



Staff Report for Council Meeting

Date of Meeting: November 24, 2021

Report Number: SRPI.21.089

Department: Planning and Infrastructure

Division: Policy Planning

Subject: **SRPI.21.089 Request for Endorsement –
Affordable Housing Strategy**

Purpose:

The purpose of this report is to receive Council endorsement of the Affordable Housing Strategy.

Recommendation(s):

- a) That Council receive staff report SRPI.21.089 regarding Request for Endorsement of Affordable Housing Strategy, and
- b) That Council endorse the Affordable Housing Strategy, attached as Appendix B to staff report SRPI.21.089.

Contact Person:

Chun Chu, Senior Planner, phone number 905-771-5493

Report Approval:

Submitted by: Kelvin Kwan, Commissioner of Planning and Infrastructure

Approved by: Mary-Anne Dempster, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

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Background:

This staff report is supplementary to Staff Report SRPI.21.052, which was shared at the July 7, 2021 Council Meeting. A copy of the Staff Report SRPI.21.052 is attached in Appendix A of this staff report and the recommended Affordable Housing Strategy is provided in Appendix B.

The Affordable Housing Strategy was brought to Council at the July 7th Council Meeting. While Council expressed general support for the facilitation of affordable housing, some councillors requested clarification on certain terminologies related to affordable housing. The motion to receive the staff report and to endorse the Strategy failed to carry on a tie-vote. Subsequent to this, there was considerable discussion on the need for affordable housing in Richmond Hill at the September 21, 2021 Official Plan Update Committee. Consequently, staff is returning this matter to Council for receipt of the staff report and endorsement of the Affordable Housing Strategy.

To further assist Council, this staff report provides additional information to respond to questions and comments raised by Council at the July 7th Council Meeting, in the sections below sub-titled:

- What is the Purpose of the Affordable Housing Strategy and How Will It Be Implemented?
- Common Housing Terms, and
- Why an Affordable Housing Strategy Now?

What is the Purpose of the Affordable Housing Strategy and How Will It Be Implemented?

As a brief reminder, the Richmond Hill Affordable Housing Strategy outlines Richmond Hill's goals, targets and list of possible actions and tools the City can put into place to address housing gaps and needs in Richmond Hill.

Goals of the Affordable Housing Strategy

1. Create a range of housing options for seniors to age in place and for younger households to settle or remain in the community;
2. Increase the number of rental and specifically purpose-built rental housing options that are in a good state of repair and affordable to moderate- and- low-income households;
3. Attract new accessible and supportive housing options to Richmond Hill that are suitable for seniors and households with a member with a disability or mental health issue, and
4. Increase the number of ownership options in Richmond Hill that are affordable to moderate-income households.

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Key Focal Points

Moderate Income Households:

Many households in the moderate income percentile are spending more than 30% of their income on shelter costs (20.9% of renter households and 36.1% of owner households). This indicates that there is a need to work with market housing providers to facilitate the development of housing that is affordable to this moderate-income household group.

Provision of Adequate and Suitable Housing:

Suitable housing is not only affordable in cost, but also sufficient in size to accommodate the household. Adequate housing is housing that is in a good state of repair. The [Background Report](#) for the Affordable Housing Strategy notes that presently, the vast majority of affordable housing units are in the form of bachelor and one bedroom apartment units. While these units may accommodate 1- and 2-person households, these units are not suitable for households of 3 persons or more. The background report also notes that 3.3% of Richmond Hill housing stock is in need of major repair according to the 2016 Census. This suggests that some of the housing stock is also not meeting the threshold for “adequate.”

Affordable Housing Tools and Actions

Based upon the research conducted by the City’s consultants along with considerable stakeholder consultation, the Affordable Housing Strategy has identified 7 categories containing a total of 44 actions that can assist in the facilitation of affordable housing. These are noted in Figure 1 below with further details provided in Appendix B.

Figure 1 – Tools and Actions

<p>1. Implementation Oversight (2 actions)</p> <ul style="list-style-type: none"> Affordable Housing Strategy Implementation Committee Work with York Region to update/develop measuring and reporting tools to monitor progress. 	<p>3. Standards Tools (3 actions)</p> <ul style="list-style-type: none"> Parking Requirements Stratification of Parks and Public Spaces Alternative Development Standards 	<p>6. Land Inventory (1 action)</p> <ul style="list-style-type: none"> Create an inventory of existing City real estate to be contributed towards affordable housing projects
<p>2. Policy & 4. Regulatory Tools (18 actions)</p> <ul style="list-style-type: none"> Update Official Plan, Corporate Policy, and Zoning and other By-laws to enable: <ul style="list-style-type: none"> Designation of Protected Major Transit Station Areas Inclusionary Zoning Community Planning Permit System Rental Demolition and Conversion Control Gentle Density and Multi-tach Zoning Shared Housing / Co-housing Disposition of Public Surplus Lands for Housing Transit Oriented mixed-use Development 	<p>5. Financial Tools (6 actions)</p> <ul style="list-style-type: none"> Loans / Grants in accordance with a Community Improvement Plan Reduced / Defer / Grant-in-lieu of Fees and/or Development Charges (DC) for Affordable Housing Development Community Benefits Charge Levy on Property Tax to Fund Affordable Housing Development Vacant Homes Tax 	<p>7. Capacity Building (14 actions)</p> <ul style="list-style-type: none"> Handbook for Developing Affordable Housing Additional Residential Units Guidance Material Reducing Approval Time Education and Training Measurements and Monitoring Build Partnerships

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Implementing the Affordable Housing Strategy

Implementation of the Strategy is based upon on a three-step process.

