



Affordable Housing Initiatives

Prepared by

The Town of Carleton Place
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What is Affordable Housing?

In Canada, housing is considered “affordable” if it costs less than 30% of a household’s before-tax income. Many people think the term “affordable housing” refers only to rental housing that is subsidized by the government. In reality, it’s a very broad term that can include housing provided by the private, public and non-profit sectors. It also includes all forms of housing tenure: rental, ownership and co-operative ownership, as well as temporary and permanent housing. (CMHC, 2021)

THE HOUSING CONTINUUM



CMHC, 2021

Housing Partners in Carleton Place

In Ontario, Affordable Housing is not a single entity's responsibility. There are many levels of government involved in the management of policies and programs for affordable housing.

It is also worth noting that the **Federal Government** has undertaken a significant National Housing Strategy which included the financial contributions to capital funding programs to help stimulate affordable housing across Canada. Information regarding Seed Funding available for the creation of affordable housing can be sourced through the **Canadian Mortgage and Housing Corporation (CMHC)**.



Locally, shelter housing and social housing are provided by the **County of Lanark's Social Services Department**, however there are third-party not-for-profit agencies such as **Carebridge Community Support, Carleton Place Municipal Non-Profit Housing Corporation** and **Interval House** which provide additional housing options.

The role of the **Town of Carleton Place** is to generate land use planning policy to implement the construction of affordable housing by public and private agencies. The Town also has the option of offering financial incentives to encourage **private partners** to construct affordable market housing.

How is the Town of Carleton Place improving affordable housing?

The Town of Carleton Place is committed to doing its part to regulate and incentivize the creation and stabilization of affordable housing in the community. As with many communities across Canada, Carleton Place has seen a significant inflation in ownership and rental housing prices within the community. At this time, Council has provided direction to staff to take a deep look at policies and programs that the Town can offer to create affordable housing locally.

In the past three years, Lanark County Council or Carleton Place Council have taken the following steps to secure affordable housing locally:





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7 Arthur Street

Following the decommissioning and closure of the County's social housing development on Edmond Street, Council approved the County of Lanark's application which secured the replacement of **20 units** in a new apartment development on Arthur Street.

This site provides residents with close proximity to services such as grocery stores, pharmacies, schools, and parks and included:

Rent Geared to Income Units **20**

4 Universally accessible units

–bedroom family units **3**

Waiving Development Charges

Council has heard that the cost of Development Charges can be a significant hurdle to making houses and apartments affordable to residents. As part of a review of the Town's Development Charges By-law, Council provided firm direction that they would provide relief for Development Charges for qualifying affordable housing developments.

The Development Charge By-law also provides exemptions for the creation of secondary residential dwelling units in existing residential buildings or structures ancillary to existing residential buildings or the creation of a second dwelling unit in new residential buildings, including structures ancillary to dwellings.



