

Clause 10 in Report No. 11 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on June 25, 2015.

10

Affordable Housing Measuring and Monitoring Guidelines

Committee of the Whole recommends:

1. Receipt of the presentation by Valerie Shuttleworth, Chief Planner and Rick Farrell, General Manager of Housing.
2. Adoption of the following recommendations contained in the report dated May 22, 2015 from the Chief Planner and Commissioner of Corporate Services:

1. Recommendations

It is recommended that:

1. Council endorse the final Affordable Housing Measuring and Monitoring Guidelines (Attachment 1).
2. Planning and Economic Development staff circulate this report to local municipalities and the development industry.

2. Purpose

To seek Council endorsement of the Affordable Housing Measuring and Monitoring Guidelines. The Guidelines outline a standardized approach which will allow for the consistent identification and measurement of the supply of new affordable units. This report also provides Council with the results of the 2014 affordable housing monitoring exercise.

3. Background

Provincial policy requires that the Region establish and implement affordable housing targets

The *Planning Act, 1990* identifies the adequate provision of a full range of housing, including affordable housing, as a Provincial Interest and includes a number of planning tools that municipalities can consider using to help achieve a full mix and range of housing options. The *Provincial Policy Statement, 2014* and the *Growth Plan for the Greater Golden Horseshoe, 2006* include an affordable housing definition that establishes upper affordable housing price thresholds, as well as direction to establish and implement affordable housing targets. The *Housing Services Act, 2011* requires that the Region develop a 10-Year Housing Plan, including the establishment and monitoring of affordable housing targets.

The York Region Official Plan, 2010 requires 35% of new housing in Regional Centres and Key Development Areas and 25% of new housing outside of those areas be affordable

The YROP-2010 includes targets which require that 35% of new housing in the Region's Centres and key development areas be affordable and that 25% of new housing outside of those areas be affordable. In order to monitor progress towards achieving these targets, an additional policy requirement is to "develop an affordable housing implementation framework in partnership with local municipalities and the development industry to achieve the targets in this plan." The Affordable Housing Measuring and Monitoring Guidelines (the "Guidelines") satisfy both Provincial and YROP-2010 policy direction.

The Guidelines support York Region's 10-Year Housing Plan

In June 2014 Council approved "Housing Solutions: York Region's 10-Year Housing Plan". The Housing Plan focuses on building complete communities where people can live, work, play and learn, with a mix of housing options that meet the various needs of Regional residents and workers. One of the requirements of the Housing Plan is that a report be submitted to Council annually outlining progress toward the four goal areas articulated within the Plan. The 2014 progress report has been submitted to Council by Community and Health Services on the same agenda as this report under the title "2014 Implementation of the Region's 10-Year Housing Plan".

The Affordable Housing Measuring and Monitoring Guidelines (the “Guidelines”) were developed in conjunction with the 10-Year Housing Plan in order to ensure a comprehensive approach to addressing and monitoring housing supply in York Region. Under the 10-Year Housing Plan Goal Area “Support Home Ownership Affordability”, development of the Guidelines is listed as an action item. Ongoing monitoring of new affordable housing will be included in the annual 10-Year Housing Plan progress report.

4. Analysis and Options

Development of the Guidelines involved three rounds of consultation

Development of the Guidelines involved three rounds of consultation with local municipal, development industry, internal, Ministry of Municipal Affairs and Housing and Canada Mortgage and Housing Corporation subject matter experts. During the first round of consultation a common understanding of the goals of the Guidelines was developed, opportunities for collaboration were identified and the scope of the project was determined. The second round of consultation involved a technical review of the proposed process for local municipalities to secure and track affordable housing commitments and for the Region to monitor new affordable housing units. The third round of consultation followed Councils June 2014 endorsement of the Draft Guidelines and involved a detailed review of the Draft Guidelines.

Consultation has resulted in changes that refine and improve the document

Many of the comments and suggestions received during consultation are reflected in the Final Guidelines presented here. Key changes made to the Guidelines include changing the name of the document to the Affordable Housing Measuring and Monitoring Guidelines to better reflect the purpose of the document.

Affordable ownership housing thresholds are calculated annually for each local municipality and for the Region as a whole. Through consultation it was agreed that the Regional threshold is deemed to provide an upper limit. Local municipalities with thresholds lower than the Regional threshold are held to that affordability standard; whereas local municipalities with thresholds higher than the Regional threshold are held to the Regional affordability standard. This change was made to ensure alignment with Provincial direction and to address region-wide affordability.

Affordable rental housing thresholds are based on the average rents of recent rental builds only (since 1990) rather than the average rents of the entire rental stock. This change was made to ensure that the threshold is reasonable and achievable for new rental buildings. The rental stock in York Region is generally older and does not include the building standards and amenities that are now expected by tenants of new buildings, so the average rents do not provide a good affordability benchmark.

Thresholds, commitments and monitoring are the three main components of the Guidelines

There are three main topics that are covered in the Guidelines:

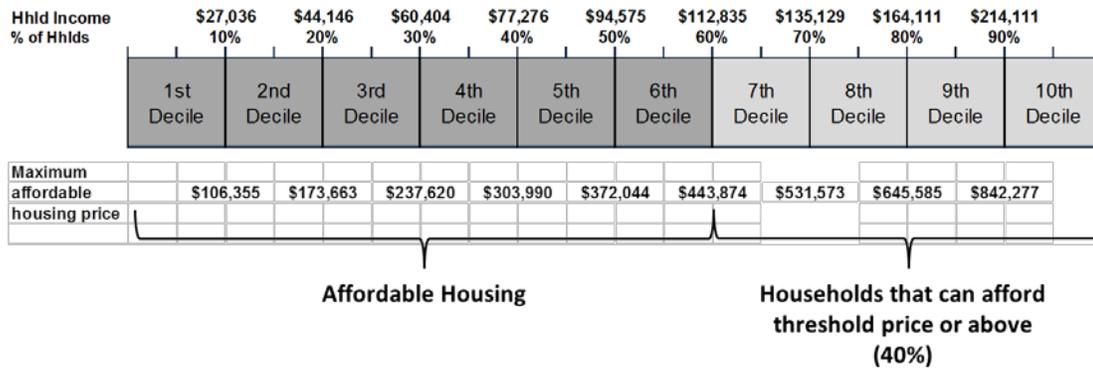
1. **Thresholds** – How maximum affordable housing thresholds are calculated and established annually
2. **Commitments** – How local municipal staff will secure commitments towards achieving affordable housing targets on an on-going basis
3. **Monitoring** – How the Region will monitor progress towards achieving affordable housing targets annually

Maximum affordable housing thresholds are calculated annually by tenure

Affordable housing thresholds provide the upper limits of what is considered “affordable” from a land use planning perspective. They are calculated annually for both ownership and rental units, based on Provincial legislation and definitions.

The ownership threshold is the maximum that households beneath the sixth decile of the income distribution can afford to pay for a home. As displayed in Figure 1, the 2014 maximum ownership threshold for York Region focuses on households with incomes of \$112,835 or less, the wealthiest of which are able to afford a house that costs \$443,874.

Figure 1
York Region Household Income Distribution and
Affordable Ownership Thresholds, 2014



Source: York Region Planning and Economic Development, 2015. Based on Statistics Canada, Bank of Canada and Canadian Mortgage and Housing Corporation data.

2014 local municipal ownership thresholds range from \$336,830 to \$443,874 and the rental threshold is \$1,270 per month

Table 1 displays the affordable ownership thresholds for 2014. These thresholds are used for monitoring purposes as well as for benchmarks for securing affordable housing commitments.

Table 1
2014 Affordable Ownership Thresholds

Local Municipality	Local Municipal Threshold	Regional Threshold	Threshold Used for Commitments and Monitoring
Aurora	\$502,516	\$443,874	\$443,874
East Gwillimbury	\$441,460	\$443,874	\$441,460
Georgina	\$336,830	\$443,874	\$336,830
King	\$490,074	\$443,874	\$443,874
Markham	\$436,696	\$443,874	\$436,696
Newmarket	\$429,715	\$443,874	\$429,715
Richmond Hill	\$452,083	\$443,874	\$443,874
Vaughan	\$466,296	\$443,874	\$443,874
Whitchurch-Stouffville	\$460,234	\$443,874	\$443,874

Source: York Region Planning and Economic Development, 2015. Based on Statistics Canada, Bank of Canada and Canadian Mortgage and Housing Corporation data.

The 2014 region-wide rental threshold is \$1,270 per month. The rental threshold is determined at the regional scale due to data and supply limitations. The data used to determine the thresholds is only available at the zone level, which merges York Region local municipalities into three zones. Also, there are so few new rental units developed year over year that the data at the zone level is not reliable.

Affordable housing commitments are secured by local municipalities at various stages of the development approval process

As finalized through consultation, the Guidelines outline a process where affordable housing commitments are secured at two stages of the development approval process: through the secondary plan process and through development application review and approval. They will be tracked by local municipal staff on an on-going basis and forwarded to the Region to inform the Regional monitoring process.

Municipalities are not able to make the inclusion of affordable housing in new developments a requirement

While there are a number of tools currently available to encourage affordable housing in new developments, it is notable that under current planning legislation, municipalities are unable to require the inclusion of affordable housing in new development. Even with strong Regional policy in place and municipal commitment, until stronger tools are provided to municipalities from the Province gains in affordable stock are often dependent on the development proponent's commitment to affordability, staff's ability to negotiate and political support.

In 2014 31% of new housing units fell below the maximum affordable threshold

Table 2 displays the number and percent of new affordable units in 2014 by local municipality and tenure.

Table 2
New Affordable Housing Monitoring Analysis, 2014

Local Municipality	Ownership Units		Rental Units		All Units	
	Total Units	Affordable Units	Total Units	Affordable Units	Total Units	Affordable Units
Aurora	279	131 (47%)	4	4	283	135 (48%)
East Gwillimbury	49	18 (37%)	0	0	49	18 (37%)
Georgina	171	39 (23%)	117	117	288	156 (54%)
King	289	16 (6%)	0	0	289	16 (6%)
Markham	2,214	874 (39%)	12	12	2,226	886 (40%)
Newmarket	277	21 (8%)	71	71	348	92 (26%)
Richmond-Hill	1,006	173 (17%)	0	0	1,006	173 (17%)
Vaughan	1,787	488 (27%)	0	0	1,787	488 (27%)
Whitchurch-Stouffville	262	65 (25%)	1	1	263	66 (25%)
York Region	6,334	1,825 (29%)	205	205 (100%)	6,539	2,030 (31%)

Source: York Region Planning and Economic Development, June 2015. Based on Teranet, RealNet and Canadian Mortgage and Housing Corporation data.

The ownership affordability analysis in Table 2 is based on the thresholds in Table 1 which are the maximum that households beneath the sixth decile of the income distribution can afford to pay for a home as displayed in Figure 1.

Attachment 2 provides a spatial representation of the ownership data provided in Table 2.

A more detailed analysis of 2014 affordability of new units by tenure, type (ground related/high density for ownership, and private market/government assisted/second suites for rental), and bedroom type for high density ownership units is included in Attachment 3. Based on this analysis, 31% of new units in 2014 were affordable, as compared to 40% of new units in 2013. The decreased affordability in 2014 can be attributed to a number of factors including the change in methodology that deems the region-wide ownership threshold provide a maximum threshold on a local municipal basis, a proportional decrease in the rental stock (100% of which is categorized as “affordable”), and market fluctuations.

While Region-wide affordable housing targets are being achieved, affordability issues remain

While overall affordability targets are being achieved, the affordable housing options available may not be suitable for all household and family types. A variety

of housing types, tenures, sizes and prices are not available in all local municipalities. Of the 31% of units that are affordable, contributions on a local municipal scale range from 6% to 48%. Rental units account for only 10% of the affordable units and are found in 5 local municipalities. Private purpose built rental units account for only 0.3% of the affordable units and are found in 1 local municipality. Ownership units account for 90% of the affordable units and are found throughout the Region. However, over three quarters of the affordable ownership units are one and two bedroom condominiums. Although affordable options are available, they may not be in suitable locations, be the desired tenure or be large enough to accommodate a family.

An analysis of affordability based on lower thresholds reveals that 50% of Region’s households are reliant on less than 20% of the new housing stock for affordable options

The affordable ownership housing thresholds provide a maximum affordable price. Homes at the threshold are “affordable” to only the wealthiest 40% of all households.

Provincial and Regional policy requires that an appropriate range of housing be provided for all current and future residents and workers. Therefore, although the ownership housing thresholds provide an upper price limit, they do not get at the greater affordability need. That is, the need for housing for households with incomes below this limit. To begin to understand this need, the Region has reviewed affordability using thresholds that are “affordable” to 50% and 60% of households (that is, units that are measured to the 5th and 4th deciles on Figure 1). Table 3 summarizes the findings from this additional analysis.

Table 3
New Affordable Housing Supplemental Monitoring Analysis, 2014

Monitoring Exercise	Maximum Income	Maximum House Price	Percent of Units Sold Under Threshold
Provincial Definition: 6 th Decile	\$112,835	\$443,874	31%
5 th Decile	\$94,575	\$372,044	18%
4 th Decile	\$77,276	\$303,990	6%

Source: York Region Planning and Economic Development, June 2015. Based on Teranet, RealNet and Canadian Mortgage and Housing Corporation data.

A more detailed analysis of 2014 affordability to the 5th and 4th deciles is included in Attachment 4. Based on this additional analysis, the 2014 maximum affordable price for the lowest earning 50% of households was \$372,044 and 18% of new units sold fell within this category. The 2014 maximum affordable price for the

lowest earning 40% of households was \$303,990 and 6% of new units sold fell within this category.

In order to fully address affordability needs of the region's residents and workers, staff will continue to investigate the use of various incentives, particularly for the private purpose built rental market. Staff will report back to Committee prior to establishing an incentive program.

All levels of government must be invested in finding housing solutions. Through comments on the 2015 Co-ordinated Provincial Plan review, the Region has requested that the Province allow municipalities to apply inclusionary zoning to new developments, which would mandate the inclusion of affordable options. These comments will be reiterated through staff submissions on the Provincial Long Term Affordable Housing Strategy, which is currently being updated.

The existing housing stock provides some affordable options

Based on an analysis of 2014 resale housing data and rent cost data, a 2014 snapshot of average housing costs by tenure and type had been provided in Attachment 5. The snapshot depicts the range from the lowest local municipal average price to the highest local municipal average price for the 2014 calendar year.

Based on this analysis, there are affordable ownership options in the resale market for all structure types and affordable rental options for all bedroom types. The average price of resale condominiums was under the regional affordable threshold in eight local municipalities and the average price of resale single detached homes was under the regional affordable threshold in one local municipality. On the rental side, the average rents of smaller 1 bedroom and bachelor units are affordable throughout the Region whereas the average rents of larger 2 and 3 bedroom affordable units are more affordable in the northern municipalities only.