The first **step** involves staff bringing forward to Council specific tools/actions for its consideration and approval for use. Each tool/action when brought forward will be accompanied by an analysis that could include one or more of the following:

- degree of effectiveness;
- cost/benefit analysis;
- timing;
- budget considerations;
- partnership opportunities;
- available grants and funding from other levels of government; and
- other considerations identified by Council.

The introduction of individual tools/actions for Council's consideration will occur in relation to the timing of various related initiatives. As an example, Official Plan policies that can assist in the facilitation of affordable housing will be brought forward through the OP Update.

The second **step** in the Strategy will be the implementation of the Council approved tools/actions. This step will involve putting into effect and administering the various policies, by-laws, standards and programs.

The **third step** will involve a review of the performance of the Strategy's implementation with an eye toward continuous improvement.

Consequently, endorsement of the Strategy will not commit the City to the use of any specific tools at this time, rather, it will identify the range of tools and actions that Council can expect staff to present in greater detail over the next three years. To that end, endorsement of the Strategy provides staff with the necessary direction to pursue the research/consultation that is necessary to present the individual actions/tools to Council for its consideration. Once established, the Affordable Housing Strategy Implementation Committee will play an important role in determining timing of actions, consultation process for each, and their readiness to be brought to Council for approval of specific tools.

Common Housing Terms

Following from the discussion at the July 7, 2021 Council meeting there was a desire to understand a variety of common housing terms. The following terminology and concepts augment information provided in the Staff Report SRPI.21.052.

Household:

"Household" refers to a person or group of persons who occupy the same dwelling. The household may consist of a family group such as a census family, of two or more

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families sharing a dwelling, of a group of unrelated persons, or of a person living alone. ([Statistics Canada](#))

Low-, Moderate- and High-Income Households

To ensure that affordable housing is provided for all households, the Provincial Policy Statement recommends that municipalities consider all household incomes and group them by percentiles. Households in the 0-30th percentile are considered “low-income”, households in the 31-60th percentile are considered “moderate income”, and households in the 61-100th percentile are considered “high income”. (Figure 1 in Appendix A provides a graph, which groups Richmond Hill households by income percentile using 2019 data.)

Affordable Housing:

“Affordable housing generally means a housing unit that can be owned or rented by a household with shelter costs (rent or mortgage, utilities, etc.) that are less than 30 per cent of its gross income.” ([CMHC](#))

In addition to “affordable”, CMHC acknowledges that housing should also be suitable (i.e., the size of unit can accommodate the household) and be adequate (i.e., is in good state of repair).

Affordability:

“Affordability means that the household has the financial ability or means to effectively enter or compete in the housing market.” ([National Housing Strategy Glossary of Terms, CMHC](#)). In other words, can a household compete in a particular market based on the income of the household and the type of unit they wish to rent or purchase.

Subsidized Housing

Subsidized housing is housing which is usually owned and/or operated by the Region of York or other non-profit housing providers and include housing co-operatives. These organizations typically charge rent at a rate that is equivalent to 30% of the household’s gross income¹. The majority of these units are apartments and townhouses.

Supportive Housing

Supportive housing units are administered by various non-profit housing providers who receive financial aid from the Province of Ontario.² Supportive housing is provided to households that need **both** financial and personal support in order to be able to live as independently as possible in their community. These households require financial assistance such as rent geared-to-income, rent supplements, and housing allowances. They also need supports that take a variety of forms that vary in intensity, based on people’s unique needs. A few examples of supports include: counselling, personal

¹ This reduced rent is referred to as rent geared-to-income (RGI), which is typically calculated at 30% of a household’s total gross income. Gross income is income before taxes and deductions are removed.