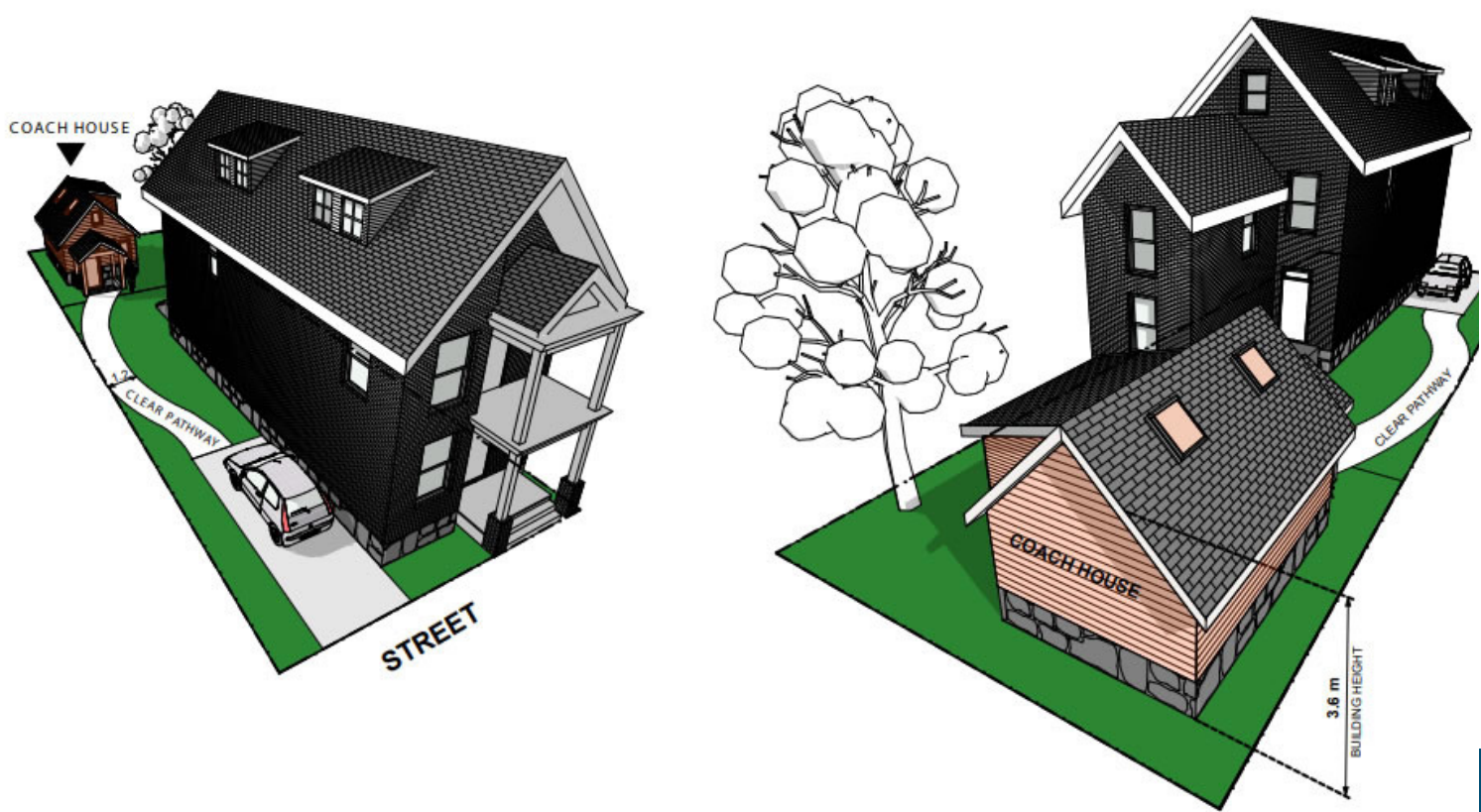
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For example, the following types of development will not require the payment of a Development Charge:

- Up to apartments in an existing single detached home
- 1 additional unit in existing medium and high-density buildings
- 1 additional secondary dwelling unit in new residential low and medium density buildings

The exemption provided in the **Development Charges By-law** will **allow for a refund of 100% of development charges** for each qualifying affordable housing unit built.



Secondary Dwelling Units:

One of the best ways to generate housing affordability and create new rental units is to permit Secondary Dwelling Units (SDUs). Homeowners who find themselves overextended with housing costs may find relief by renovating their home to create up to two (2) income units. While previous planning policies have permitted SDUs for a family member (i.e. “The Granny Flat”), homeowners can now choose to rent the units on the market to any tenant and for any tenure.

In January 2021, Council adopted an Amendment to the Development Permit By-law to permit up to two (2) SDUs with no minimum dwelling unit area required. Each single detached, semi detached and townhome is permitted to include an apartment inside and in an ancillary building, provided it meets certain parameters of the Development Permit By-law.

Check out the Town’s **Quick Tips Sheet** on how to create a Secondary Dwelling Unit.



- Units can be within the house or in an outbuilding
- Reduced parking requirement to 1 space per unit
- No minimum dwelling unit areas prescribed

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Amending the Official Plan

The Town is completing its Comprehensive Review of the Official Plan (OP). The current OP was adopted in 2015 and it is desirable to undertake the update in the wake of increased development in recent years. Some of the significant points for review include:

- Introducing language to the policies for Community Improvement Plans to recognize Affordable Housing as an eligible project;
- Strengthening wording around the provision and implementation of 25% affordable housing targets;
- Examining the potential for increased densities on specific properties to create opportunities for more rental housing.