While affordable re-sale options are available Region-wide, there are limitations by local municipality and structure and bedroom type. Key factors affecting affordability by location include access to services, infrastructure and transportation corridors, historical development and urban structure. Generally, as access to services and transit options decrease, affordability increases.

Although the snapshot in Attachment 5 provides an accurate range of average home prices and rents, it should be noted that the number of housing units available throughout the range varies.

Link to key Council-approved plans

The Guidelines address the 2015 to 2019 Strategic Plan strategic objective “Increasing the range of available and affordable housing choices.”

The Guidelines also address the Vision 2051 “Appropriate Housing for all Ages and Stages” goal area by supporting the actions within the “Housing Choices that Match our Needs” Action Area.

As discussed in the report, the Guidelines implement YROP-2010 affordable housing targets within the plan.

5. Financial Implications

The development of the Guidelines has been undertaken using internal staff resources within approved Planning and Economic Development budget allocations.

6. Local Municipal Impact

Local municipal staff are crucial subject matter experts for reviewing and refining the Guidelines through the consultation process. They are also key partners and will work with the development industry to secure affordable housing units through the development review and approval process.

Local Official Plan affordable housing targets align (or will align) with YROP-2010 affordable housing targets, resulting in consistent targets across the Region.

7. Conclusion

The provision of a full mix and range of housing choices is a legislated requirement and a key component of complete communities. York Region is forecasting strong growth and a shift to a more diverse and urbanized population and urban structure. Applying affordable housing targets to this growth will help ensure that the housing needs of our residents and workers are met.

Affordable housing targets have been included in the York Region Official Plan since 1994. The Guidelines represent the first standardized approach to securing, monitoring and reporting on new affordable units. This standardized approach will allow for consistent identification and measurement of the supply of new affordable units, which will in turn allow for evidence based policy responses to housing needs.

Affordable Housing Measuring and Monitoring Guidelines

Based on the 2014 affordable housing monitoring exercise, affordable housing targets are being met region-wide. While this is a good first step toward the provision of affordable housing it is clear that the needs of all households are not being met due to the uneven geographic distribution of affordable units, the lack of affordable family sized units and the lack of units available at deeper levels of affordability.

In the future, staff will continue to monitor new affordable housing units. The metrics collected will be used to help inform policy direction.

For more information on this report, please contact Sarah Cameron at ext. 71593.

The Senior Management Group has reviewed this report.

Attachments (5)

#6126837

Accessible formats or communication supports are available upon request

Affordable Housing Measuring and Monitoring Guidelines

2015



Table of Contents

Introduction	1
Purpose of the Affordable Housing Implementation Guidelines.....	1
Need for Affordable Housing Options.....	1
Policy Context.....	2
Components of Guidelines.....	3
Affordable Housing Thresholds	4
Affordable Housing Commitments	5
Scope of Commitments.....	5
Tracking and Recording of Targets and Commitments.....	5
Affordable Housing Monitoring	8
Conclusion	9
Appendix A: Provincial Policy Context	10
Appendix B: Regional Policy and Program Context	18
Appendix C: Ownership Affordable Thresholds	23
Appendix D: Rental Affordable Thresholds	27
Appendix E: Affordable Targets and Commitments (Sample Spreadsheets)	31
Appendix F: Process to Monitor New Affordable Housing Contributions	36

Introduction

Purpose of the Affordable Housing Implementation Guidelines

The York Region Affordable Housing Implementation Guidelines provide a standard approach to implement the York Region Official Plan – 2010 (“YROP-2010”) affordable housing targets. The targets require that 35% of new housing in the Region’s Centres and key development areas be affordable and that 25% of new housing outside of those areas be affordable.

Achievement of the YROP-2010 affordable housing targets will help ensure our communities are healthy, economically stable and environmentally sustainable.

Need for Affordable Housing Options

The number of residents facing affordability pressures is increasing and the income gap is expanding in York Region. These trends impact a wide spectrum of the Region’s population, including:

- Low and moderate income earners, such as those that are beginning their careers or that work in lower paying industries that support the broader community;
- Newcomers to the Region who need housing in order to secure employment and integrate with the community; and,
- Older residents who may have fixed incomes and wish to remain in their communities in order to maximize their health and well-being.

The diversity of jobs in York Region provide a full range of income levels, but there is a mismatch between the housing options that are available and the workforce, which contributes to the Region having one of the lowest live/work ratios in the Greater Toronto Area. Where housing, especially affordable housing, is located plays an important role in the Region’s economy. When affordable housing options are available in proximity to employment, travel times and stress are reduced which increases productivity and lowers absenteeism. This in turn increases the ability of the Region’s employers to attract and retain employees. Reduced travel times also result in less demand on the road network and a decrease in air pollution.

Our communities require a full mix and range of housing options to support our urban structure and transportation and social networks, thus promoting healthy communities, a strong economy, and a clean environment.

Policy Context

The Affordable Housing Implementation Guidelines are based on provincial, regional and local housing-related policies which are hierarchical and connected. Provincial policy provides direction that is then incorporated into Regional and Local Official Plans, with increasing levels of detail. The Province is the approval authority for the Regional Official Plan and the Region is the approval authority for local Official Plans, resulting in overall policy consistency.

Provincial policy requires that the Region establish, work towards and monitor affordable housing targets. *The Planning Act, 1990* identifies adequate provision of a full range of housing, including affordable housing, as a Provincial Interest and includes a number of planning tools that municipalities can consider using to help achieve a full mix and range of housing options. The *Provincial Policy Statement, 2014* and the *Growth Plan for the Greater Golden Horseshoe, 2006* include an affordable housing definition that establishes upper affordable housing thresholds, as well as direction to establish and implement affordable housing targets. *The Housing Services Act, 2011* requires that the Region develop a 10-Year Housing Plan, including the establishment and monitoring of targets. See Appendix A for a more detailed synopsis of Provincial housing related legislation.

The Region's strategic policy framework is aligned to support Provincial requirements for a full mix and range of housing options. The following strategic policy documents contain inter-related policies and goals that promote the maintenance, creation and monitoring of affordable housing:

- Vision 2051
- York Regional Official Plan – 2010
- 2015 to 2019 Strategic Plan
- York Region 10-Year Housing Plan

Additionally, the Region supports a number of programs to promote and facilitate the development of new affordable and/or non-profit housing, including:

- Management and support of social housing units and programs
- Make Rental Happen Collaborative Advocacy Plan
- Multi-residential tax equalization
- Preferred servicing allocation
- Relief from development charges
- Acceptance of social housing units in exchange for height and density bonuses (in partnership with local municipalities).

See Appendix B for a more detailed synopsis of Regional housing related policies and programs.

Components of the Guidelines

The Affordable Housing Implementation Guidelines cover three main topics:

1. **Affordable Thresholds** – How maximum affordable housing price thresholds are calculated.
2. **Affordable Housing Commitments** – How local municipal staff can track affordable housing commitments made by development proponents.
3. **Affordable Housing Monitoring** – How regional staff will monitor and report on new affordable housing completions.

These topic areas are interdependent and will result in consistent measurement of the supply of new affordable units, which will in turn allow for evidence based policy responses to housing needs. The overall annual process outlined in the Guidelines is as follows:

Figure 1: Annual Affordable Housing Implementation Guidelines Process

	Q1	Q2	Q3	Q4
Thresholds	York Region calculates updated thresholds as of year-end of previous year	York Region publishes thresholds as of year-end of previous year		
Commitments	<< Continuous tracking of Secondary Plan Targets and Development Proposal Commitments >>			Local municipal staff forward local municipal affordable housing tracking sheets to Region (if applicable)
Monitoring	York Region analyzes new sales from previous year for affordability	York Region publishes affordability analysis		

Regional staff will establish upper affordable housing thresholds and monitor new affordable housing units on an annual basis and local municipal staff will continuously track affordable housing commitments made by development proponents.

1. Affordable Housing Thresholds

Affordable housing thresholds provide the maximum price limit of what is considered “affordable” from a commitments and monitoring perspective. They are calculated annually by tenure based on Provincial legislation and definitions.

Tenure categorizes housing units into those that are owned and those that are rented:

- **Ownership** housing refers to units that are intended for private ownership and includes condominium units.
- **Rental** housing refers to units that are rented to a second party and can include traditional private purpose built rental units, government assisted/non-profit rental developments and secondary suites.

In York Region a substantial percentage of condominium units are rented. However these units will not be counted towards affordability from a rental perspective because they can be removed from the rental market at any time. These units will be captured within the ownership category, if applicable.

The calculated affordable housing thresholds provide a benchmark for local municipal staff and development proponents to reference when determining affordable housing targets and commitments and for regional staff to use when monitoring new affordable housing units.

Inflation can create discrepancies in what price is considered affordable between when a development application is submitted and when residential units are available for sale. It is not expected that future developments meet current thresholds. Rather, the current thresholds provide a base in order to make reasonable assumptions on what future thresholds may be.

Appendices C and D provide detailed descriptions of the calculations used to establish ownership and rental affordable housing thresholds respectively.

In York Region, ownership thresholds will be determined region-wide and for each local municipality. The rental threshold will be determined on a region-wide basis.

The Region intends to update and publish affordable housing thresholds on an annual basis.

2. Affordable Housing Commitments

Scope of Commitments

In consultation with development proponents, affordable housing targets by secondary plan area and affordable housing commitments by development application will be established.¹

In order to meet municipal official plan affordable housing targets, it is necessary to ensure that secondary plan area targets are fulfilled through related development application commitments over time. The sum of all affordable housing secondary plan targets and/or development application commitments should be equal to overall local municipal official plan targets.

The YROP-2010 affordable housing policies include affordable housing targets based on geographic location. The targets require that 35% of new housing in the Region’s Centres and key development areas be affordable and that 25% of new housing outside of those areas be affordable (Figure 2).

Figure 2: Streams of Affordable Housing Commitments and Monitoring

Regional Centres and key development areas*	35%
Outside of Regional Centres and key development areas	25%

Source: York Region Official Plan - 2010, June 2014

Key development areas refer to intensification areas on Regional Corridors. They are focused on existing and planned rapid transit corridors, have the highest densities and mix of uses within the Corridors, and are identified and planned for by local municipalities.

A map depicting the geographic boundaries of Regional Centres and key development areas is available at www.york.ca/maps in the “Land Information” interactive map.

When determining which affordable housing target applies to the area that a specific application is located in, local municipal consultation is required.

Tracking and Recording of Targets and Commitments

Secondary plan affordable housing targets will be determined through an analysis that includes the local municipal official plan targets and the projected growth in the secondary plan area. Development application affordable housing commitments will be secured based on local municipal and/or secondary plan targets, as appropriate.

¹ Within this document “secondary plan” refers to land use plans for specific areas within the Region and also are intended to include block plans. “Development application” refers to draft plans of subdivision, draft plans of condominium and site plans. All new housing units, regardless of the combination of planning applications required, are expected to be evaluated for affordable potential.

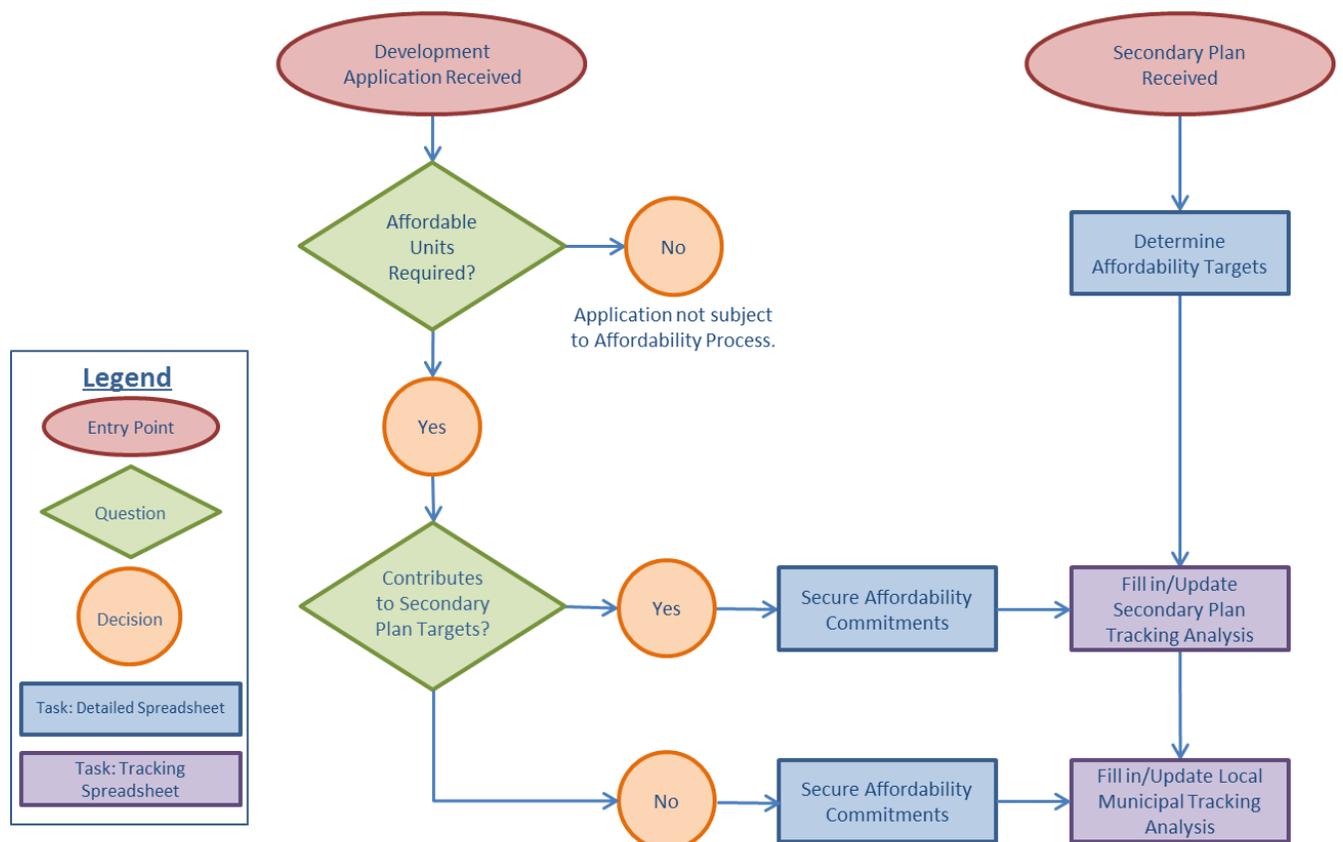
Updated complete application policies will be incorporated into the YROP-2010 and local municipal official plans to support the requirement that affordable housing targets be established and implemented. Secondary Plans should establish the means by which affordable housing targets are achieved and implemented. A condition of approval could be included for development applications with affordable housing commitments. Sample wording for a condition is:

The Owner shall, in consultation with the local municipality, determine affordability commitments, having regard to the affordable housing targets in the York Region Official Plan - 2010 and to any applicable Secondary Plan, and shall demonstrate to the satisfaction of [local municipal] staff that an appropriate mix and range of housing types, lot sizes, unit sizes, tenures and finishes are made available in order to achieve these commitments.