² Source: [Government of Ontario](#)

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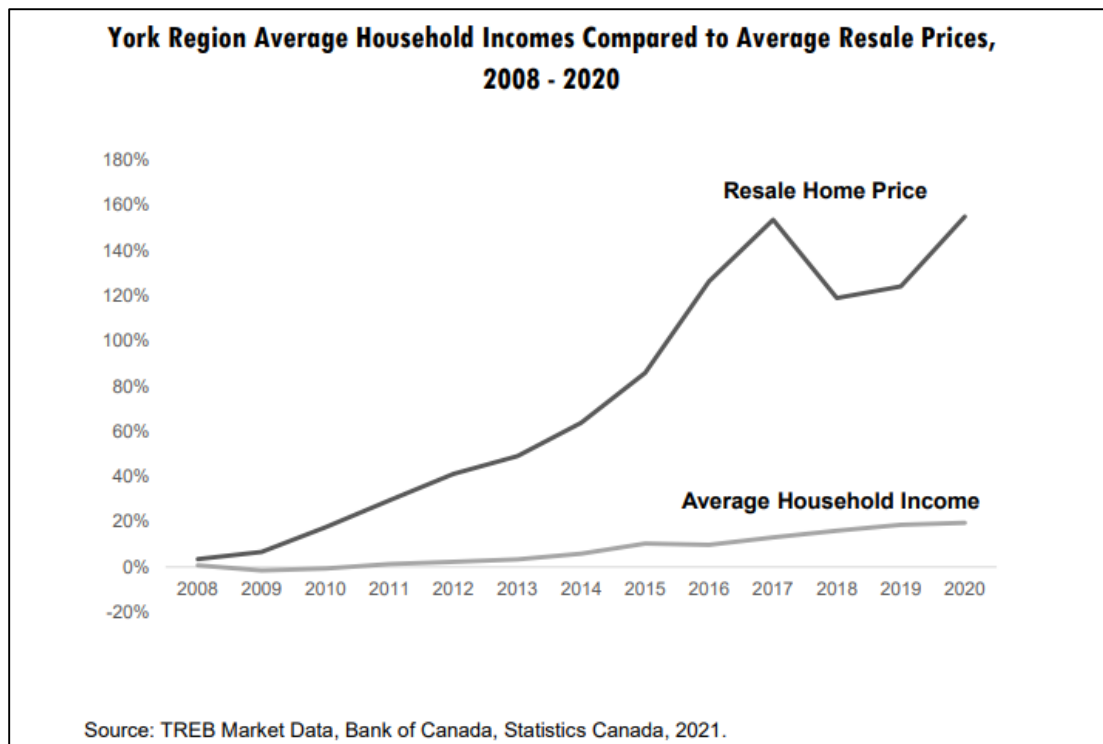
support, case management, income support and assistance, assistance with medication, and life skills training.

It is noted that subsidized and supportive housing are outside the purview of Richmond Hill, however, the [Background Report](#) for the Affordable Housing Strategy notes that there is immense demand for these housing options by those with the deepest needs in our community. In York Region there are more than 12,500 households on the wait list for subsidized housing and more than 500 people on the wait list for supportive housing. Therefore, the City has a role to play in attracting and facilitating the development of these housing types, alongside with other market housing in Richmond Hill.

Why an Affordable Housing Strategy Now?

Statistics show that, uncurbed, the gap between growth in income and growth in housing cost continues to widen. This is exemplified in Figure 2 below, which compares York Region resale home price growth to household income growth from 2008 to 2020.

Figure 2: Average Household Income versus Average Housing Prices³



As the gap between housing prices and household income increases, the ability for households to own or rent a home declines. The erosion of affordability⁴ has put the

³ Source: Region of York June 10, 2021, Report of the Commissioner of Corporate Services and Chief Planner, Affordable Housing in York Region 2020 Measuring and Monitoring

⁴ As noted above, “affordability” is the financial ability of a household to effectively enter or compete in the housing market, and this ability varies for each household depending on their income. Households with

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City in a great need for affordable housing, both in terms of rental and ownership housing. The Staff Report SRPI.21.052 provides more detail on the state of unaffordability in Richmond Hill.

Affordable housing is also necessary for supporting population growth. According to York Region, the lack of affordable housing contributed to the slower growth in the Region over the past decade. A slower than anticipated growth can adversely affect the recuperation of development charges and the timing of planned infrastructure.⁵ As the City embarks on its Official Plan Update, it is vital that we plan for affordable housing in order to attract and retain people and jobs to our City. An Affordable Housing Strategy will help bolster the local economy and propel future growth.

Next Steps:

After Council endorses the Affordable Housing Strategy, City Staff will begin to implement the Strategy. Some of the immediate steps are to promote the Strategy and to establish the Affordable Housing Strategy Implementation Committee. The Handbook for Affordable Housing Development will also be made publicly available in December. In the near term, the Official Plan Update and the Comprehensive Zoning By-law Review will consider actions in the Strategy and update relevant policies and provisions to support affordable housing. Many of the other actions in the Strategy will require further exploration and their implementation may occur over a longer term.

