBCs could be imposed to recover the capital costs of any service needed due to development.

A municipality may not levy both a development charge and a CBC for the same service.

Transitional provisions in the *Planning Act* and the *Development Charges Act* stipulate that the new CBC system will come into effect on September 18, 2022.

There is a maximum cap of 4% of the value of the land being developed on CBCs.

A number of developments, such as long term care and retirement homes, universities and colleges and non-profit housing, have been specifically exempted from CBCs, in addition to smaller developments which presumably do not meet the threshold of being significant enough to require payment of the CBC (i.e., buildings with less than five storeys or ten residential units in total).

What financial incentives do you recommend that help to support:

(a) Affordable rental housing?

(b) Affordable homeownership housing?

8. The Pickering Official Plan does not currently have any policies related to the protection of rental housing from conversion or demolition. The City relies on the policies within the Durham Regional Official Plan (ROP).

ROP Policy Number	Durham Regional Official Plan Policy
4.2.3	The conversion of rental housing units to condominium tenure shall be discouraged.
4.3.4	<p>In order to ensure an adequate supply of rental accommodation in the Urban Areas, the conversion of existing residential rental units to condominium tenure may be permitted, provided the following conditions are satisfied:</p> <p>a) the rental vacancy rate for the whole of the Region is 3% or higher for one year, as determined in the annual rental vacancy survey undertaken by the Canada Mortgage and Housing Corporation (CMHC), or by a survey prepared by the Region's Planning Department in the absence of CMHC figures;</p> <p>b) the rental vacancy rate, as determined by the CMHC annual rental vacancy survey for one year, or by the Region's Planning Department in the absence of CMHC figures, is 3% or higher in the area of application, as follows:</p> <p>i) the combined area municipalities of Pickering and Ajax;</p> <p>ii) the combined area municipalities of Whitby and Oshawa;</p>

ROP Policy Number	Durham Regional Official Plan Policy
	<p>iii) the Municipality of Clarington; and iv) the combined area municipalities of Scugog, Uxbridge and Brock; and, further</p> <p>c) the approval of such conversions to condominium tenure does not result in the reduction of the vacancy rate below 3%, in accordance with (a) and (b) above.</p>
4.3.5	<p>Applications for the conversion of rental units to condominium tenure shall be accompanied by an analysis indicating that the provisions of Policy 4.3.4 have been met. The area municipality shall circulate all such applications to the Region for comments. In addition, the area municipality shall require the applicants to enter into agreements with the Region to satisfy the Region's requirements, financial and otherwise.</p>

Should the City consider adding new policies to protect rental housing from:

(a) Conversion?

(b) Demolition?

9. What can be done to encourage more mid-rise (6-8 storey) built form?
10. Through the City's Public Open House, we heard that some seniors are looking for affordable bungalows in the City.
 - (a) What can be done to encourage more at-grade bungalow-type built form?
 - (b) What about as part of a mid-rise structure?
11. Currently there are no Emergency Shelters or Transitional Housing in Pickering. What can be done to facilitate this type of housing within the City?
12. Should Pickering explore regulating short-term rental housing (such as Air BnB, etc.)?