Wording of the condition will likely vary based on circumstance.

Figure 3 depicts the overall process to track the affordable housing targets and commitments:

Figure 3: Local Municipal Process to Track Affordable Housing Targets and Commitments



Source: York Region Long Range Planning, June, 2014

All new secondary plans shall include an affordability analysis that determines the affordable housing targets within the plan. When a development application is received by a municipality, affordability commitments will be required in most cases. If the development application is within a secondary plan that has detailed affordability targets, the commitments within the development application will be tracked against the targets of the secondary plan. Both secondary plan targets and development application commitments will be tracked on a local municipal basis in order to track progress towards achieving the overall local municipal official plan targets. These tracking processes will require four types of tracking spreadsheets:

1. Determine Affordability Targets for Secondary Plans through a Secondary Plan Affordability Analysis
2. Secure Affordability Commitments for Development Applications
3. Track achievement of Secondary Plan Affordability Targets through Development Application Commitments
4. Track achievement of Local Municipal Affordability Targets through Secondary Plan Targets and Development Application Commitments from development applications outside of secondary plan areas

Appendix E contains sample spreadsheets for each of these processes. These samples are provided to assist local municipalities secure and track affordable housing targets and commitments. If a local municipality already has a tracking mechanism in place, there is no need to change it.

As development applications progress through the process from proposal to registration, any changes to the affordability commitments would need to be captured on the tracking spreadsheets.

In summary, affordable housing targets and commitments will be tracked by local municipal staff on an on-going basis through secondary plans and development applications. Achievement of the local municipal targets will be an iterative process that monitors how development applications work to achieve the targets. Municipalities have the flexibility to determine the location and composition of units to achieve these targets. The Region may require a record of these targets and commitments to supplement the monitoring process.

3. Affordable Housing Monitoring

The Region intends to monitor new affordable housing units on an annual basis and to publish the findings.

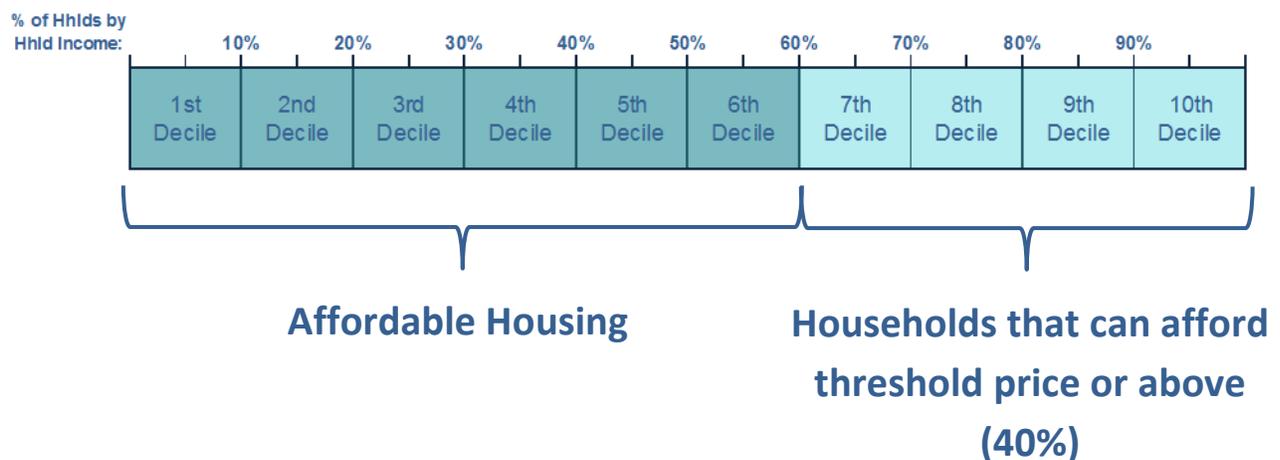
In order to comprehensively capture all new affordable units, there are five components to the monitoring exercise:

1. **New ground-related private ownership**
2. **New high-density private ownership**
3. **New private purpose built rental**
4. **New government assisted/non-profit rental**
5. **New secondary suites**

Appendix F contains details on the technical process used to track each component of the monitoring exercise.

Technically, as shown in Figure 4, affordable ownership housing thresholds provide a maximum price that is “affordable” to 40 percent of households. Provincial and Regional policy requires that an appropriate range of housing be provided for all current and future residents and workers. Therefore, although the affordable housing thresholds provide an upper price limit, they do not consider the need for housing for households with incomes below this limit. As such, the Region intends to supplement the monitoring exercise with information on the number of new units that are affordable to 50 percent and 60 percent of households annually.

Figure 4: Household Income Distribution and Affordable Ownership Income Based Thresholds



Conclusion

The provision of a full mix and range of housing options is a legislated requirement and a key component of building complete communities. York Region is forecasting strong growth and a shift to a more diverse and urbanized population and urban structure. Applying affordable housing targets to this growth will help ensure that the housing needs of our residents and workers are met.

Affordable housing targets have been included in the Regional Official Plan since 1994; however, these Guidelines represent the first time that a standardized approach to securing, monitoring and reporting has been established. This standardized approach will allow for the consistent identification and measurement of the supply of new affordable units, which will in turn allow for evidence based policy responses to housing needs.

The methodologies outlined in the Affordable Housing Implementation Guidelines are used to establish affordability thresholds, track affordability commitments and monitor new affordable housing units. These methodologies will be monitored on an on-going basis and adjusted as required.

Appendix A: Provincial Policy Context

The Region's legislated responsibilities related to housing can be categorized as follows:

1. Growth management
2. Housing programs
3. Housing and homelessness supports

From a growth management perspective, the Region is responsible for allocating growth to local municipalities and ensuring that communities are developed according to the Region's policy framework. This includes providing a full mix and range of housing options in new communities and housing developments.

York Region is a designated Service Manager, which means that the Region has been designated by the Province to manage social housing programs and supports within the Region. It is through this role that the Region funds and administers Housing York Inc. (the Region's non-profit housing corporation) as well as a number of other non-profit and co-operative housing providers.

Additionally, the Region provides rent subsidies and administers the centralized waiting list for social housing. The Region addresses homelessness through a consolidated program which aims to prevent, address and reduce homelessness by improving access to acceptable housing that is linked to flexible support services. Also, the Region funds emergency shelter beds provided through community partners.

Key provincial policy and legislation guiding the Region in the development of housing related policies and programs is summarized below.

Planning Act, 1990

The *Planning Act* sets out the ground rules for land use planning and development in Ontario which helps guide municipal decisions that will determine the future of communities. Within the *Act*, "The adequate provision of a full range of housing, including affordable housing" has been identified as a Provincial Interest, which means that decision makers must have regard for affordable housing when making land use planning decisions. Additionally, there are a number of planning tools provided within the *Act* that municipalities can consider using to help achieve a full range of housing:

- **Official Plans** (s. 16 and 17) set out the broad vision of a community's plans and goals governing land use, including the approach to providing a range and mix of housing types and densities.
- **Zoning By-laws** (s. 34) implement local Official Plan policy and direction. Minimum and maximum zoning standards can provide for more compact forms of development that provide opportunity for affordable housing units.
- **Second Units** (S. 16, 17 and 34), also known as accessory or basement apartments, are self-contained residential units with kitchen and bathroom facilities within dwellings or within structures accessory to dwellings and are one of the most inexpensive ways to increase the stock of affordable rental housing and integrate affordable housing throughout the community, while maintaining neighbourhood character. The *Planning Act* requires that municipalities implement policies in their official plans and in their zoning by-laws authorizing second units.
- **Garden suites** (s. 39.1), also known as granny flats, are temporary one-unit detached residential structures which contain bathroom and kitchen facilities, are designed to be portable and are

accessory to the existing residential structure. Municipalities are authorized to permit garden suites for an initial 20 year period. Three year extensions can be granted as needed.

- **Community Improvement Plans** (s. 28) can help municipalities address challenges by providing a means of planning and financing development activities that effectively use, reuse and restore lands, buildings and infrastructure. The *Planning Act* specifies that the definition of “Community Improvement” includes the provision of affordable housing. Both upper and lower-tier municipalities are permitted to develop Community Improvement Plans for affordable housing initiatives.
- **Height and Density Exchanges** (s. 37) permit municipalities to authorize increases in the height and density of development otherwise permitted by a zoning by-law, in return for the provision of facilities, services or matters specified in the by-law. This tool should be considered for use to achieve affordable housing.
- **Development Permit Systems** (s. 70.2) integrates various local municipal planning applications into a single submission which can significantly improve approval timelines and provide more certainty and cost savings.
- **Land Division - Subdivisions** (s. 51) are required to have regard to provincial interests, including the provision of affordable housing. More compact, higher density subdivisions can contribute to affordability by reducing land and infrastructure costs per unit.
- **Parkland dedications** (s. 42 and 51.1) are required as a condition of approval of a land division. Municipalities can tailor their parkland dedication requirements (and cash-in-lieu provisions) to facilitate the development of affordable housing.
- **Parking reductions or exemptions** (s. 40) can reduce construction costs and the overall cost of housing, particularly in more urbanized, transit supported areas.
- **Planning Application Fees** (s. 69) may be reduced or waived where it would be unreasonable to require payment in accordance with the established tariff of fees. A reduction or waiver of the fees for applications required for an affordable housing development would help reduce costs associated with the development.

Provincial Policy Statement (PPS), 2014

The *Provincial Policy Statement (PPS)* is the statement of the government’s policies on land use planning. It applies province-wide and provides policy direction on land use planning to promote strong communities, a strong economy, and a clean and healthy environment. The *PPS* states that the Province’s vision for Ontario includes the provision of affordable housing.

The PPS directs that municipalities establish and implement minimum affordable housing targets. The establishment and implementation of the targets is informed by the definitions of “affordable [housing]”, “low and moderate income households” and “regional market area” which are as follows:

Affordable: means

a) in the case of ownership housing, the least expensive of:

1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or
2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area;

b) in the case of rental housing, the least expensive of:

1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or
2. a unit for which the rent is at or below the average market rent of a unit in the regional market area.

Low and moderate income households: means

- a) in the case of ownership housing, households with incomes in the lowest 60 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.

Regional market area: refers to an area that has a high degree of social and economic interaction. The upper or single-tier municipality, or planning area, will normally serve as the regional market area. However, where a regional market area extends significantly beyond these boundaries, then the regional market area may be based on the larger market area. Where regional market areas are very large and sparsely populated, a smaller area, if defined in an official plan, may be utilized.

In order to ensure that new growth can be accommodated, the *PPS* requires that municipalities maintain at all times the ability to accommodate residential growth for a minimum of 10 years. Municipalities are required to permit and facilitate residential intensification as well as establish development standards that minimize the cost of housing and facilitate compact form, while maintaining appropriate levels of public health and safety.

The Growth Plan for the Greater Golden Horseshoe, 2006

The *Growth Plan* is a framework for implementing the Government of Ontario's vision for building stronger, prosperous communities by better managing growth. It reiterates the *PPS* definition of "affordable housing" as well as the requirement that minimum affordable housing targets be established and implemented. The *Growth Plan* also requires upper- and single-tier municipalities to develop a housing strategy.

Additionally, policies within the *Growth Plan* require that new developments contribute to complete, high-density, transit supportive communities which contribute to affordability through lower land and infrastructure costs.

Development Charges Act, 1997

The *Development Charges Act* permits municipalities to impose fees in order to pay for increased capital costs required as a result of increased need for services and infrastructure to accommodate new development. The *Act* permits municipalities to exempt or reduce development charges for types of development specified in a by-law enacted by Council.

Ontario's Long Term Affordable Housing Strategy, 2010

Ontario's Long Term Affordable Housing Strategy's vision is to improve Ontarian's access to adequate, suitable and affordable housing, and provide a solid foundation on which to secure employment, raise families and build strong communities.

The key components to the strategy are:

1. Consolidating housing and homelessness programs
2. Simplifying rent-g geared-to-income calculations
3. Requirement to develop local housing and homelessness plans
4. Streamlining of reporting requirements for housing programs
5. A pilot project to help rent-g geared-to-income tenants save money for specified purposes with reducing their assistance
6. Improve social housing wait list performance
7. Helping victims of domestic violence
8. Protecting non-profit and co-op housing
9. Fair process for housing providers to develop collaborative solutions with Service Managers
10. Review process for Service Manager decisions (eligibility, rent determination, type of accommodation)
11. Requiring municipalities to allow second units
12. Extending initial time period that garden suites are permitted
13. Identification of affordable housing as a key provincial interest
14. Fewer requirements for Ministerial Consents allowing Service Managers to make more decisions on their own
15. Housing Services Corporation to provide access to services to affordable and supportive housing providers and tenants
16. Advocacy for long-term federal commitment to affordable housing
17. Easier services at the Landlord and Tenant Board

Strong Communities through Affordable Housing Act, 2011

Associated with *Ontario's Long-Term Affordable Housing Strategy*, the *Strong Communities through Affordable Housing Act* is composed of four parts:

1. The *Strong Communities through Affordable Housing Act, 2011*, which serves as the enabling legislation;
2. The *Housing Services Act, 2011*
3. Amendments to the *Planning Act, 1990*
4. Amendments to the *Residential Tenancies Act, 2006*

The *Housing Services Act* is described below.

Amendments to the *Planning Act* are included above and include:

- Affordable Housing identified as a Provincial Interest
- Permissive policies for second units
- An extension to the time that garden suites are initially permitted, from 10 to 20 years

Amendments to the *Residential Tenancies Act* are described below.

Housing Services Act (HSA), 2011

The *Housing Services Act (HSA)* addresses the funding and administration of social housing. The *HSA* is the final step in the process of downloading social housing to single- and upper-tier municipalities.

A key component to monitoring the supply of affordable housing is the mandatory development of Local Housing and Homelessness Plans. The Plans must be monitored annually and include the following four principle components:

1. Assessment of current and future housing needs within the Service Manager's service area
2. Objectives and targets relating to housing needs
3. A description of activities proposed to meet the objectives and targets
4. A description of how progress towards meeting the objectives will be measured

Housing Matters: A Review of the Housing Market in York Region (2012) was received by Regional Council in May 2012 and is the first component of the *10-Year Housing Plan* in that it provides an assessment of the Region's current and future housing needs.