Financial/Staffing/Other Implications:

This staff report will not result in any immediate financial impacts, but, the Affordable Housing Strategy contains a number of tools and incentives that may involve the City's resources. However, it should be noted that many of the actions in the Strategy are already a part of current City initiatives that are underway. These include: the Official Plan Update, the Comprehensive Zoning Review, the Parking and Transportation Demand Management Study, Stratification and Public Easement Study, the Community Benefits Charge Strategy, the Parks Plan and related update to the Parkland Dedication By-law, and the Development Charges (DC) Background Study and related update to the DC charges. Consequently, the actions considered in each of the City initiatives to support affordable housing will be absorbed into each respective project budget.

high-income have a much higher ability to enter and compete in the market, than do households with low or moderate income, because the supply of housing that is affordable to the low and moderate income households is much less. The supply of units (based on assessed value of housing) in comparison to affordability within each decile of household incomes is depicted in Figure 77 on page 137 of the Background Report.

⁵ Region of York (2021), Regional Official Plan Update – Housing Challenges and Opportunities, January 14, 2021.

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Relationship to Council’s Strategic Priorities 2020-2022:

The Affordable Housing Strategy supports Council’s Strategic Priority for “A Strong Sense of Belonging” by providing more housing options and creating diverse and inclusive communities.

Climate Change Considerations:

The Affordable Housing Strategy has tools and programs that may impact built form and the natural environment. Some of these tools will also support climate change mitigation. Specifically, the Strategy promotes complete communities by encouraging mixed use and transit-oriented development. These types of development will create compact built forms and reduce automobile dependency while lowering greenhouse gas emissions. Furthermore, the Strategy also recognizes that development that applies sustainable design measures may also have a positive impact on housing affordability as well as provide climate change mitigation over the long term.

Conclusion:

The City is fulfilling its 2019 commitment to developing an Affordable Housing Strategy that if implemented will assist our present and future residents with choice in housing form and tenure. The implementation of the Strategy will put into effect the tools and actions needed to provide housing to accommodate the millennials, the seniors, recent immigrants, and workers in Richmond Hill. Moreover, it will support the City’s growth aspirations and bolster the local economy by attracting and retaining talent and labour.

The Affordable Housing Strategy is a multi-phased and multi-pronged Strategy involving a range of partners. Council’s endorsement of this Strategy will enable City staff to further explore and implement the proposed tools and incentives in order to address the housing gaps in Richmond Hill.

Attachments:

The following attached documents may include scanned images of appendices, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Appendix A Staff Report SRPI.21.052 Request for Endorsement – Affordable Housing Strategy (July 7, 2021)
- Appendix B Affordable Housing Strategy

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Report Approval Details

Document Title:	SRPI.21.089 Request for Endorsement – Affordable Housing Strategy.docx
Attachments:	- SRPI.21.089-Appendix A-Staff Report SRPI.21.052 (July 7, 2021).pdf - SRPI.21.089-Appendix B-Affordable Housing Strategy.pdf
Final Approval Date:	Nov 9, 2021

This report and all of its attachments were approved and signed as outlined below:

Patrick Lee - Nov 8, 2021 - 4:23 PM

Kelvin Kwan - Nov 8, 2021 - 4:59 PM

MaryAnne Dempster - Nov 9, 2021 - 3:09 PM

Appendix A to SRPI.21.089
Staff Report SRPI.21.052 Request for Endorsement -
Affordable Housing Strategy



Staff Report for Council Meeting

Date of Meeting: July 7, 2021

Report Number: SRPI.21.052

Department: Planning and Infrastructure

Division: Policy Planning

Subject: **SRPI.21.052 Request for Endorsement –
Affordable Housing Strategy**

Purpose:

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Recommendation(s):

- a) That Council receive staff report SRPI.21.052 regarding Request for Endorsement of Affordable Housing Strategy, and
- b) That Council endorse the Affordable Housing Strategy, attached as Appendix A to staff report SRPI.21.052.

Contact Person:

Chun Chu, Senior Planner, phone number 905-771-5493

Report Approval:

Submitted by: Kelvin Kwan, Commissioner of Planning and Infrastructure Department

Approved by: Mary-Anne Dempster, City Manager

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Executive Summary:

This staff report seeks Council endorsement for the Affordable Housing Strategy. Endorsement of the Strategy will not commit the City to the use of any specific tools at this time, rather, it will provide direction to staff to undertake the work necessary to identify the details associated with each tool, consult with the public and stakeholders, as appropriate, on those details, and seek Council's approval of the individual tools accordingly. Utilization of the tools identified in this Strategy will assist in addressing housing gaps in Richmond Hill and improve housing affordability for current and future residents.

The Strategy consists of seven categories of actions and proposes a total of 45 discrete actions. The seven categories are as follows: Implementation Oversight, Policy, Guidelines and Standards, Regulatory Tools, Financial Tools and Incentives, Land Inventory, and Capacity Building. Some of the actions identified in each category are predicated on a preceding action being completed and in effect; and other actions are exploratory and require further investigation before there is a commitment to undertake the action.

Endorsement of the Strategy provides staff with the necessary direction to pursue the research/consultation that is necessary to advance the City's goals related to the provision of affordable housing. The Oversight Committee will play an important role in determining timing of actions, consultation process for each, and their readiness to be brought to Council for adoption / approval of specific tools.

