

May 11, 2023

A Submission to the Ministry of Municipal Affairs and Housing on the proposed changes to the Provincial Policy Statement (ERO: 019-6813)

Introduction

Thank you for the opportunity to comment on the updates to the Provincial Policy Statement.

Northumberland County Housing Corporation (NCHC) is actively involved in the development and preservation of affordable rental housing and supports the general policy goal to increase the supply of housing of all kinds for Ontarians. The proposed Provincial Policy Statement seeks to expand the ability to generate more housing in Ontario without specific consideration of affordability. The development of housing at varying levels of affordability is vital for complete communities and critical to address urgent needs in Northumberland and across the province. We therefore strongly recommend that the definition of, and targets for, affordable housing remain in the Provincial Policy Statement.

The Provincial Policy Statement establishes the policy foundation for regulating the development and use of land in Ontario, with matters of provincial interest to be implemented primarily through municipal Official Plans. The proposed removal of affordable housing requirements from the Provincial Policy Statement sends a signal that affordable housing is no longer a priority – a signal that is out of step with other key messaging and direction. With housing affordability in Ontario eroding at a rate not seen in more than a generation, we must collectively maintain a strong stance on support for the immediate creation of more affordable housing, so desperately needed across Ontario.

More Housing Does Not Mean More Affordable

When affordability expectations are outlined in the strategic direction of the Provincial Policy Statement, municipalities have the backing to implement requirements and incentives for affordability considerations in their community. **In Northumberland, 2,295 building permits have been issued for new residential buildings since 2019, yet designated affordable units being developed, while beginning to increase, represent far less than 10% of these units.** The need for a diverse housing supply in Northumberland is critical, but affordability must be worked into this diverse supply by design and intent.

The need for purpose-built affordable housing reaches into nearly all income levels in our community. **Rent for a one bedroom apartment is so high that a single person household needs to make upwards of \$75,000 to be able to afford it** and that far exceeds the median income of \$41,600 for this demographic. The community housing waitlist has increased by nearly 40% since 2019, and more than 300% since 2010. Presently, there are more than 1,100 households on this waitlist, in some communities waiting up to 10 years for a unit. The need for affordable housing is great in our community, as the current price points for both rental and ownership remain out of reach for most people. Creation and maintenance of affordable housing must focus on the needs of both our most vulnerable, and also households with moderate incomes that are unable to afford to live and work in our community.

Affordable housing means different things in different contexts. We look to the Provincial Policy Statement to recognize that affordable housing must be considered both as compared to market rates and also to household income. It is important that the definition discusses each in parallel. With the word affordable removed from the Policy Statement, we fear that little will be done to address the affordability crisis facing our communities, as units developed tend to be at the most shallow level of affordability and/or attainability as allowed.

The Provincial policy framework should continue to encourage incentive structures that address the depth of affordability needed and provide that more affordable units receive correspondingly greater incentives. It is critical that provincial policies recognize and promote the understanding of affordable housing as both affordable in the marketplace and affordable to households and continue to support the provision of deeply affordable housing as a matter of provincial interest.

Community Housing Providers and Municipalities cannot build the required number of affordable housing units alone

Northumberland County released an Affordable Housing Strategy in 2019 and set a target of 900 new affordable housing units by 2029, representing 25% of all newly constructed housing units. Since 2019, the NCHC has developed, is developing or has preserved over 70 new units of affordable and attainable housing, and this is just the beginning of a significant growth strategy to do our part to increase housing supply and affordability in Northumberland. To achieve affordability goals, an even larger number of attainable and reasonable market rent units will also be created to meet the wide range of affordability needs and most importantly, support the viability of affordable housing developments. For example, the NCHC is moving toward a mixed model of affordability in future developments (one-third RGI, one-third affordable, one-third reasonable market).

The NCHC and the County will require many partners, including the private sector, to achieve our goal of 900 new affordable housing units by 2029 – 25% of all new housing units constructed. Private sector partners look for substantial incentives to consider affordability – or legislated requirements. Without this push, and substantial investment from government, there is a real risk that affordable housing projects across Ontario will be left on the shelf, especially in the current economic environment. Increasing the overall supply of housing, while laudable, will not resolve the housing affordability crisis in Ontario if it comes at the expense of purpose-built affordable housing.

Municipalities and publicly owned housing providers require more support from all levels of government to support the creation of affordable housing. We need all levels of government to partner with us to build housing for our community that is affordable for all residents. Presently, Northumberland County funds about 70% of all housing program funding including new capital development and are financing 54% of the capital funding needed for our Elgin Park Redevelopment and financed the entire purchase of a 22-unit multi-residential building in Colborne, to ensure affordability for residents is maintained. **The NCHC asks that the province partner with us in our goal of increasing affordable housing – this means both in funding and in ensuring that municipalities have all the tools they need to incentivize, encourage and require the development of affordable housing.** Planning toolkits start with the Provincial Policy Statement in setting critical priorities and direction for the future growth goals for Ontario. These toolkits need to have both planning tools as well as meaningful incentives that support affordable developments.

Rural Context

Housing affordability has long been viewed as an urban issue – this is no longer the case. Rural areas like Northumberland have been hit hard by the housing affordability crisis, with home ownership out of reach for most households, low vacancy rates, increasingly high rental rates, and limited stock, particularly in the rental market. At the same time, rural municipalities have not been given the same tools as large urban centres – namely, inclusionary zoning, without which rural municipalities are pinched to ensure the housing built meets the needs of the community they are serving and have smaller tax bases to offset the cost of development and incentivization of affordable housing units.

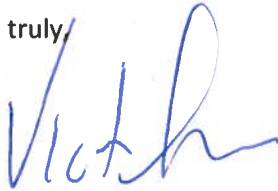
Conclusion and Recommendation:

The NCHC appreciates the opportunity to provide our initial comment on the importance of affordable housing in all elements of the provincial planning processes. We request direct involvement, along with service managers and other public housing providers on the issues of affordability, at such time as the regulation or legislation is being crafted.

NCHC strongly believes that encouraging a mix of housing, and explicitly requiring affordability to be considered within this mix, will create better affordability for households in Northumberland, and across Ontario.

The NCHC thanks the committee for its consideration of this submission.

Yours truly,



Victor Fiume, Chair, Northumberland County Housing Corporation

Cc: Warden Mandy Martin, Northumberland County
MPP David Piccini, Minister of the Environment, Conservation and Parks

About Northumberland County and the Northumberland County Housing Corporation:

The NCHC is a community housing provider in Northumberland County with over 344 owned and operated housing units. Northumberland County is the sole shareholder of the NCHC. The NCHC is located on the traditional territory of the Mississauga Anishinaabeg. Northumberland County is an upper-tier level municipality, situated on the north shore of Lake Ontario east of Toronto in Central Ontario. Northumberland County Council is comprised of the mayors and wardens of its seven local municipalities.