

DRAFT FOR DISCUSSION

**PLANNING ISSUE #5:  
HOUSING OPPORTUNITIES +  
AFFORDABILITY**

DISCUSSION, DIRECTIONS + RECOMMENDATIONS FOR  
REVISIONS TO THE OFFICIAL PLAN



**MIDLAND OFFICIAL PLAN REVIEW**

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Plan B Natural Heritage  
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## Purpose

A range of housing types and tenures creates choices for all sectors of society, regardless of their age or income bracket, physical ability, or preferred lifestyle. This mix and diversity makes it possible for households to move within one community as housing needs and lifestyle preferences change. In particular, housing affordability should be an important policy consideration to ensure a high quality of life for all residents and to be consistent with Provincial and County goals.

The Housing Opportunities and Affordability report will focus on housing issues, including but not limited to housing mix and affordable housing targets. This report will also review and summarize the relevant policies in Provincial planning, the County Official Plan, the County's Affordable Housing and Homelessness Prevention Strategy and the existing Town Official Plan.

## How this report is laid out

This report, and all "planning issue" reports for this phase of the Midland Official Plan Review (OPR), are structured to provide a clear understanding of the policy background and basis for the various matters to be addressed in the OPR.

The reports begin with the policy background consisting of the relevant definitions in a grey inset box, and the applicable Provincial, County and municipal policies and reports in a blue inset box. The policy background is followed by the public comments received on each planning issue. These sections then feed into a discussion of the issues, through which guiding Directions are identified, and the consultant recommendations for the OPR based on these Directions.

## Policy Background

### Definitions

**AFFORDABLE** means:

- a) In the case of home ownership, 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
  - 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
  - 2) A unit for which the rent is at or below the average market rent of a unit in the regional market area (County OP)

### Provincial Policies

Policy Reference - Provincial Policy Statement (2014): Section 1.4 (Housing).

- The PPS calls on municipalities to provide an appropriate range and mix of housing types and densities to meet projected requirements of current and future residents of the regional market area. To do so, planning authorities are required to:
  - Maintain at all times the ability to accommodate residential growth for a minimum of 10 years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development
  - Maintain at all times land with servicing capacity to support at least a three-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans
  - Establish minimum affordable housing targets
  - Permit and facilitate the development of special needs housing
  - Permit second units

- Direct new housing to locations served by existing or planned infrastructure and public service facilities
- Promote residential densities that use land, resources, infrastructure and public service facilities efficiently, and support the use of active transportation and transit in areas where it exists or is to be developed
- Establish development standards for residential intensification, redevelopment and new residential development that minimize housing costs and facilitates compact form (Sections 1.4.1 & 1.4.3)

## Growth Plan Policies

Policy Reference - Growth Plan, Office Consolidation, June 2013: Section 2.2.2 (Managing Growth); and Section 2.2.3 (General Intensification).

- Section 2.2 of the Growth Plan sets forth a number of policies for where and how to grow. Under Section 2.2.2 Managing Growth, it states that residential intensification will be accommodated by:
  - e) Directing a significant portion of new growth to the built-up areas of the community through intensification
  - f) Focusing intensification in intensification areas
  - h) Encouraging cities and towns to develop as complete communities with a diverse mix of land uses, a range and mix of employment and housing types, high quality public open space and easy access to local stores and services
  - j) Directing major growth to settlement areas that offer municipal water and wastewater systems and limiting growth in settlement areas that are serviced by other forms of water and wastewater services
- Further under 2.2.3 General Intensification, the Growth Plan directs all municipalities to develop and implement a strategy and policies in their official plans to achieve intensification and the intensification target. The strategies and policies will:
  - Encourage intensification throughout the built-up area
  - Identify intensification areas to support achievement of the intensification target
  - Facilitate and promote intensification
  - Identify the appropriate type and scale of development in intensification areas

- Plan for a range and mix of housing, taking into account affordable housing needs
- Encourage secondary suites in the built-up area (Section 2.2.3 6.)
- The Growth Plan affirms that intensification areas will be planned to:
  - Attract a significant portion of population and employment growth
  - Provide a diverse and compatible mix of land uses, including residential and employment uses, to support vibrant neighbourhoods
  - Provide high quality public open spaces
  - Support active transportation
  - Achieve higher densities than the surrounding areas
  - Provide an appropriate transition of built form to adjacent areas (Section 2.2.3 7.)

## County Policies

Policy Reference - Simcoe County Official Plan, Modified as per Approval August 31st, 2015 (Updated March 10, 2016): Section 3.1 (Growth Management Strategy); Section 3.2 (Population and Employment Projections/Allocations); Section 3.5 (Settlements); Section 4.1 (Healthy Communities and Housing Development); and Section 4.3 (Affordable Housing).