Background:

In February 2019, Council approved the business case for developing an Affordable Housing Strategy through its Capital Budget approval. Later that year, the City retained SHS Consulting to assist with the development of the Strategy. Since then, SHS Consulting, in collaboration with the City and various partners and stakeholders, has delivered a number of milestones, including:

- Seven stakeholder consultation meetings conducted in 2020 and 2021.
- A public open house held on November 5, 2020.
- The Affordable Housing Strategy Background Report made available to the public on March 16, 2021.
- Factsheets on Affordable Housing Tools and Incentives published on the City's website on April 22, 2021.
- A Special Council Education and Training Meeting held on May 4, 2021, where a draft Affordable Housing Strategy was shared and proposed tools of the Strategy were explained to Council and the public.

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Why an Affordable Housing Strategy Now?

Housing affordability is a growing concern in Ontario, but it is especially pronounced in the Greater Toronto and Hamilton Area.¹ The Region of York reiterated the housing crisis through its 2021 Report, emphasizing that the Region has not been able to achieve housing affordability targets in recent years.² Locally, according to Census 2016, Richmond Hill has the highest proportion of households experiencing housing unaffordability out of all of the local municipalities in the Region. More than half (56%) of all renter households and over one-third (34%) of owner households are spending 30% or more of their income on shelter costs. Housing affordability is a crisis that needs to be addressed at the national, provincial, regional, and local levels. More than ever, the City has a responsibility for tackling this important issue now.

Affordable housing is also necessary for supporting population growth. According to York Region, the lack of affordable housing contributed to the slower growth in the Region over the past decade. A slower than anticipated growth can adversely affect the recuperation of development charges and the timing of planned infrastructure.³ As the City embarks on its Official Plan Update, it is vital that we plan for affordable housing in order to attract more people and jobs to our City. An Affordable Housing Strategy will help bolster the local economy and fuel future growth.

Furthermore, during consultation on the Affordable Housing Strategy and during Phase 1 of the City's Official Plan Update process, many survey respondents voiced their concerns regarding the growing lack of affordable housing. The comments and concerns raised support the data and research that the consultants have prepared in support of the Affordable Housing Strategy. These comments and concerns demonstrate that developing and implementing this Strategy is a public interest in Richmond Hill.

What is Affordable Housing?

Based on Provincial Policy Statement (2020), housing is deemed to be affordable if moderate and low-income households pay no more than 30% of their annual income towards annual shelter costs.⁴ Moderate and low-income households make up 60% of the total number of households in the City. In other words, they are within the 60th percentile of the household income distribution (see Figure 1 below). According to Census 2016 data that is indexed to 2019 dollars, the annual income of the top earning moderate income ownership household is \$118,300. When this same calculation is undertaken for renter households only, the highest earning moderate income renter household has an annual income of \$56,000. Household income by percentile for all households and rental households is shown in the graph below. The threshold income

¹ Canada and Mortgage and Housing Corporation (2021), Housing Market Assessment, March 2021.

² Region of York (2021), Innovative Housing Options to Support Affordable Housing.

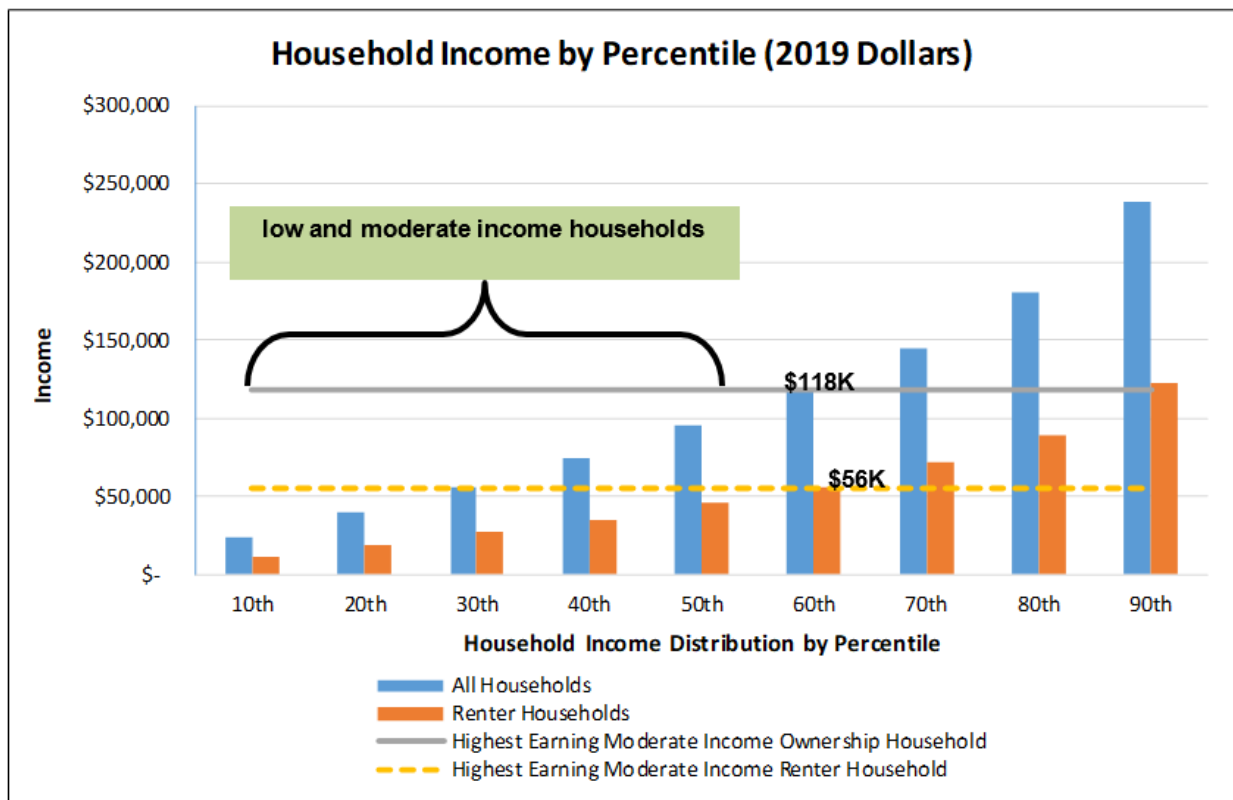
³ Region of York (2021), Regional Official Plan Update – Housing Challenges and Opportunities, January 14, 2021.