The *HSA* includes a statement of provincial interest in the housing and homelessness system in Ontario and outlines the following interests that must be addressed in the *10-Year Housing Plan*:

1. Is focussed on achieving positive outcomes for individuals and families;
2. Addresses the housing needs of individuals and families in order to help address other challenges they face;
3. Has a role for non-profit corporations and non-profit housing cooperatives;
4. Has a role for the private market in meeting housing needs;
5. Provides for partnerships among governments and others in the community;
6. Treats individuals and families with respect and dignity;
7. Is co-ordinated with other community services;
8. Is relevant to local circumstances;
9. Allows for a range of housing options to meet a broad range of needs;
10. Ensures appropriate accountability for public funding;
11. Supports economic prosperity; and
12. Is delivered in a manner that promotes environmental sustainability and energy conservation.

York Region's 10-year housing plan, *Housing Solutions: A Place for Everyone* was approved by Regional Council in June 2014, and is elaborated on in Appendix B of this document.

Ontario Housing Policy Statement, 2011

The *Ontario Housing Policy Statement* provides additional context and direction to support the development of the 10-year housing plans.

Seven key themes are identified:

1. Accountability and Outcomes
2. Goal of Ending Homelessness
3. Non-profit Housing Corporations and Non-profit Housing Co-operatives
4. The Private Market
5. Co-ordination with Other Community Services
6. A Broad Range of Community Needs
7. Environmental Sustainability and Energy Conservation

Residential Tenancies Act, 2006 (RTA)

The purpose of the *Residential Tenancies Act, 2006 (RTA)* is to ensure the rental housing system protect tenants, help landlords and promote investment in Ontario's rental housing market.

The *Strong Communities through Affordable Housing Act* amended the *RTA* in order to allow some adjudicative duties to be carried out by Landlord and Tenant Board staff rather than Landlord and Tenant Board members, therefore facilitating the effective and efficient management of disputes.

Municipal Act, 2001

The *Municipal Act* governs the structure, responsibilities and powers of municipalities in Ontario by providing powers to pass by-laws relating to a wide range of activities.

Through the *Municipal Act*, municipalities can enact by-laws to prohibit and regulate the demolition and conversion of rental properties, thus protecting existing rental stock.

Through the *Act* municipalities are also permitted to provide grants for purposes councils consider to be in the interests of the municipality, such as affordable housing. An example of this is municipal capital facilities agreements, which allow municipalities to create relationships with other parties to deliver facilities, including housing projects. Assistance may include giving or lending money; giving, leasing or lending property; guaranteeing borrowing; and property tax exemptions or reductions.

The *Municipal Act* permits municipalities to establish Municipal Services Corporations to deliver specific services, such as the provision of residential housing. Housing York Inc. is an example of a Municipal Services Corporation.

Appendix B: Regional Policy and Program Context

The Region's strategic policy framework is aligned to support Provincial requirements for a full mix and range of housing options. Additionally, the Region has a number of programs in place to promote and facilitate the development of new affordable housing.

Key regional housing related policies and programs are summarized below.

Vision 2051

Vision 2051 is the Region's primary long-term strategic document. It establishes a blueprint for the Region's future and outlines the steps we can collectively take to achieve this vision for the Region in 2051.

One of the Goal Areas within *Vision 2051* is "Appropriate Housing for all Ages and Stages". The Goal Statement is: "In 2051, York Region has housing to match the needs of its residents and workers. Housing choices support affordable and sustainable living, and address the needs of a diverse and aging population."

York Region Official Plan - 2010

The *York Region Official Plan - 2010 (YROP-2010)* is a statutory document that sets out land use policy directions for long-term growth and development of the Region to 2031.

The *YROP-2010* was approved by the Ministry of Municipal Affairs and Housing in September 2010. The Plan provides direction on building cities and complete communities, including the provision of minimum intensification and density requirements. These requirements will result in more compact communities with a greater structure type mix, thus providing opportunity for the provision of affordable housing.

The *YROP-2010* recognizes that acceptable housing is critical for quality of life. An important objective in the *Plan* is to "promote an appropriate mix and range of acceptable housing to meet the needs of residents and workers". The *Plan* renews the Region's focus on providing a continuum of social and affordable housing through policy direction and the use of targets, incentives, partnerships, community education and monitoring. The *Plan* requires that 35% of new housing in the Region's Centres and key development areas be affordable and that 25% of new housing outside of those areas be affordable, with a portion of these units accessible for people with disabilities. In order to work towards achieving these targets, one of the policies in the *Plan* is to "develop an affordable housing implementation framework in partnership with local municipalities and the development industry to achieve the targets in this plan." The *York Region Affordable Housing Implementation Guidelines* satisfy this policy.

2015 to 2019 Strategic Plan: From Vision to Results

The *2015 to 2019 Strategic Plan: From Vision to Results* serves to officially align Regional departments with Council's goals by establishing a hierarchy of processes that direct departmental plans and budgets, as well as individual performance plans.

One of the highlights of the *Strategic Plan* is "addressing affordable housing concerns" which is articulated in the Strategic Priority Area "Support Community Health and Well-Being" through the "Increasing the range of available and affordable housing choices" Strategic Objective.

Housing Solutions: A Place for Everyone - York Region's 10-Year Housing Plan

The *York Region 10-Year Housing Plan* fulfills the Region's legislated responsibility under the *Housing Services Act* to develop a 10-year plan that assesses housing needs and proposed actions to address these needs. The *Housing Plan* is a strategic document that describes the Region's continued approach to addressing its housing responsibilities.

The *Housing Plan* includes four related goals that address the growing and diversifying housing needs of our residents and workers. The four goals are:

1. Increase the rental housing supply
2. Sustain the existing rental housing supply
3. Support home ownership affordability
4. Strengthen the homelessness and housing stability system

Social housing units and programs

York Region is a provincially designated Service Manager, which means that the Region is responsible for the administration and funding of social housing programs within our boundaries. This includes units owned by the Region's non-profit housing corporation, Housing York Inc., as well as those owned by community non-profit and co-operative housing providers. Additionally, the Region administers new affordable housing supply and subsidiary programs.

The Region also funds a range of community based programs and services for low and moderate income households and for individuals and families who are homeless or who are at risk of becoming homeless. This includes the funding and administration of emergency shelters, transitional housing and domiciliary hostels.

Make Rental Happen campaign

The Human Services Planning Board of York Region represents a commitment to a strategic and collaborative approach to addressing the growing demands and pressures of the region's human services sector. The Board is a multi-sector collaborative consisting of key human services organizations funders, private sector representatives, government agencies, and community leaders. Its mandate is to enhance the effectiveness and efficiency of human services in York Region through capacity building and collaborative advocacy.

The Board's *Making Ends Meet in York Region* discussion paper identifies affordable housing as a key area to focus community action and investment. In 2013, the Board released the Make Rental Happen Collaborative Advocacy Plan which begins a dialogue about what all partners can bring to the table to address the need for rental housing in York Region.

Multi-residential property tax equalization

In 2003, York Region was one of the first municipalities in Ontario to initiate property tax equalization for multi-unit residential developments, bringing the tax burden on par with that for lower density homeowners.

Regional reserve of servicing allocation

In 2008, Regional Council endorsed the use of the regional reserve of servicing allocation for multi-unit non-profit housing for 1,800 people. Since that time, this program has supported the development of more than 525 new affordable housing units.

Development Charges

Through the Municipal Housing Facilities By-law, the Region has the authority to provide conditional grants in lieu of Development Charges for private and public sector developments through case specific agreements in accordance with by-laws and as approved by Council. The grants are funded from the Social Housing Reserve fund and all agreements to date have been with non-profit partners, supporting the development of over 375 new affordable housing units.

The Region is also able to provide deferrals to Development Charges. To date Development Charge deferrals have supported the development of over 225 new non-profit housing units in three developments in addition to Housing York Inc. developments, which are exempt from paying Development Charges.

Height and density bonuses (social housing)

Municipalities have the authority to authorize increases in the height and density of development otherwise permitted by a zoning by-law, in exchange for community benefits. Affordable housing, including social housing, is considered to be a community benefit.

The Region is working to establish a framework for local municipalities interested in using Section 37 of the *Planning Act* to secure affordable housing units for Housing York Inc. This framework will provide guidance to the acquisition of affordable housing units to meet the requirements of both the municipality and Housing York Inc.

Appendix C: Ownership Affordable Thresholds

Definitions and Context

The *Provincial Policy Statement, 2014* includes a definition for “affordable” which is included in the *Places to Grow: The Growth Plan for the Greater Golden Horseshoe (2006)* and the *York Region Official Plan – 2010*. This is the ownership portion of the definition:

Affordable: means

a) in the case of ownership housing, the least expensive of:

1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or
2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area

This definition for “affordable” includes two other defined terms: “low and moderate income households”, and “regional market area”.

The *Provincial Policy Statement, 2014*, *Growth Plan* and *YROP-2010* provide a consistent definition of low and moderate income households. This is the ownership portion of the definition:

Low and moderate income households: means

a) in the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area

The term “regional market area” is defined in both the *Provincial Policy Statement*, and the *Growth Plan*, however these definitions are not identical. While the definition for the *Growth Plan* was originally taken from the *Provincial Policy Statement, 2005*, the *Provincial Policy Statement* was updated in 2014 and the definition has been revised. The *Provincial Policy Statement, 2014* definition reads:

Regional market area: refers to an area that has a high degree of social and economic interaction. The upper or single-tier municipality, or planning area, will normally serve as the regional market area. However, where a regional market area extends significantly beyond these boundaries, then the regional market area may be based on the larger market area. Where regional market areas are very large and sparsely populated, a smaller area, if defined in an official plan, may be utilized.

The *Growth Plan* definition reads:

Regional market area refers to an area, generally broader than a lower-tier municipality, that has a high degree of social and economic interaction. In southern Ontario, the upper or single-tier municipality will normally serve as the regional market area. Where a regional market area extends significantly beyond upper or single-tier boundaries, it may include a combination of upper, single and/or lower-tier municipalities.

Threshold Calculations

In order to determine the ownership threshold, two calculations are performed and the lower of the two results is deemed to be the maximum threshold. These calculations are typically referred to as the “income based calculation,” which is based on gross household income (i.e. subclause 1 of the definition for affordable) and the “market based calculation,” which is based on resale purchase prices (i.e. subclause 2 of the definition for affordable).

Income Based Affordable Ownership Housing Threshold

The equation used to determine the income based ownership threshold is as follows:

$$(HI * GDS / 12) / (PT + MI + (1 - DP) * MF)$$

- HI: average annual household income at the 60th percentile of the income distribution
- GDS: gross debt service (30%)
- PT: property tax factor (proportion of house value per month)
- MI: mortgage insurance (as a proportion of house value per month)
- DP: down payment (percent down)
- MF: mortgage factor (calculated using a standard loan payment)

The equation used to determine the mortgage factor is as follows:

$$PMT \left(\frac{1 + Rate}{2} \right)^{(2/12) * AM - 1} / AM^{12 - 1}$$

- PMT: monthly loan payment
- AM: amortization period

The following inputs and assumptions are used to determine the thresholds based on the above calculations:

1. Average annual household income at the 60th percentile is based on a custom census data order.
2. Average annual household income at the 60th percentile is updated to the current year of analysis based on the Bank of Canada unadjusted consumer price index.
3. Property taxes include regional, local and school taxes and are updated based on a local municipal scan conducted in Q1 of each year.
4. The mortgage insurance standard premium rate is posted by the Canadian Housing and Mortgage Corporation.
5. A 5% down payment and a 25-year amortization period is assumed.
6. The mortgage interest rate is the annual average of the long-term rates published by the Bank of Canada.

Market Based Affordable Ownership Housing Threshold

In order to determine the market based affordable ownership threshold, Toronto Real Estate Board Market Watch reports are referenced.

Staff determine the region-wide average purchase price of a resale unit for the calendar year and reduce said price by 10%.

Since the Region began calculating the affordable ownership threshold in 2006, the income based affordable ownership housing threshold calculation has yielded a lower value than the market based calculation and has therefore been used to determine the affordable ownership threshold.

Regional Ownership Thresholds Provide Upper Limits for Local Municipalities

Throughout the Region there are significant variations in average household income by local municipality which in turn impacts the maximum income-based affordable housing threshold. As such, ownership thresholds will be calculated both on a region-wide basis and by local municipality. The Regional threshold will provide the upper price limit of what is to be considered affordable for each municipality. For municipalities that have thresholds higher than the regional threshold, the regional threshold would apply and for municipalities that have thresholds lower than the regional threshold, the local threshold will be used for commitment and monitoring purposes.

Appendix D: Rental Affordable Thresholds

Definitions and Context

The *Provincial Policy Statement* includes a definition for “affordable” which is included in the *Places to Grow: The Growth Plan for the Greater Golden Horseshoe (2006)* and the *York Region Official Plan – 2010*. This is the rental portion of the definition:

Affordable: means

b) in the case of rental housing, the least expensive of:

1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or
2. a unit for which the rent is at or below the average market rent of a unit in the regional market area.

This definition for “affordable” includes two other defined terms: “low and moderate income households”, and “regional market area”.

The *Provincial Policy Statement, 2014, Growth Plan* and *YROP-2010* provide a consistent definition of low and moderate income households. This is the rental portion of the definition:

Low and moderate income households: means

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.

The term “regional market area” is defined in both the *Provincial Policy Statement*, and the *Growth Plan*, however these definitions are not identical. While the definition for the *Growth Plan* was originally taken from the *Provincial Policy Statement, 2005*, the *Provincial Policy Statement* was updated in 2014 and the definition has been revised. The *Provincial Policy Statement, 2014* definition reads:

Regional market area: refers to an area that has a high degree of social and economic interaction. The upper or single-tier municipality, or planning area, will normally serve as the regional market area. However, where a regional market area extends significantly beyond these boundaries, then the regional market area may be based on the larger market area. Where regional market areas are very large and sparsely populated, a smaller area, if defined in an official plan, may be utilized.

The *Growth Plan* definition reads:

Regional market area refers to an area, generally broader than a lower-tier municipality, that has a high degree of social and economic interaction. In southern Ontario, the upper or single-tier municipality will normally serve as the regional market area. Where a regional market area extends significantly beyond upper or single-tier boundaries, it may include a combination of upper, single and/or lower-tier municipalities.

Threshold Calculations

In order to determine the rental threshold, two calculations are performed and the lower of the two results is deemed to be the maximum threshold. These calculations are typically referred to as the “income based calculation,” which is based on gross household income (i.e. subclause 1 of the definition for affordable) and the “market based calculation,” which is based on market rental rates (i.e. subclause 2 of the definition for affordable).

Income Based Affordable Rental Housing Threshold

The equation used to determine the income based rental threshold is as follows:

$$(HI * GDS / 12)$$

- HI: average annual household income at the 60th percentile of the income distribution for renter households
- GDS: gross debt service (30%)

The following inputs and assumptions are used to determine the thresholds based on the above calculations:

1. Average annual household income at the 60th percentile for renter households is based on a custom census data order.
2. Average annual household income at the 60th percentile is updated to the current year of analysis based on the Bank of Canada unadjusted consumer price index.

