



Thank you for the opportunity to respond to this issue. It is SO\_O\_O important, that my answer cannot be brief.

### **Attainable Housing = Economic Sustainability**

The need for attainable housing has been a growing concern in the Town of The Blue Mountains (*Red Hot & Blue*, 2010 and *Sustainable Path*, 2010) and has a **direct impact on our economic sustainability** and on the ability of our community to be inclusive and both economically and socially diverse. Diverse communities are **stronger, healthier and more sustainable**, especially when challenged by unforeseen occurrences.

On January 29<sup>th</sup>, 2018 our **Economic Development Advisory Committee** listed “*Championing the creation of attainable housing*” as their number one priority. The **South Georgian Bay Tourism Labour Supply Task Force** report (May 2018) and the **Hospitality and Tourism Sector Partnership Labour Market Strategy, Bruce County and Grey County** (November 2017) indicate that “*the lack of affordable housing (is) the most pressing obstacle to workforce attraction and retention*”.

### **The Facts:**

Attainable housing is the **number one challenge** to recruiting and retaining the work force needed to maintain and grow out economy. [65% of employers in the hospitality and tourism sector and 54% of employers in construction, transportation, trades, manufacturing, etc. indicate that they struggle to fill positions.] The impact of this is that **many local businesses struggle to recruit the workers** who provide a wide range of services, and business investment looks to where the labour supply is more available. We’ve seen evidence of this in every sector.

Since 2004 our regional **work force as dropped by 11%** with an aging population and growth among retirees, followed by **out-migration of people between 18-44**. **Housing costs have risen 31%** in the 800-999K range, while entry level housing has seen a 41% drop in sales over 300K and a 5% drop in units priced between \$300k-\$99K. Simply put, the market has driven a low-density, high-end home market over the past decade. Investment in housing for short-term rental purposes has further reduced the supply of housing that might otherwise be available for renters and first-time home ownership. This too is driving prices higher.

### **Unintended Consequences of the Housing Market Boom:**

**Young People and families** are challenged to find purpose-built rental housing, or to break into the local home ownership market. Many young people also complain that our infrastructure in terms of health care, recreation centres and other amenities, as well as quality child care and transportation, is just not here for them and their families. When they go elsewhere to find better lifestyle affordability, we all lose big time! **Economic sustainability is not possible without a work force!**

Many local **Seniors**, currently the fastest growing segment of our population, are also feeling the pinch of rising property taxes driven up by increased MPAC home values. Seniors who have lived in the Town of The Blue Mountains for decades are increasingly among those driven out of local housing to live in other municipalities.

### **Solutions:**

Fortunately, several partners have been working towards solutions:

At the provincial level the **Ministry of Municipal Affairs and Housing** has created **Inclusionary Zoning (IZ)**, a land-use tool that a municipality may use to require affordable housing units to be included in residential developments of 10 units or more. **Nimbyism** is the greatest challenge for municipalities in implementing inclusionary zoning, but the Town of The Blue Mountains does have options that can be incorporated into our Official Plan.

As mentioned previously our **Attainable Housing Corporation (AHC)**, established in 2014, champions the cause and has already gathered extensive data, advocating for market-based solutions that result in **increased access to attainable housing without placing undue tax burdens on the municipality**. The AHC also currently operates two programs for eligible applicants:

- (1) Down payment Assistance Program
- (2) Secondary Suites Program

**Grey County** funds similar programs; applicants can apply for one or the other, but not both municipal and county programs. Grey County also funds renovations and social housing for lower-income individuals.

**Town Staff** brought a report approved by Council on September 10<sup>th</sup> which directs staff to list all Town-owned properties suitable for attainable housing projects with a *“detailed review of each potential property that identifies potential issues, concerns, required variances and or amendments to current property zoning, as well as any other Planning and or Development issues for a clear and transparent review in future open session meetings of Council”*. This is the legacy of current Council to the incoming Council, and must be a top priority for all.

### **Lessons from Others**

We can also draw on the expertise and lessons learned by others:

The Institute on **Municipal Finance and Governance** (IMFG), Munk School of Global Affairs (University of Toronto) published a landmark document, *Affordable Housing in Ontario: Mobilizing Private Capital in an Era of Public Constraint* (2013). The document outlines how to

create the conditions for **greater private participation in affordable housing in Ontario**. They identified four pathways to increasing private participation including:

1. Levers to make affordable rental and ownership models work, including tax reforms and credits, or inclusionary housing models that use public lands and other incentives;
2. Investment vehicles such as mortgage refinancing and Real Estate Investment Trusts (REITs);
3. Incentives to maintain private rental supply like improved rent dispute processes, expedited property tax equalization, or enhanced financing for repairs and retrofits;
4. Creating conditions for private participation by ensuring fair and consistent market conditions and by building on the success of public-private partnership models.

Also included in the IMFG paper are case studies highlighting affordable housing models in other places that face similar housing affordability challenges. *Read more* [https://munkschool.utoronto.ca/imfg/uploads/238/imfg\\_perspectives\\_affordable\\_housing \(april 2013\).pdf](https://munkschool.utoronto.ca/imfg/uploads/238/imfg_perspectives_affordable_housing_april_2013).pdf)

More recently and closer to home, **Barrie** established a **10-year Affordable Housing Strategy (2018) A Place to Call Home** aimed at encouraging, stimulating and increasing the supply and range of affordable housing options to meet the needs of residents at all income levels and stages of life. Barrie set a goal: 840 units by 2024. *Read more* <https://www.barrie.ca/City%20Hall/Planning-and-Development/Policies-Strategies/Pages/Affordable-Housing.aspx>

#### **Next Steps:**

**If elected Deputy Mayor**, I will bring a motion to initiate the development of an **Attainable Housing Strategy** (similar to Barrie's but specific to TBM/South Georgian Bay) with **dedicated resourcing** as part of the budget for 2019. I would like this plan to identify a target number of units to be built within a specified time frame and with a plan for evaluation of success.

There must be specific action on the part of Council in order to achieve market-based solutions that don't rely on tax payers. Council will need to look at measures that increase economic viability for private partners, such as reduced or deferred Development Charges and expedited planning approvals (not missing any steps) to reduce interest charges and provide economies (time is money). We can create a Housing Authority to oversee the supply and maintenance of such housing under a revised Official Plan (and Planning Act) and we can include a Design Panel to ensure that buildings fit aesthetically with existing architecture so that these developments would be well-received by all stakeholders

There are already several reputable developers of purpose-built rentals in areas of significant growth in Ontario (GTA, Golden Horseshoe, Kitchener/Waterloo). These communities know that housing is a key economic driver. The community of the Town of The Blue Mountains knows this too! **Let's build for our sustainable future!**

Kind regards,

*Odette Bartnicki* for DEPUTY MAYOR

Website: [www.odetteforcounciltbn.com](http://www.odetteforcounciltbn.com) Facebook: [www.facebook.com/odettetbn](https://www.facebook.com/odettetbn) Phone: (705) 888-8462