⁴ For renter households, shelter costs are rents. For owner households, shelter costs are mortgages, property taxes, utilities and if applicable, condominium fees.

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for all households and renter households is based on the maximum income for households in the 60th percentile. As noted in the graph, this level of affordability is not likely to serve the needs of low-income households given the exponential growth in household income moving up from one percentile to the other.

Figure 1: Household Income by Percentile⁵



Affordable Housing in the Housing Continuum

The housing continuum in Ontario considers a spectrum of housing from homelessness to ownership housing, as illustrated in Figure 2 below. The Region of York is primarily responsible for addressing households with deep core need; the Region owns or manages emergency shelters, transitional housing, and social housing. The City of Richmond Hill, on the other hand, has a supporting role to the Region and other stakeholders in creating more housing options. To that end, the City's focus through the Affordable Housing Strategy will be to foster development of housing options that will be suitable for moderate income households and the higher end of low-income households, who are not generally served by the Region's programs.

⁵ Source: SHS Consulting, City of Richmond Hill Affordable Housing Strategy, Background Report

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Figure 2: Housing Continuum⁶



The Affordable Housing Strategy:

The Affordable Housing Strategy provides Goals and Targets related to the provision of affordable housing. These were shared with Council during the May 4, 2021 Council Education session. The Strategy also provides a list of tools and actions within seven categories, which are noted below. Many of the tools provided in the Strategy were explained during the Council Education Session.

Housing Targets

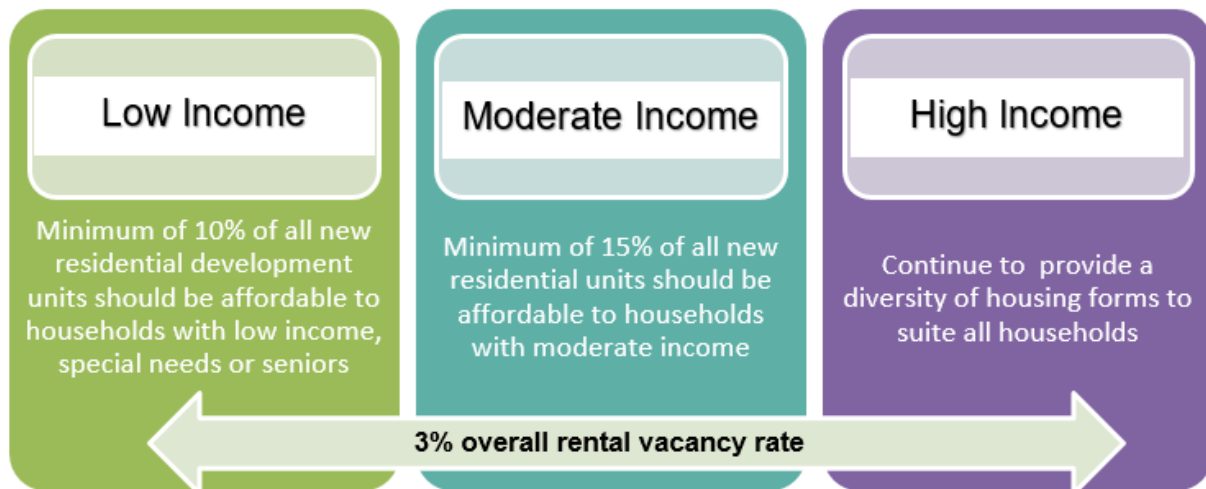
The current 2010 Official Plan promotes a wide range of housing forms, and it sets a city-wide target of 25% of all new residential units to be affordable (Policy 3.1.5(3)). Within the City's Regional Centre and Key Development Areas, the affordability target is 35% (Policy 3.1.5(2)). In addition, the Official Plan directs that secondary plans for the Richmond Hill Centre, Key Development Areas and Local Centres should provide for larger sized family units within each housing type (Policy 5.1(5)(r)).