Market Based Affordable Rental Housing Threshold

The market based rental affordable threshold calculation uses data from the annual CMHC Rental Market Reports which defines rent as “the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water.”

Since the Region began calculating the affordable rental threshold in 2006, the market based affordable rental housing threshold calculation has yielded a lower value than the income based calculation and has therefore been used to determine the affordable rental threshold for these years.

Regional Market Based Rental Thresholds Based on Units Built Since 1990

The market based rental threshold calculation states that any unit for which the rent is at or below the average market rent would be considered “affordable”. In York Region, the majority of the private rental stock (greater than 75%) is from buildings constructed before 1980. To apply the average rents of these developments to new construction, which has higher building code standards and amenity expectations, is not realistic. The CMHC Rental Market Report publishes average rents by year of

construction ranges. One of the ranges captured is units built “since 1990”. This category provides more realistic rent values for determining the upper affordable rent threshold.

In some years CMHC suppresses the average rent data for units built since 1990. In this instance, the average rent for these units from the most recent year that the data is available is updated to the current year of analysis based on Bank of Canada unadjusted consumer price index.

Appendix E: Affordable Targets and Commitments (Sample Spreadsheets)

Secondary Plan Affordability Analysis and Targets

A secondary plan affordability analysis will be used to determine affordable housing targets within the secondary plan area, as a new plan is being developed. This analysis should include the following information:

1. Target that is applicable to secondary plan area (25% or 35%). This is not the target applied to a specific application, but rather the overall goal for the area that the application is in.
2. Structure type mix of the community (single-family, semi-detached, townhouse, apartment/condo).
3. Tenure mix of the community (ownership, rental).
4. Affordability analysis for each structure type and tenure (number and percent of units projected to be affordable).
5. Affordability targets by phase.
6. Proposed alternative methods to achieve affordability, if applicable.

Figure 1 provides a sample spreadsheet to track this information.

Figure 1
Secondary Plan Affordability Targets (Sample Table)

	Single Family	Semi-Detached	Town House	Apt./Condo	Total
Total Units in Secondary Plan					
Total Units	500	100	300	100	1,000
Units by Tenure					
Ownership Units	500	100	200	0	800
Rental Units	0	0	100	100	200
Affordable Units					
Affordable Ownership Units	0	25	100	0	125
Affordable Rental Units	0	0	50	100	150
Total Affordable Units	0	25	150	100	275
Affordability Contribution (%)					
Affordability %	0.0%	25.0%	50.0%	100.0%	27.5%
Affordable Units by Phase					
Phase 1	0	25	50	0	75
Phase 2	0	0	50	100	150
Phase 3	0	0	50	0	50
Total	0	25	150	100	275

Source: York Region Long Range Planning, June, 2014

Development Application Affordability Commitments

Development application affordability commitments will be used to record the number, breakdown and price range of affordable housing units required within a development application area (subdivision, site plan, and/or condominium). These detailed commitments should include the following information:

1. Relation to parent secondary plan, if applicable.
2. An account of related plans. Where multiple applications are submitted for the same geographic area, only one table is necessary.
3. Target that is applicable to application area (25% or 35%). NOTE: This is not the target applied to the specific application, but rather the overall goal for the area that the application is in.
4. Structure type mix of the application (single-family, semi-detached, townhouse, apartment/condo).
5. Tenure mix of the application (ownership, rental).
6. Affordability commitments for each structure type and tenure.
7. Anticipated price ranges for affordable units.
8. Affordability commitments by phase.

Figure 2 provides a sample spreadsheet to track this information.

Figure 2
Development Application Affordability Commitments (Sample Table)

Parent OPA/Secondary Plan: Parent OPA include AA: (Y/N)	Single Family	Semi- Detached	Town House	Apt./ Condo	Total
Related Plan:					
Related Plan:					
Total Units Dev. Application					
Total Units	50	10	30	10	100
Units by Tenure					
Ownership Units	50	10	30	0	90
Rental Units	0	0	0	10	10
Affordable Units					
Affordable Ownership Units	5	0	15	0	20
Affordable Rental Units	0	0	0	10	10
Total Affordable Units	5	0	15	10	30
Affordable Unit (\$)					
Ownership	\$400-\$420K	N/A	\$350-\$370K	NA	
Rental	N/A	N/A	N/A	\$950-\$1150/mo.	
Affordability Contribution (%)					
Affordability %	10.0%	0.0%	50.0%	100.0%	30.0%
Affordable Units by Phase					
Phase 1	0	0	0	10	10
Phase 2	5	0	15	0	20
Total	5	0	15	10	30

Source: York Region Long Range Planning, June 2014

Achievement of Secondary Plan Affordability Targets through Development Application Commitments

Within a secondary plan area that includes affordable housing targets, a secondary plan level tracking sheet will be necessary. This tracking sheet will track the number of affordable units secured through development applications in relation to the original targets determined through the secondary plan affordability analysis. The tracking should be done in a way to avoid double counting of secured affordable housing units.

Figure 3 provides a sample spreadsheet to track this information.

Figure 3
Achievement of Secondary Plan Affordability Targets through Development Application Commitments (Sample Table)

	Parent Plan	Tenure	Single Family	Semi-Detached	Town House	Apt./Condo	Total	Notes
OPA Affordability Analysis Targets (from Figure 1)								
OPA 123		Owner	0	25	100	0	125	
OPA 123		Rental	0	0	50	100	150	
Development Application Affordability Commitments (from Figure 2 - many iterations of)								
19T14X01	OPA 123	Owner	0	0	40	0	40	
19T14X02	OPA 123	Rental	0	0	0	100	100	
SPKABC	19T14X02	Rental	0	0	0	0	0	100 AH Units captured with 19T14X02
CDM14X01	SPKABC	Rental	0	0	0	0	0	100 AH Units captured with 19T14X02
65M0001	19T14X01	Owner	0	0	0	0	0	40 AH Units captured with 19T14X01
Development Application Affordability Contributions (number)								
	No.	Owner	0	0	40	0	40	
	No.	Rental	0	0	0	100	100	
	No.	Total	0	0	40	100	140	
Percentage of Affordability Targets fulfilled through Development Application Commitments								
	Percent	Owner	0.0%	0.0%	40.0%	0.0%	32.0%	
	Percent	Rental	0.0%	0.0%	0.0%	100.0%	66.7%	
	Percent	Total	0.0%	0.0%	26.7%	100.0%	50.9%	

Source: York Region Long Range Planning, June 2014

Achievement of Local Municipal Affordability Targets

Overall achievement of local Official Plan affordable housing targets should be tracked on an on-going basis in order to help benchmark progress towards achieving the targets and to inform required contributions from new applications. This local municipal level tracking should include:

1. Secondary plan affordability targets.
2. Development application commitments for applications geographically located outside of secondary plan areas with affordability targets.

Development application commitments for applications geographically located within secondary plan areas with affordability targets are not captured here as they are already captured as part of the secondary plan area affordability target tracking (see Figure 3).

Figure 4 provides a sample spreadsheet to track this information.

Figure 4
Achievement of Local Municipal Affordability Targets (Sample Table)

	Total Units	Affordable Units	% Affordable	Affordability Stream	Notes
OPA 123	1,000	300	30.0%	25.0%	Org. AA = 275, exceeded by Dev. Ap.'s
OPA 456	4,000	2,300	57.5%	35.0%	
SPK0003	500	70	14.0%	35.0%	
19T14X03	2,000	600	30.0%	25.0%	
19T14X04	200	0	0.0%	25.0%	
Total Contributions (25%)	3,200	900	28.1%	25.0%	
Total Contributions (35%)	4,500	2,370	52.7%	35.0%	

Source: York Region Long Range Planning, June 2014

Appendix F: Process to Monitor New Affordable Housing Contributions

Components of Monitoring

This monitoring exercise is a first attempt at capturing the quantum of new affordable housing contributions. There is no accessible single data source that includes this information. In order to capture all types of new affordable units, there will need to be five components to the monitoring exercise:

1. New ground-related private ownership
2. New high-density private ownership
3. New private purpose-built rental
4. New government assisted/non-profit rental
5. New secondary suites

Below are the details on how each component will be tracked.

New ground-related private ownership (1)

New ground-related private ownership units will be captured from Teranet¹ Land Transfer Reports. This captures the transfer prices of new units as well as the date of sale.

Locational information is available through detailed legal descriptions and manually entered address information in a tabular format. It is difficult to relate them back to an accurate address. The ability to pin point the exact transactional location, instead of summarizing by municipality, provides a much more powerful picture of current activity and emerging patterns. Therefore a complex process of calculating the geographic location, based on the provided Teranet PIN number will be completed.

Also, the Teranet report contains all types of land transfers and does not include explicit information on whether each land transfer record is a resale, new sale or other type of transfer. Therefore a number of assumptions² are made in order to isolate the new sales.

It should be noted that, as a result of this data processing and usage of new sale assumptions, some new sale records may be unintentionally dropped from the analysis.

New high density private ownership (2)

New high density private ownership units will be captured through a custom data order from RealNet Canada Inc.³ which will provide an approximate number of high density sales above and below the affordable housing thresholds established each year.

¹ Teranet is an international leader in electronic land registration and is the exclusive provider of online property search and registration in Ontario. The company developed, owns and operates Ontario's Electronic Land Registration System (ELRS) and facilitates the delivery of electronic land registration services on behalf of the Province.

² Assumptions include (1) sale occurred during target calendar year, (2) "Party from" (i.e. seller) includes the words "limited", "corp", "inc." or "ltd.", (3) "Party to" (i.e. buyer) is not a company or government organization, (4) sale price is greater than \$100,000, (5) Seller has sold more than 2 units in a given year, (6) obvious geographic outliers excluded

³ RealNet Canada Inc. has developed a comprehensive property market information platform which is used to perform research and analysis.

The RealNet dataset provides the number of sales within a given development by bedroom type (e.g. bachelor, 1-bedroom, etc.) as well as the range of asking prices by bedroom type (e.g. \$300,000 to \$360,000 for a 1-bedroom). The analysis will be conducted using the median asking price by development and bedroom type.

New private purpose built rental and government assisted/non-profit rental (3 & 4)

Total new rental completions by local municipality will be derived from the CMHC Housing Market Tables: Selected South Central Ontario. New government assisted/non-profit unit completions are tracked by internal staff. The government assisted/non-profit completions will be subtracted from the total completions by local municipality in order to determine the private market rental completions by local municipality.

All new government assisted/non-profit units will be considered “affordable”. Staff will work with local municipal staff to determine the affordability of any new private rental units.

New Secondary Suites (5)

New secondary suite units will be tracked through a scan of local municipal registries. Secondary suites that are not registered with the municipality will not be counted towards affordability targets.

All new secondary units will be considered “affordable”.

Adjustments to the monitoring exercise may be made if more detailed and/or reliable data becomes available or more refined processes are established. For example, links to building permits and/or registered plans could be established.

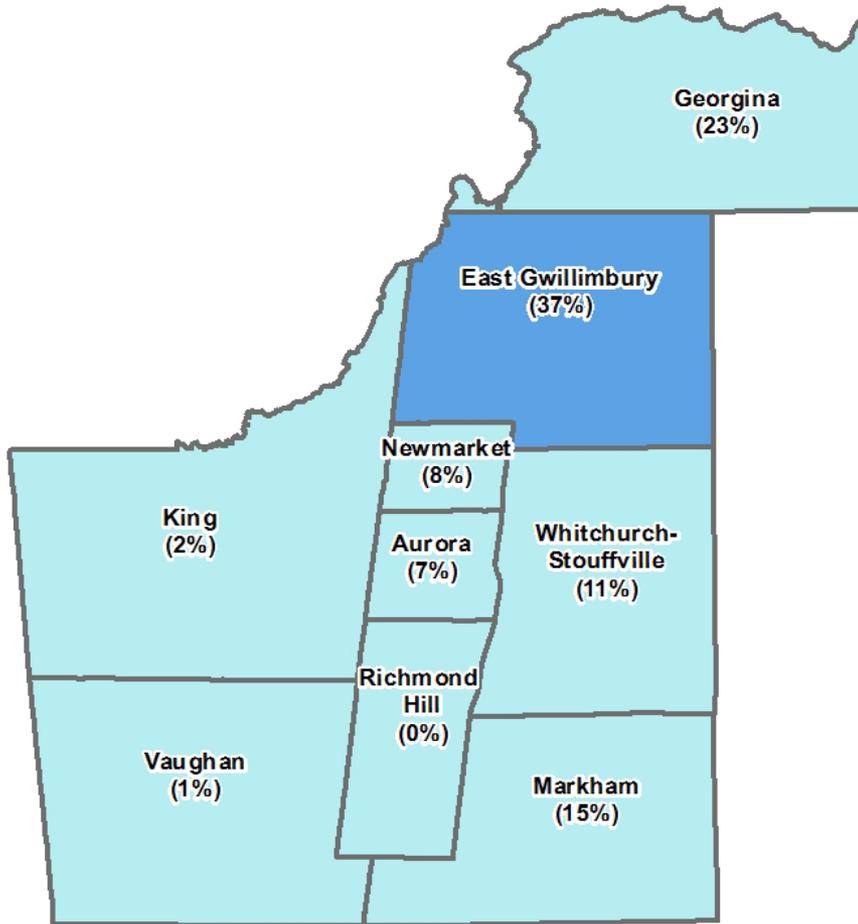
Adjustments may also be made if it is found that specific areas of need are not being addressed. For example, *YROP-2010* policy requires that a portion of affordable housing units should accommodate larger families, seniors, residents with special needs and be accessible for people with disabilities.