### Mix of Housing Types

- The development of a wide range of housing types and costs, including affordable housing, is a goal of the OP.
- Under Section 3.5 Growth Management, it is policy “that in the development of settlements that a range of types of housing, including detached, semi-detached, townhouse, and apartment units, be provided, along with a mix of affordable housing, to meet a variety of housing needs,” and that “Local municipal Official Plans and zoning bylaws shall facilitate the provision of a range of housing types and affordable housing” (Policy 3.5.30).
- Under Section 4.1.7, the OP requires that “Local municipalities shall make available: sufficient quantity of housing, taking into account demand to improve choice, and housing development in suitable locations, which offers a good range of public service facilities and proximity to jobs, key services, and infrastructure.”

## Affordability

- Under Section 4.3 Affordable Housing, the OP states that “The County will work with local municipalities to: reduce unmet housing needs, reduce housing inequality, improve housing quality, and provide for an efficient delivery of affordable housing” (Policy 4.3.1).
- Further under Section 4.3, the County encourages the local municipalities:
  - To permit secondary or accessory suites in residential buildings
  - To revise their zoning bylaws to ensure that minimum zoning provisions do not hamper the appropriate provision of affordable housing at any residential location
  - To use alternate development standards to facilitate development of affordable housing
  - Utilize Section 37 of the *Planning Act* authorizing height and density increases in return for the provision of affordable housing
  - To make provision of grants in lieu of development charges, planning fees, cash-in-lieu of parkland fees and cash-in-lieu of parking requirement to affordable housing proposals
  - Support the County target of a minimum of ten percent (10%) of all new housing units created each year to be affordable housing units

Policy Reference - Our Community 10-Year Affordable Housing and Homelessness Prevention Strategy (2014-2024).

- The Strategy outlines what actions are needed to effectively address the housing and homelessness needs across the County and emphasizes the need for cooperation among the County, local municipalities and the private sector.
- The Moving Forward Model provides the minimum affordable housing targets for the County and local municipalities and aims to make improvements over and above the status quo to address affordable housing needs within the 10 year timeframe. The Town of Midland's minimum affordable housing target to 2024 is 90 additional units.
- The Strategy also includes a number of priority activities for both the County and local municipalities which include:
  - The County should make a clear commitment to the municipalities as to the financial tools it will support and the circumstances under which it will also waive and/or defer fees or taxes to facilitate the development of affordable housing.

- Amending local Official Plans to include the provision of a full range of housing types, in order to meet the diverse needs of residents
- All municipalities will be encouraged to adopt planning, financial and policy tools highlighted in the Strategy to facilitate and promote affordable housing development across the County

## Existing Midland OP Policies

Policy Reference - Town of Midland Official Plan (2002): Section 3.2 (Downtown District); and Section 3.3 Residential District.

- Residential uses are encouraged in the Downtown District of Midland to support businesses and cultural activities and should not interfere with commercial and business uses. Policy 3.2.3 i) states that “High and medium density residential development and mixed commercial/residential development are permitted in accordance with the policies of the Residential Section, 3.3. Residential uses, associated with commercial uses, should be located above the ground floor...”
- Under Section 3.3 Residential District of the Town OP, the intent is to permit a variety of housing types and densities, with the goal to provide for affordable, accessible, and adequate housing for the expected needs of the community.
- The objectives under Policy 3.3.1, that relate to a range and mix of housing types, are:
  - c) To encourage the provision of a broad range of housing styles including affordable and rental housing types, and to consider incentives which would foster such development
  - d) To encourage innovative development, re-development and intensification, particularly in older established neighbourhoods, to satisfy market requirements
  - e) To foster and encourage the development of residential uses where appropriate community and commercial facilities can be provided
- Section 3.3.3 Housing Supply, sets forth policies that the Town:
  - Will monitor housing needs and set targets related to housing types
  - Encourage affordable housing forms and densities
  - Initiate studies and programs that consider needs, address taxes, development charges and incentives
  - Consider partnership options

- Permit land use intensification in existing serviced areas to provide affordable rental accommodation

## Public Comments

- If intensification is to occur within the stable neighbourhoods, the character of mature neighbourhoods should not change. Commercial development should not be located within family oriented neighbourhoods. Mixed use and corner stores, small veggie markets. Need to have services, parks and transportation to support the intensification.
- Edgehill Park, parkland, ecological areas, Sumac Lane and neighbourhoods around Little Lake should be protected from intensification.
- The neighbourhood improvement strategies that would be appropriate in Midland include, improve lighting in older neighbourhoods on the east side, allow for home occupations to allow for people to stay in larger homes and increase educational facilities in each neighbourhood.
- The Town should accommodate for a variety of housing types that can be suitable for seniors and low income.
- The Town needs the following housing forms/types immediately: affordable units for families, seniors and students; universal design and ability to retrofit for accessibility; and single storey housing.
- To encourage housing to be built that will meet the future requirements of an aging population and a population that will have a growing number of special needs, the Town will need to redevelop industrial areas, integrate affordable housing, strategic intensification that will preserve surrounding natural areas and implement universal design to accommodate for special needs.
- The Town should consider strategies such as land banking and improving blighted properties for affordable housing to ensure the County's affordable housing target is met.