The Affordable Housing Strategy continues to support the goal of requiring 25% of all new residential units to be affordable on a city-wide basis, but the Strategy further refines this target by allocating the target by certain households in the income distribution. More specifically, 10% of all new residential units should be affordable to households with low incomes, including those with special needs and seniors housing. The remaining 15% of new residential units should be affordable to households with moderate incomes. Lastly, the city-wide vacancy rate for rental housing should be 3%, which is widely accepted as a "healthy" market rate. Additionally, there is also a recognition that the provision of new housing should expand the diversity of housing types within Richmond Hill, with no specific target provided at this time.

⁶ Ministry of Municipal Affairs and Housing (2011), Municipal Tools for Affordable Housing; Retrieved from [Municipal Affairs and Housing web link](#).

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Figure 3: Housing Targets in the Strategy



Who Will Benefit from an Affordable Housing Strategy?

People of all age groups and background at some point or another in their lifetime will likely need affordable housing. The [Affordable Housing Strategy Background Study](#) found that millennials aged 25 to 44 years old need more affordable rental or ownership options. This particular age group is delaying household formation by living with their parents, or they are leaving the City to settle elsewhere. The Background Report also found that older adults and seniors need affordable housing to be able to age in place and remain within their neighbourhoods. In addition, new residents to Richmond Hill who are recent immigrants also tend to need affordable housing. From an economic development perspective, the research also found that the majority of individuals employed in industries with moderate incomes commuted from another municipality to work in Richmond Hill. This suggests they are unable to find affordable housing in the City.

An affordable Housing Strategy will serve the millennials, the seniors, recent immigrants, and people who work in Richmond Hill. Essentially, the Strategy will help to accommodate a wide range of people and at the same time, support a robust labour force. Ensuring that these households have suitable and affordable accommodation benefits all residents in Richmond Hill. Having access to affordable housing means that people are commuting less and have more income that can be used towards other essential / non-essential local purchases. Providing affordable housing attracts business investment when employers know that their employees can settle locally. Furthermore, these households are more likely to have positive health outcomes, which would reduce their reliance on social services to assist with their daily lives.

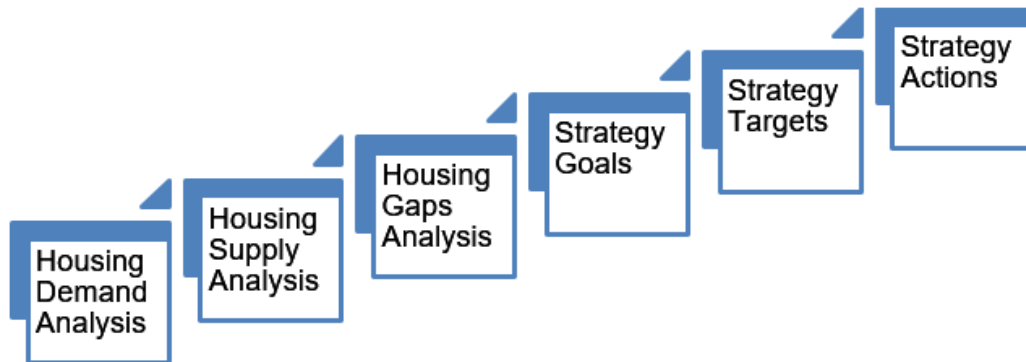
How Was the Strategy Developed?

The Affordable Housing Strategy was developed through a holistic approach that spread over three phases. The first phase was the completion a background research.

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Phase two was consultation with key stakeholders and housing experts. And lastly, phase three was the preparation of the draft Strategy through collaboration with key stakeholders and partners.

Figure 4: Approach for Developing a Strategy



The background research examined housing supply and housing demand. It looked at current and future socio-demographic trends that will impact housing need. It dove deep into the different segments of the population and the workforce in Richmond Hill to identify what housing forms and what affordability levels are needed. On the supply side, the research looked at current and past construction trends as well as development applications in the pipeline. When the supply and demand are reconciled against each other, the net output are the housing gaps, which ultimately led to the formulation of housing goals for the Strategy.

The second part of the background research was a review of the current housing development environment and to identify barriers for building affordable housing. In addition, the research looked at existing and emerging programs, tools, and opportunities for creating affordable housing. The study included a jurisdictional scan to identify best practices employed by other municipalities and organizations. Information gathered through this review helped the City to better assess what tools and measures are most appropriate and practical for Richmond Hill.