For more information please contact:
Planning and Economic Development
futureyork@york.ca
(905) 830-4444 ext. 71508

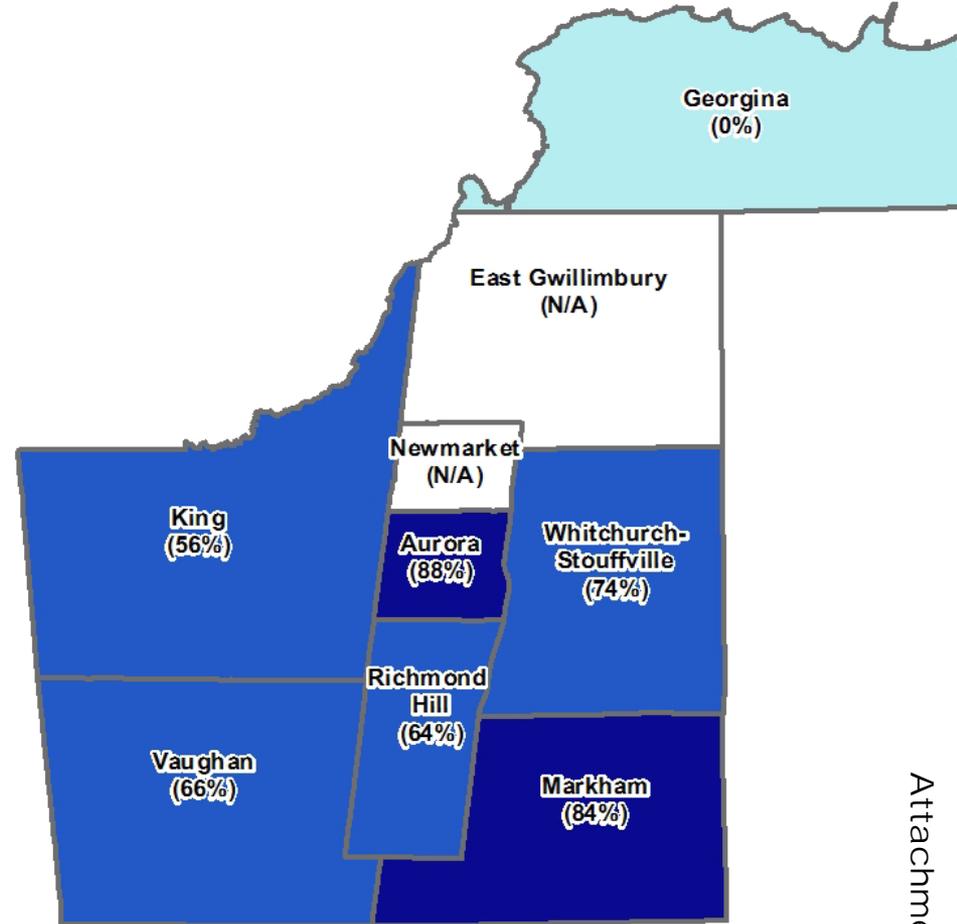


Local Municipal 2014 Ownership Affordability Rates

Affordable Ground Related Units



Affordable High Density Units



Affordable Housing Implementation Guidelines: 2014 Monitoring Exercise

60th Percentile ("Affordable" to 40 percent of Households)

Table 1: Ownership Units

Focus on Households with incomes of \$112,835 or less, the wealthiest of which are able to afford a house that costs \$443,874

	Ground Related			High Density															Total Ownership		
	Sub Total			1 Bdrm			2 Bdrm			3 Bdrm +			Other			Sub Total			Total	Aff (#)	Aff (%)
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)			
Aurora	141	10	7%	25	25	100%	86	69	80%	27	27	100%	-	-	-	138	121	88%	279	131	47%
East Gwillimbury	49	18	37%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49	18	37%
Georgina	169	39	23%	-	-	-	1	0	0%	1	0	0%	-	-	-	2	0	0%	171	39	23%
King	271	6	2%	1	1	100%	17	9	53%	-	-	-	-	-	-	18	10	56%	289	16	6%
Markham	1,423	211	15%	355	341	96%	368	281	76%	40	32	80%	28	9	32%	791	663	84%	2,214	874	39%
Newmarket	277	21	8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	277	21	8%
Richmond Hill	740	3	0%	143	142	99%	95	28	29%	13	0	0%	15	0	0%	266	170	64%	1,006	173	17%
Vaughan	1,061	8	1%	368	368	100%	340	105	31%	4	0	0%	14	7	50%	726	480	66%	1,787	488	27%
Whitchurch-Stouffvil	205	23	11%	28	26	93%	22	12	55%	-	-	-	7	4	57%	57	42	74%	262	65	25%
York Region	4,336	339	8%	920	903	98%	929	504	54%	85	59	69%	64	20	31%	1,998	1,486	74%	6,334	1,825	29%

Source: York Region Planning and Economic Development, 2015

Table 2: Rental Units

	Private Market			Government Assisted/ Non-			Second Suites			Total Rental		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	-	-	-	-	-	-	4	4	100%	4	4	100%
East Gwillimbury	-	-	-	-	-	-	0	0	0%	0	0	0%
Georgina	-	-	-	97	97	100%	20	20	100%	117	117	100%
King	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Markham	7	7	100%	-	-	-	5	5	100%	12	12	100%
Newmarket	-	-	-	-	-	-	71	71	100%	71	71	100%
Richmond Hill	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Vaughan	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Whitchurch-Stouffvil	-	-	-	-	-	-	1	1	100%	1	1	100%
York Region	7	7	100%	97	97	100%	101	101	100%	205	205	100%

Source: York Region Planning and Economic Development, 2015

Table 3: All Units (60th Percentile)

	Ownership Units			Rental Units			All Units		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	279	131	47%	4	4	100%	283	135	48%
East Gwillimbury	49	18	37%	0	0	0%	49	18	37%
Georgina	171	39	23%	117	117	100%	288	156	54%
King	289	16	6%	0	0	0	289	16	6%
Markham	2,214	874	39%	12	12	100%	2,226	886	40%
Newmarket	277	21	8%	71	71	100%	348	92	26%
Richmond Hill	1,006	173	17%	0	0	0	1,006	173	17%
Vaughan	1,787	488	27%	0	0	0	1,787	488	27%
Whitchurch-Stouffvil	262	65	25%	1	1	100%	263	66	25%
York Region	6,334	1,825	29%	205	205	100%	6,539	2,030	31%

Source: York Region Planning and Economic Development, 2015

Affordable Housing Implementation Guidelines: 2014 Additional Monitoring Analysis

50th Percentile ("Affordable" to 50 percent of Households)

Table 1: Ownership Units

Focus on Households with incomes of \$94,575 or less, the wealthiest of which are able to afford a house that costs \$372,044

	Ground Related			High Density															Total Ownership		
	Sub Total			1 Bdrm			2 Bdrm			3 Bdrm +			Other			Sub Total			Total Ownership		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	141	0	0%	25	24	96%	86	0	0%	27	0	0%	-	-	-	138	24	17%	279	24	9%
East Gwillimbury	49	4	8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49	4	8%
Georgina	169	9	5%	-	-	-	1	0	0%	1	0	0%	-	-	-	2	0	0%	171	9	5%
King	271	0	0%	1	1	100%	17	5	29%	-	-	-	-	-	-	18	6	33%	289	6	2%
Markham	1,423	7	0%	355	331	93%	368	159	43%	40	0	0%	28	2	8%	791	492	62%	2,214	499	23%
Newmarket	277	1	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	277	1	0%
Richmond Hill	740	2	0%	143	108	76%	95	1	1%	13	0	0%	15	0	0%	266	109	41%	1,006	111	11%
Vaughan	1,061	1	0%	368	309	84%	340	2	1%	4	0	0%	14	2	33%	726	313	43%	1,787	314	18%
Whitchurch-Stouffvil	205	4	2%	28	15	54%	22	8	36%	-	-	-	7	4	57%	57	27	47%	262	31	12%
York Region	4,336	28	1%	920	788	86%	929	175	19%	85	0	0%	64	8	17%	1,998	971	49%	6,334	999	16%

Source: York Region Planning and Economic Development, 2015

Table 2: Rental Units

	Private Market			Government Assisted/ Non-			Second Suites			Total Rental		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	-	-	-	-	-	-	4	4	100%	4	4	100%
East Gwillimbury	-	-	-	-	-	-	0	0	0%	0	0	0%
Georgina	-	-	-	97	97	100%	20	20	100%	117	117	100%
King	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Markham	7	7	100%	-	-	-	5	5	100%	12	12	100%
Newmarket	-	-	-	-	-	-	71	71	100%	71	71	100%
Richmond Hill	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Vaughan	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Whitchurch-Stouffvil	-	-	-	-	-	-	1	1	100%	1	1	100%
York Region	7	7	100%	97	97	100%	101	101	100%	205	205	100%

Source: York Region Planning and Economic Development, 2015

Table 3: All Units (50th Percentile)

	Ownership Units			Rental Units			All Units		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	279	24	9%	4	4	100%	283	28	10%
East Gwillimbury	49	4	8%	0	0	0%	49	4	8%
Georgina	171	9	5%	117	117	100%	288	126	44%
King	289	6	2%	0	0	0	289	6	2%
Markham	2,214	499	23%	12	12	100%	2,226	511	23%
Newmarket	277	1	0%	71	71	100%	348	72	21%
Richmond Hill	1,006	111	11%	0	0	0	1,006	111	11%
Vaughan	1,787	314	18%	0	0	0	1,787	314	18%
Whitchurch-Stouffvil	262	31	12%	1	1	100%	263	32	12%
York Region	6,334	999	16%	205	205	100%	6,539	1,204	18%

Source: York Region Planning and Economic Development, 2015

Affordable Housing Implementation Guidelines: 2014 Additional Monitoring Analysis

40th Percentile ("Affordable" to 60 percent of Households)

Table 1: Ownership Units

Focus on Households with incomes of \$77,276 or less, the wealthiest of which are able to afford a house that costs \$303,990

	Ground Related																		Total Ownership		
	Sub Total			1 Bdrm*			2 Bdrm*			3 Bdrm +			Penthouse			Sub Total			Total Ownership		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	141	0	0%	25	20	80%	86	0	0%	27	0	0%	-	-	-	138	20	14%	279	20	7%
East Gwillimbury	49	2	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49	2	4%
Georgina	169	2	1%	-	-	-	1	0	0%	1	0	0%	-	-	-	2	0	0%	171	2	1%
King	271	0	0%	1	0	0%	17	0	0%	-	-	-	-	-	-	18	0	0%	289	0	0%
Markham	1,423	0	0%	355	79	22%	368	0	0%	40	0	0%	28	2	8%	791	81	10%	2,214	81	4%
Newmarket	277	0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	277	0	0%
Richmond Hill	740	2	0%	143	20	14%	95	0	0%	13	0	0%	15	0	0%	266	20	8%	1,006	22	2%
Vaughan	1,061	0	0%	368	66	18%	340	0	0%	4	0	0%	14	2	33%	726	68	9%	1,787	68	4%
Whitchurch-Stouffvil	205	0	0%	28	0	0%	22	0	0%	-	-	-	7	0	0%	57	0	0%	262	0	0%
York Region	4,336	6	0%	920	185	20%	929	0	0%	85	0	0%	64	4	9%	1,998	189	9%	6,334	195	3%

Source: York Region Planning and Economic Development, 2015

Table 2: Rental Units

	Private Market			Government Assisted/ Non-			Second Suites			Total Rental		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	-	-	-	-	-	-	4	4	100%	4	4	100%
East Gwillimbury	-	-	-	-	-	-	0	0	0%	0	0	0%
Georgina	-	-	-	97	97	100%	20	20	100%	117	117	100%
King	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Markham	7	7	100%	-	-	-	5	5	100%	12	12	100%
Newmarket	-	-	-	-	-	-	71	71	100%	71	71	100%
Richmond Hill	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Vaughan	-	-	-	-	-	-	N/A	N/A	N/A	-	-	0%
Whitchurch-Stouffvil	-	-	-	-	-	-	1	1	100%	1	1	100%
York Region	7	7	100%	97	97	100%	101	101	100%	205	205	100%

Source: York Region Planning and Economic Development, 2015

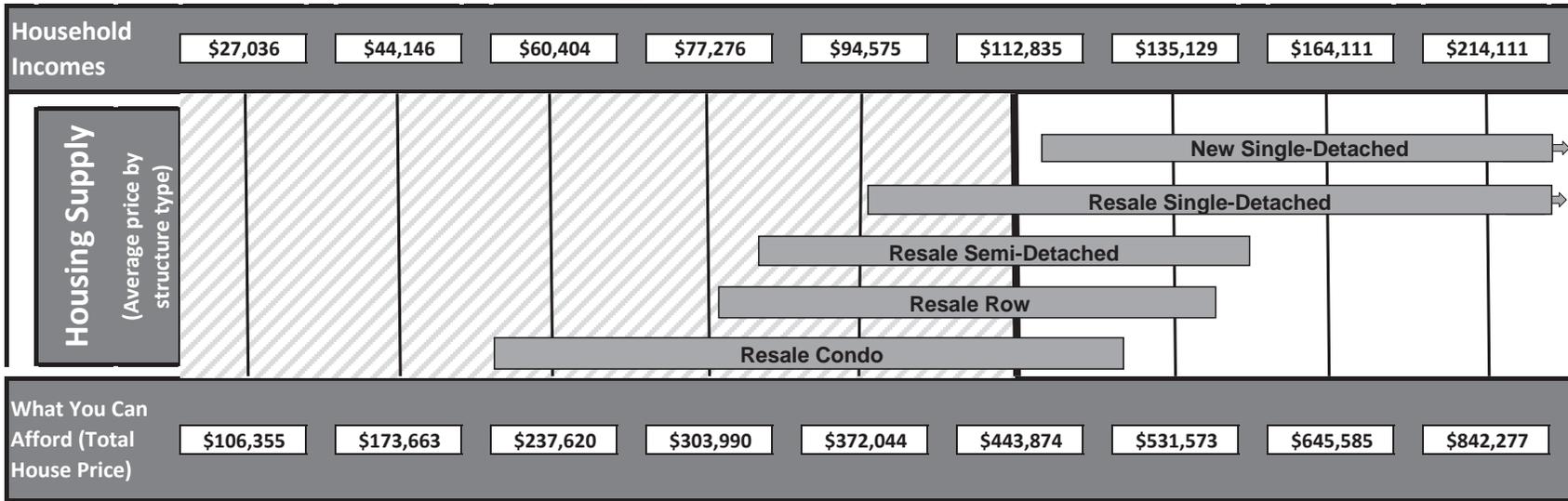
Table 3: All Units (40th Percentile)

	Ownership Units			Rental Units			All Units		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	279	20	7%	4	4	100%	283	24	8%
East Gwillimbury	49	2	4%	0	0	0%	49	2	4%
Georgina	171	2	1%	117	117	100%	288	119	41%
King	289	0	0%	0	0	0	289	0	0%
Markham	2,214	81	4%	12	12	100%	2,226	93	4%
Newmarket	277	0	0%	71	71	100%	348	71	20%
Richmond Hill	1,006	22	2%	0	0	0	1,006	22	2%
Vaughan	1,787	68	4%	0	0	0	1,787	68	4%
Whitchurch-Stouffvil	262	0	0%	1	1	100%	263	1	0%
York Region	6,334	195	3%	205	205	100%	6,539	400	6%