"Council will strive to meet a target of 25% of all new housing to be affordable housing by enabling a full range of housing types and densities to meet projected demographic and market requirements of current and future residents."

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Community Improvement Plans

One of the best ways for the Town to create an incentive for the construction of affordable housing units is to offer grant and loan programs through a Community Improvement Plan (CIP). Right now, the Town does not have any CIPs in use, and Council has provided direction to change that.

Staff are examining options for funding programs to offer in a community-wide CIP that may include:



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- Provide exemptions for planning and building fees
- Provide grants to cover the cost of studies and reports related to development;



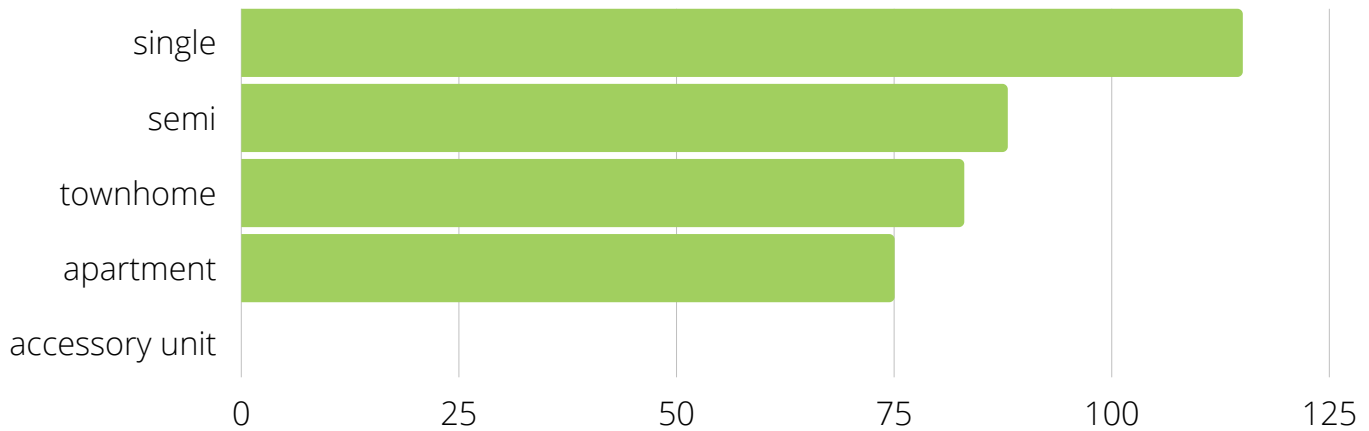
- Sell or lease municipal property below fair market value;
- Issue a Tax Incentive Program to offset the cost of increased assessment post-development;



- Provide grants for improvements or renovations to properties; and
- Reduce the requirement for cash-in-lieu dedications

Over the next 12 months, the Town will be undertaking a public engagement process as part of the development of a CIP. Keep an eye on our website or sign up for the Town's electronic newsletter, CP Scoop, to participate.

Building Permit Activity



Annual Monitoring and Reporting

Part of being committed to affordable housing is being regularly responsive to both the changing market conditions and the immediate needs of the community. While planning policy is updated and reviewed cyclically, the Town has committed to annually reporting on housing statistics and market trends to ensure we are making informed decisions about new housing choices.

Starting in 2020, the Planning and Building Departments commenced regular monitoring of housing starts, land supply, and unit distributions. Annual reports are available on the Town's website.

361 New residences built in 2020

Base pricing for townhomes *starting in the low* **\$420,000's**

\$1,625 Average rental rate for an apartment

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Partnerships and Participation

Acknowledging that the Town cannot solve the affordable housing crisis alone is an important step in identifying our limitations and sourcing partners who can work within the Town to develop affordable housing units for the community.

The Town has been an active participant in the County's Special Committees on Affordable Housing and Housing and Homelessness since 2018. Council representatives also participate and engage in task forces developed by Carebridge Community Support.

These partnerships ensure that the Town is knowledgeable about the issues facing our community and aware of initiatives and solutions that are being developed within the area.

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