## Discussion

### Full range of housing

- It is a goal of the Town to provide a range of housing types and tenures that create choices for all sectors of society, regardless of their age or income bracket, physical ability, or preferred lifestyle. This mix and diversity makes it possible for households to move within one community as housing needs and lifestyle preferences change.

Provincial and County planning frameworks provide strong direction on this topic as follows:

- Provide a range and mix of housing types to meet the projected needs of the population
- Of significance to consider in this Official Plan Review process is the integration of growth management, the requirements for intensification and second units/garden suites and the impacts of those on the issue of housing. It is important to note that the Town's existing Official Plan has done a good job over time delivering and maintaining a very diverse housing stock. The OPR process will build on this strong foundation in three principal ways:
  - First, the requirement for 40% residential intensification will deliver housing forms that will have the propensity to be both more affordable and rental vs. ownership. This will likely, on its own, achieve the Town's affordable housing target and will support the goal of a diverse housing stock;
  - Second, the requirement that the Town permit second units/garden suites (implemented through OPA 9) will also result in housing forms that are more affordable and rental, again assisting the Town in the achievement of their affordable housing target and the goal of a diverse housing stock; and
  - Third, the growth management strategy promotes intensification in identified key locations, with a more highly managed approach within the Neighbourhood Districts. The permission for second units/garden suites will, however, be primarily located within existing neighbourhoods, where design and impact mitigation will be key factors.
- It is important to consider the provision of housing options specifically designed for seniors. Consider placing retirement and long-term care facilities closer to a neighbourhood centre and incorporate multi-storey dense components to achieve a sufficient yield on small sites.
- Universally accessible housing options should be provided to accommodate the widest spectrum of people, regardless of age or ability, to live within the community.
- Introduce the concept of "compatible development" and a policy framework with respect to the achievement of the intensification target within existing neighbourhoods.

### Affordable housing

- The Town should retain the existing approach of generally encouraging the development of affordable housing and monitoring the housing mix and supply of housing on an ongoing basis through the development approval process.

- Midland accommodates a full range and mix of housing opportunities, including housing that is affordable and supportive of seniors and special needs communities. Provincial and County planning frameworks direct the Town to:
  - Promote the provision of affordable housing and encourage the identification of an affordable housing target
- In considering the issues related to housing, the consultation process identified the following **Guiding Principle**:
  - Ensure that affordable housing will be available in various forms and types throughout the community
- There are two approaches to ensuring housing affordability for residents of the Town of Midland. Affordable housing refers to market housing whose cost meets a defined threshold of average household income. Assisted housing refers to publicly provided housing, or social housing, specifically geared to households which cannot secure appropriate housing through the private sector.
- The Town should consider the addition of new policies that facilitate the development of affordable housing and special needs housing, including the establishment of an affordable housing target of 10% (as encouraged by County policy) and the introduction of various incentives for affordable and/or special needs housing. As a component this 10% affordable housing target, the County's Affordable Housing and Homelessness Prevention Strategy assigned Midland a minimum target of 90 units of assisted housing units by 2024.
- The Province is currently considering empowering municipalities to use inclusionary zoning for the purposes of increasing the supply of affordable housing. At this point, it is unclear if this would be a requirement or an opportunity for the Town of Midland or if this approach is appropriate for the local context.

Stemming from these discussion points are two **Directions** which frame the policy recommendations below.

### Directions:

1. The Town should continue to encourage a full range and mix of housing types and tenures to meet the needs of all residents.
2. Establishing the County affordable and assisted housing targets and providing additional policy support for affordable housing is encouraged.

## Directions + Recommendations

**Direction #1:** The Town should continue to encourage a full range and mix of housing types and tenures to meet the needs of all residents.

It is recommended that:

- a) The Town retain the approach of the existing OP of generally **encouraging the development of a range of housing types and affordable housing** and monitoring the housing mix and supply of housing on an ongoing basis through the development approval process.
- b) OPA 9 with respect to **second units** be incorporated without change.

**Direction #2:** Establishing the County affordable and assisted housing targets and providing additional policy support for affordable housing is encouraged.

It is recommended that:

- a) The Town include in the existing Section 2.3 “Housing Policies” new policies that **facilitate the development of affordable housing and special needs housing**. These policies would incorporate the establishment of an **affordable housing target of 10%**, including an assisted housing target of 90 units by 2024.