Source: York Region Planning and Economic Development, 2015

York Region Ownership Housing Snapshot, 2014

Supply Under Maximum Affordable Threshold



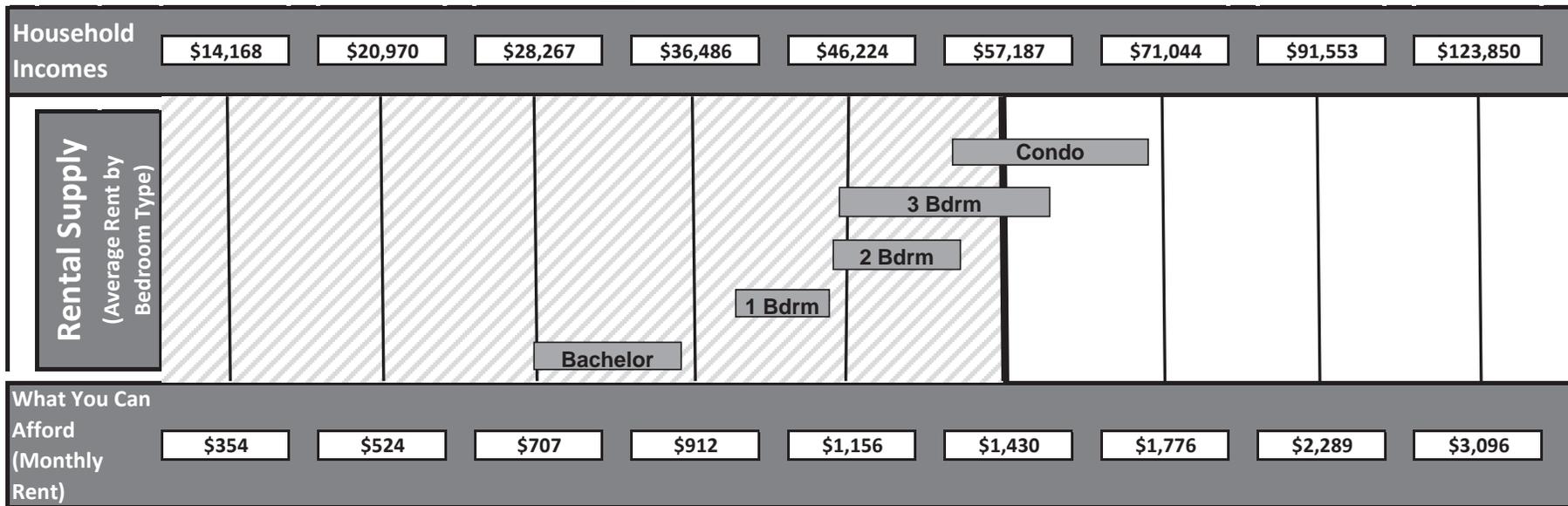
Source: Planning and Economic Development, June 2015

Notes:

- 1) "Household Incomes" and "What You Can Afford" are region-wide analyses
- 2) Source for Household Income Deciles: Statistics Canada, 2011 Census, Custom Tabulations, adjusted for inflation to December 2014
- 3) Source for New Single-Detached Prices: Canada Mortgage and Housing Corporation, Housing Now - Greater Toronto Area, January 2015
Only Single-Detached data is available through this data source.
- 4) Source for Resale Ownership Prices: Toronto Real Estate Board, Market Watch, 2014
- 5) Bars show lowest local municipal average price to highest local municipal average price

York Region Rental Housing Snapshot, 2014

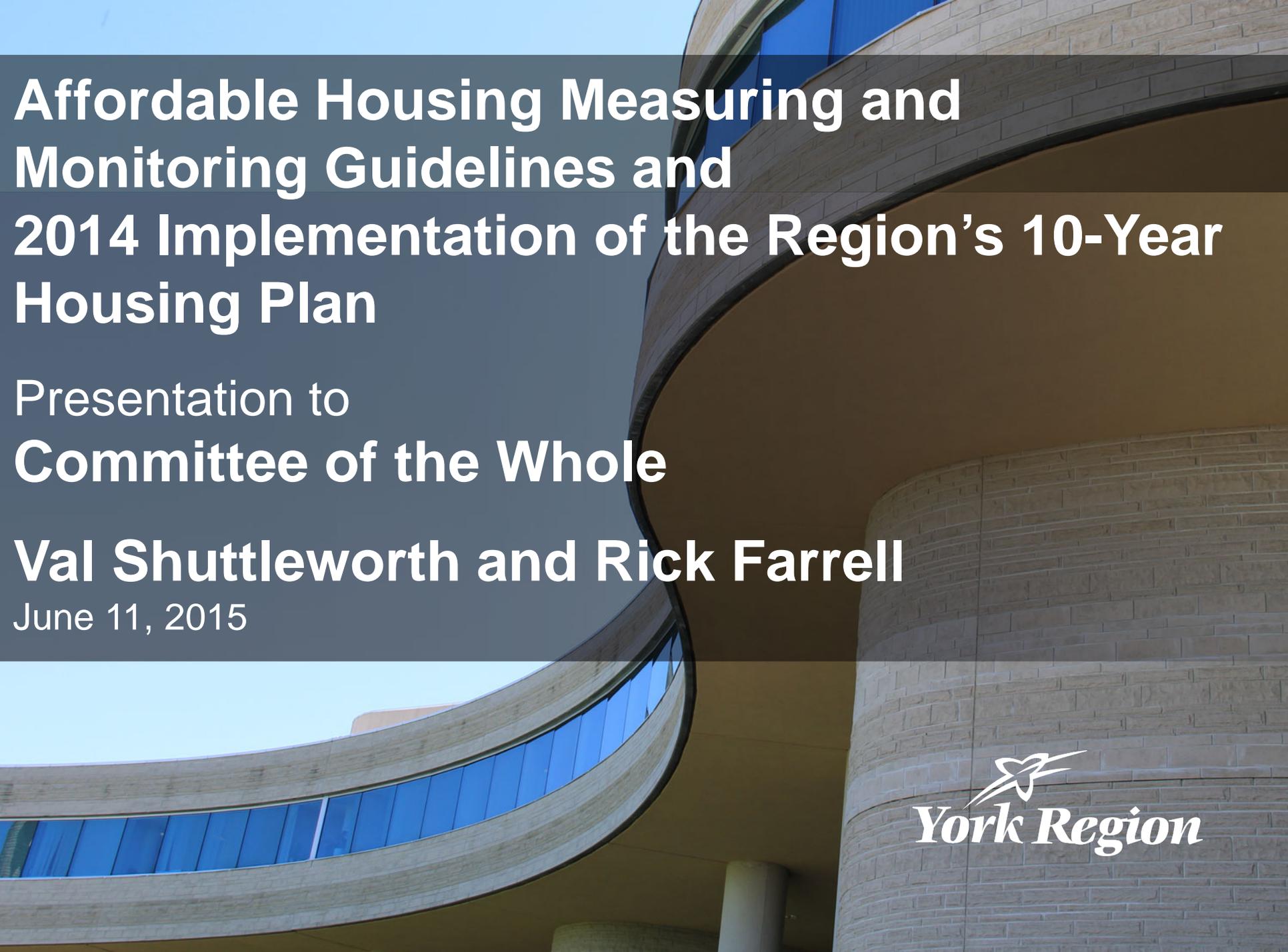
Supply Under Maximum Affordable Threshold



Source: Planning and Economic Development, June 2015

Notes:

- 1) "Household Incomes" and "What You Can Afford" are region-wide analyses
- 2) Source for Household Income Deciles: Statistics Canada, 2011 Census, Custom Tabulations, adjusted for inflation to 2014
- 3) Source for Average Market Rent: Canada Mortgage and Housing Corporation, Rental Market Report, Greater Toronto Area, Fall 2014
- 4) Bars show lowest CMHC Rental Market Survey Zone average rent to highest CMHC Rental Market Survey Zone average rent. CMHC RMS Zones as follows: (1) King, Richmond Hill and Vaughan, (2) Aurora, East Gwillimbury, Georgina, Newmarket, Whitchurch-Stouffville, (3) Markham
- 5) Condo analysis is Region-wide and only 1 and 2 bedroom units are included (data for other units suppressed)



Affordable Housing Measuring and Monitoring Guidelines and 2014 Implementation of the Region's 10-Year Housing Plan

Presentation to
Committee of the Whole

Val Shuttleworth and Rick Farrell

June 11, 2015



York Region

Outline

- Housing Supply in York Region
- Policy Context
- 10-Year Housing Plan Progress Report
- Affordable Housing Measuring and Monitoring Guidelines
- Next Steps

High-cost home ownership market

Ownership market

2014



Average home prices in York Region

Re-sale condominium
\$352,091⁶

Re-sale townhome
\$512,733⁶

Re-sale single detached
\$820,378⁶

New single detached
\$890,804⁵

Who ~~can't~~ afford to buy a home here



Nurse



Police Officer



Teacher



Cook

2004 → 2014



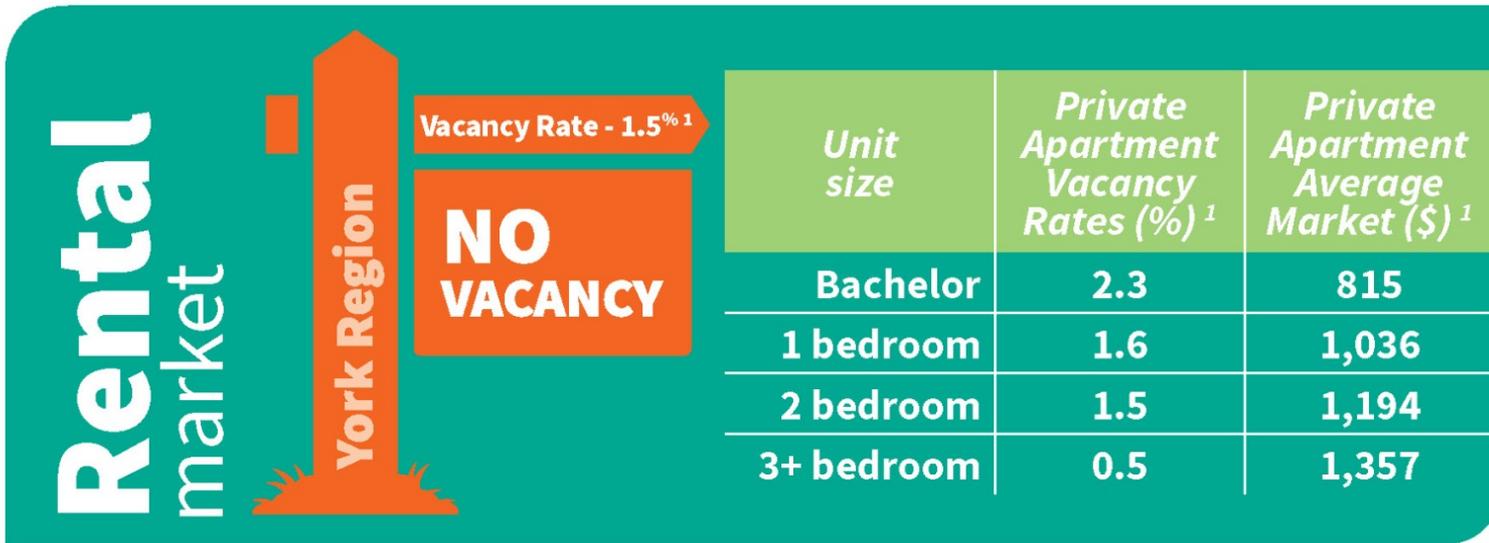
Average re-sale house price rose by **90%**⁷

however



Average hourly wage only rose by **21%**⁸

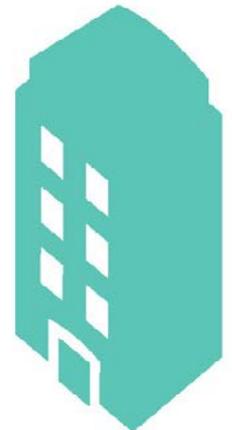
Limited availability of rental housing



In 2014 there were 6,840 condos available for rent, up 21% from 5,641 units in 2013

2014 condo vacancy rate: 2.1%

2014 average condo rent: \$1,564¹



Housing is a strategic priority



York Region's hierarchy of planning and accountability framework

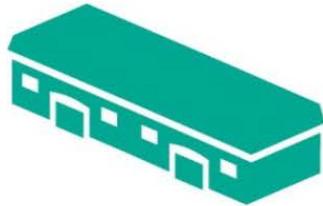


Housing solutions will involve multiple partners

The 10-Year Housing Plan contains **four goals**



GOAL 1
**Increase the
rental housing
supply**



GOAL 2
**Sustain the
existing rental
housing supply**



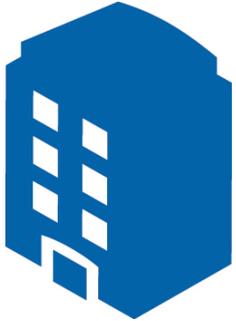
GOAL 3
**Support home
ownership
affordability**



GOAL 4
**Strengthen the
homelessness
and housing
stability system**

There are 49 actions under 4 goal areas identified in the
10-Year Housing Plan

Housing Plan Highlights - 2014

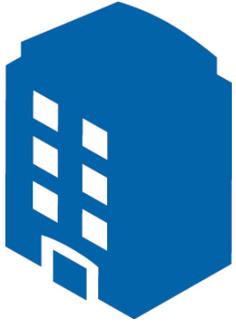


Goal 1: Increase the Rental Housing Supply

212 Davis Drive, Newmarket

- 225 private market apartments
- Deferred development charges
- Up to 56 units available to households on the social housing waiting list

Housing Plan Highlights - 2014



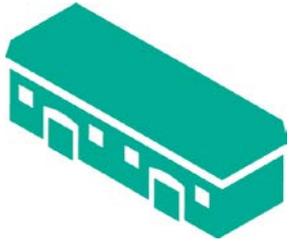
Goal 1: Increase the Rental Housing Supply

Lakeside Residences, Town of Georgina

- Housing York Inc. newest building
- 97 units
- 58 subsidized units



Housing Plan Highlights - 2014

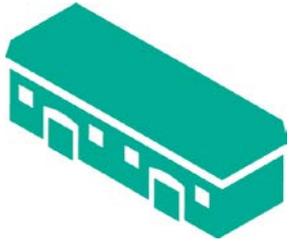


Goal 2: Sustain the Existing Rental Housing Supply

Policies protecting rental housing

- All local municipalities have policies to protect rental housing from demolition and conversion in place or in progress

Housing Plan Highlights - 2014



Goal 2: Sustain the Existing Rental Housing Supply

State of Infrastructure Report

- Positive overall rating
- Housing assets are in an overall good state, with assets and systems functioning as designed



Housing Plan Highlights - 2014



Goal 3: Support Homeownership Affordability

Home Repair Program approved permanently by Council

- Provides low-income homeowners with funding to complete critical repairs and modifications
- 84 homeowners have received grants since 2013

Housing Plan Highlights - 2014



Goal 4: Strengthen the Homelessness and Housing Stability System

Belinda's Place

- Constructed in 2014 and opening in 2015
- The Region's first emergency housing facility for homeless women



Housing Plan Highlights - 2014



Goal 4: Strengthen the Homelessness and Housing Stability System

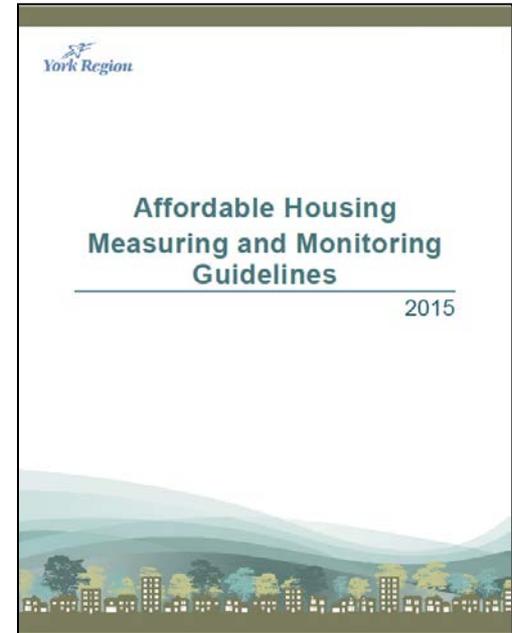
Housing Stability Program Evaluation

- Program uses service delivery model for Ontario Works and Ontario Disability Support Program recipients
- On average 87% of clients remained stably housed

Affordable Housing Measuring and Monitoring Guidelines

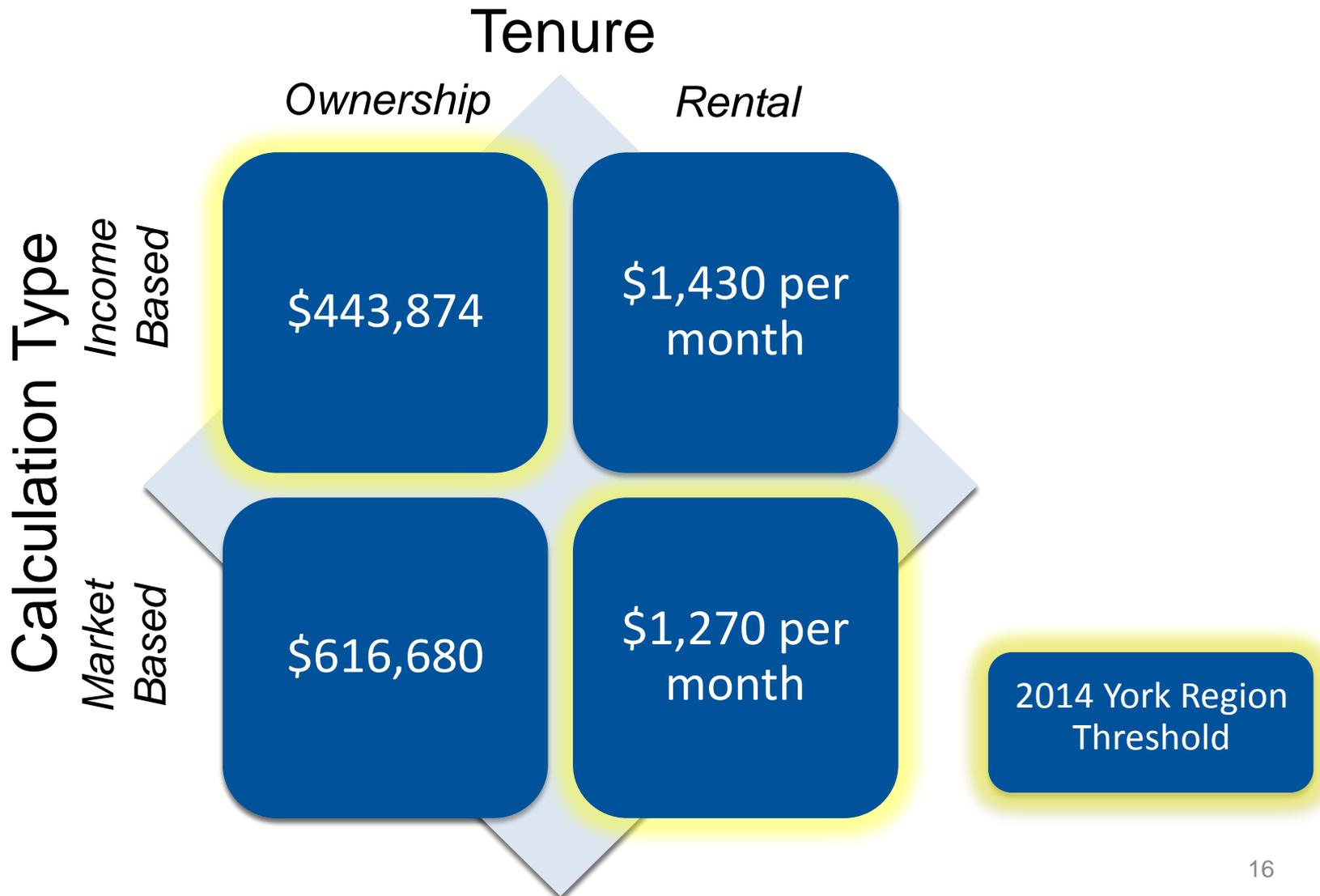
Three Components:

1. Thresholds
2. Commitments
3. Monitoring



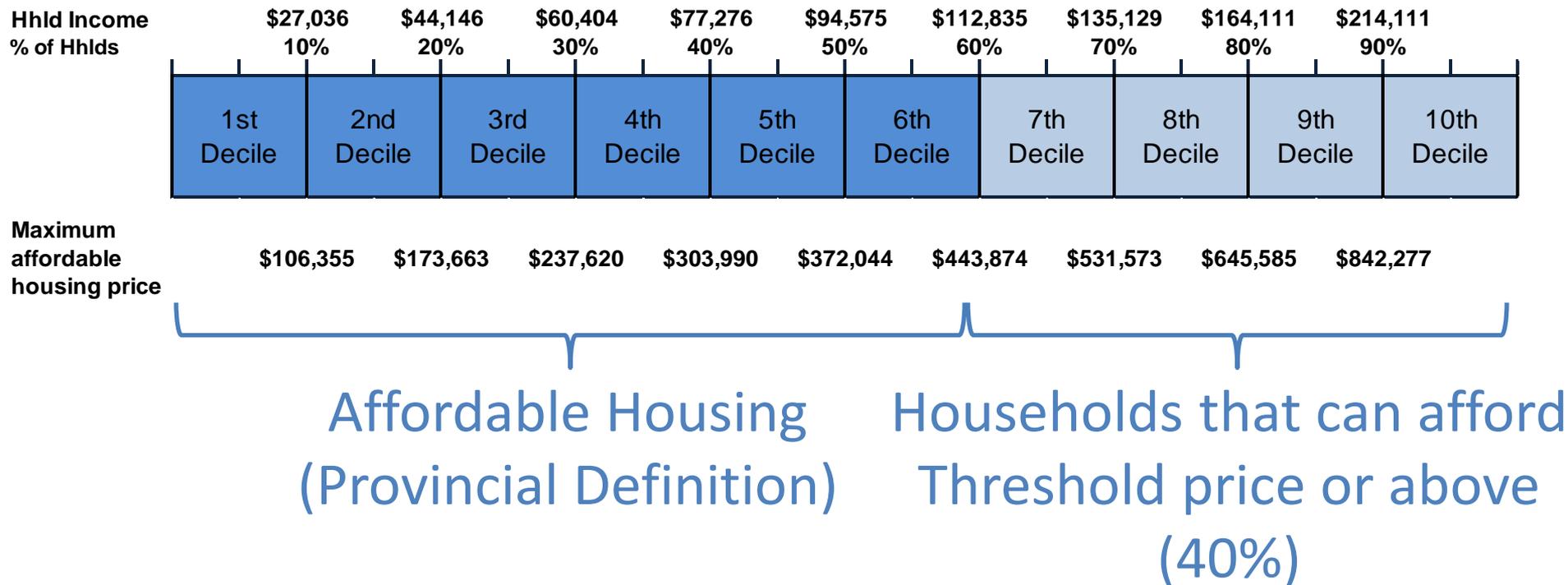
A standard approach to measuring and monitoring affordable housing allows for evidence based policy responses

Province Defines Affordability for Land Use Planning Purposes

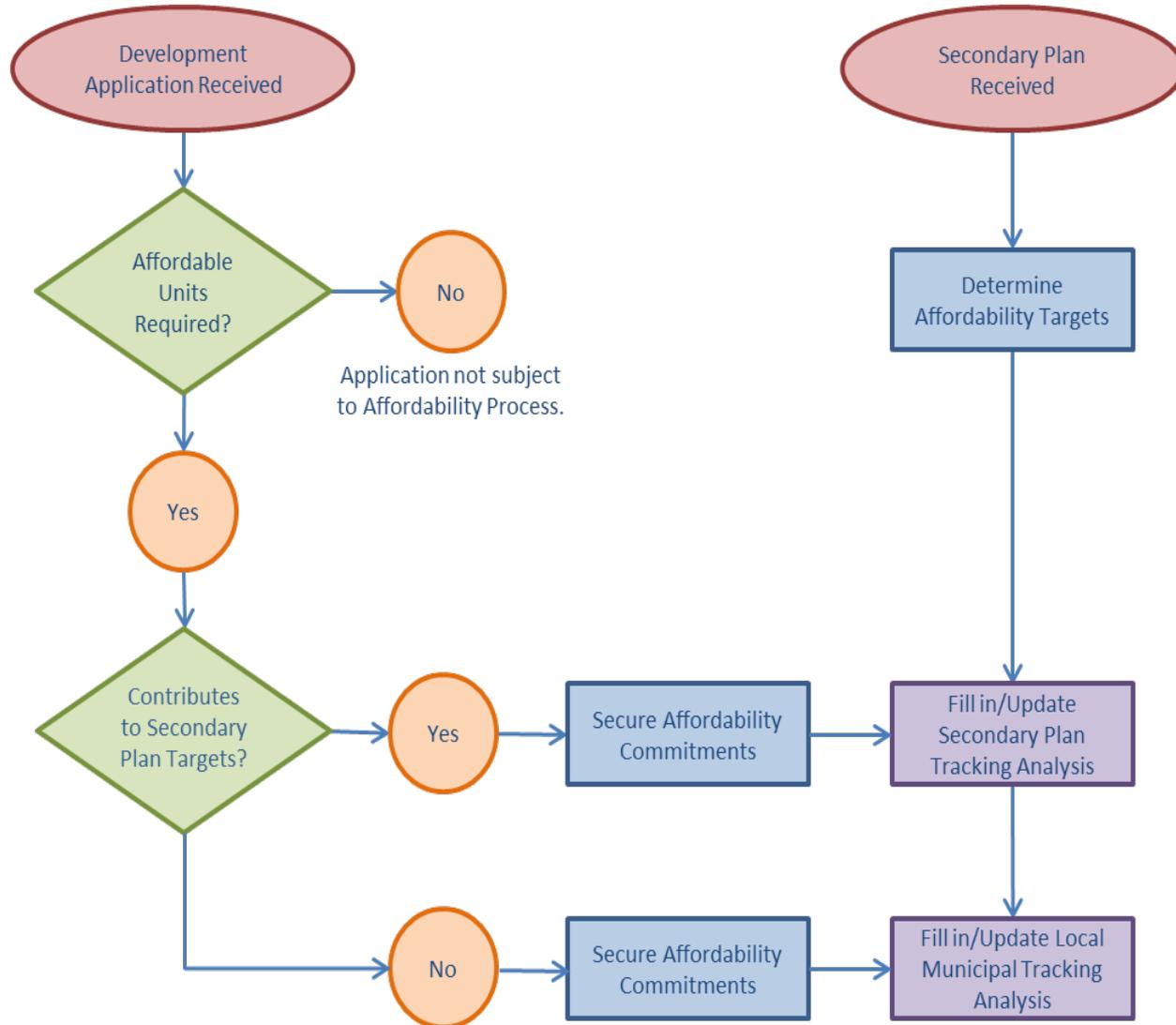


Affordable Housing Thresholds

York Region Household Income Distribution and Affordable Ownership Thresholds, 2014



Affordable Housing Commitments



Affordable Home Ownership Monitoring (New Units)

	Ownership								
	Ground Related			High Density			Total		
	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)	Total	Aff (#)	Aff (%)
Aurora	141	10	7%	138	121	88%	279	131	47%
East Gwillimbury	49	18	37%	-	-	-	49	18	37%
Georgina	169	39	23%	2	0	0%	171	39	23%
King	271	6	2%	18	10	56%	289	16	6%
Markham	1,423	211	15%	791	663	84%	2,214	874	39%
Newmarket	277	21	8%	-	-	-	277	21	8%
Richmond Hill	740	3	0%	266	170	64%	1,006	173	17%
Vaughan	1,061	8	1%	726	480	66%	1,787	488	27%
Whitchurch-Stouffville	205	23	11%	57	42	74%	262	65	25%
York Region	4,336	339	8%	1,998	1,486	74%	6,334	1,825	29%

While Region-wide affordable housing targets are being achieved, affordability issues remain

Affordable Housing Supplemental Monitoring

Monitoring Exercise	Maximum Income	Maximum House Price	Percent of Units Sold Under Threshold
Provincial Definition: 6th Decile	\$112,835	\$443,874	31%
5th Decile	\$94,575	\$372,044	18%
4th Decile	\$77,276	\$303,990	6%

When affordability is analyzed at deeper levels, options decline

Challenges

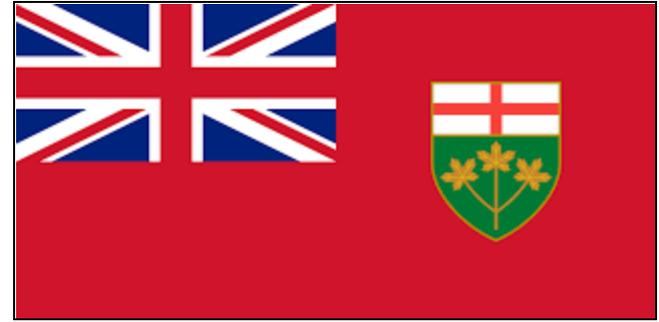
- Significant contributions from the Region are not meeting social housing demand
- Little new private purpose built rental stock
- Geographic, unit size and affordability limitations in new ownership stock
- No legislative authority to require new affordable units

Required Partners

Federal Government



Provincial Government



Local Municipal Government



Development Industry



Housing solutions will require involvement from all stakeholders

Next Steps

- Ongoing monitoring of the Housing Plan and new affordable additions to the housing stock
- Monitor and report on private purpose built rental development charge pilot project
- Partner with local municipality to develop an incentive toolkit and affordable housing program

Thank you