Consultation with key stakeholders and partners is vital because housing development is complex and there are many players in the sector. It was imperative that the City engender “buy-in” from our stakeholders so that collectively, we share the same goals, and we can deliver affordable housing more efficiently and expeditiously. For that reason, the City involved our partners and housing experts since the start of the project.

The development of an Affordable Housing Strategy also took into consideration provincial and regional requirements. These are summarized below.

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Provincial Framework

The Provincial Policy Statement (2020) and the Provincial Plan - A Place to Grow, Growth Plan for the Greater Golden Horseshoe requires municipalities to plan for housing in accordance with regional Housing and Homelessness Plans (Policy 2.2.6(c)). In this regard, the City worked closely with the Region to develop the Strategy, and consequently, the actions and targets of the Strategy aligns with York Region's Housing and Homelessness Plan.

Regional Framework

The Strategy conforms with the Region's definition of affordable housing⁷ and it aligns with the Regional Housing and Homelessness Plan (2019 to 2023). In particular, the Strategy supports the objectives of the Regional Plan by contributing to a full mix and range of housing types. Additionally, the Strategy targets the same groups of low and moderate income households. And lastly, the Strategy includes tools and incentives that will help spur an increase in the supply of affordable housing.

The Region, through its municipal comprehensive review, is considering setting a new target specific for increasing the supply of rental housing. The City will monitor the progress of this work and the Strategy will be updated accordingly when such a target becomes finalized.

Proposed Tools and Measures in the Strategy:

The recommended actions in the Strategy are grouped into seven categories and are further described in the table below. More details can be found in the proposed Strategy as attached in Appendix A.

Action	Description
Implementation Oversight	Establish a committee for overseeing and monitoring the implementation of the Strategy. Also, the committee will advocate to other levels of government for support.

⁷ The definition is explained in the Region of York, Affordable Housing Measuring and Monitoring Guidelines, 2018.

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Action	Description
Policy Tools	<p>Adopt policies in the Official Plan to enable tools for building complete communities and increasing affordable housing. These polices include:</p> <ul style="list-style-type: none"> • Identifying Protected Major Transit Station Areas (PMTSA) in accordance with the York Region Official Plan • Enabling the use of Inclusionary Zoning that will require a portion of market housing to be affordable units over the long term • Enabling the use of Community Planning Permit System that combines zoning, site plan, and minor variances into one streamlined process and to impose conditions of development including the provision of affordable housing • Enabling gentle density in existing Neighbourhoods through additional residential units and creation of multiple units within existing building envelopes • Prohibiting the demolition and conversion of rental housing when vacancy rates are less than 3% to protect existing purpose built rental housing • Requiring larger sized units (3+ bedrooms) in multi-residential buildings with 20 units or more • Prioritizing the use of public surplus lands for affordable housing • Directing for the development of complete communities by designating areas for a mix of land uses and transit-oriented development • Permitting more inclusive and innovative housing forms • Adopting a Community Improvement Plan to provide land, grants or loans to incentivize provision of affordable housing. • Adopting a Corporate policy regarding the disposition of surplus City lands that prioritizes the sale to providers of affordable housing. <p>Once these policies are adopted, the City will need to undertake further work to enact zoning and municipal by-laws to implement those policies. In the update of policies and zoning by-laws, the City will also need to conduct public consultation in accordance with the <i>Planning Act</i> and other legislation related to developing policies.</p>

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Action	Description
Guidelines and Standards	<p>Update development standards and design guidelines to reduce construction costs. These include:</p> <ul style="list-style-type: none"> • Parking requirements • Stratification of parks or public spaces • Urban design standards <p>These alternative standards should be considered in accordance with recommendations resulting from associated studies. For example, the Parking and Transportation Demand Management Study, as well as the Stratification and Public Easement Study will help determine the appropriate alternative standards, if warranted.</p>
Regulatory Tools	<p>Subject to approval of policies listed above, develop, consult on and adopt the following by-laws, as appropriate:</p> <ul style="list-style-type: none"> • Inclusionary Zoning By-law • Community Planning Permit System By-law • Comprehensive Zoning By-law, including provisions related to: <ul style="list-style-type: none"> ○ minimum and maximum density and height within PMTSAs; ○ no barriers to shared housing ○ permissions for innovative housing design, modular housing, tiny homes, etc. • Demolition and Conversion By-law that prohibits demolition or conversion of purpose built rental housing when the vacancy rate is below 3%. • Community Benefits Charge By-law that collects fees to support affordable housing financial programs or receives “in kind” benefit in the form of affordable housing. • Parkland Dedication By-law that permits rebates/discounts for qualified affordable housing. • Development Charges By-law that allows for deferral or grants back all or a portion of charge relative to the provision of qualified affordable housing.

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Action	Description
Financial Tools	<p>Update or create programs and grants that help incent affordable housing, and where appropriate, develop revenue generating programs to fund affordable housing financial incentive programs.</p> <p><u>Potential financial incentives</u> to create affordable housing:</p> <ul style="list-style-type: none"> • Grants or loans administered under a Community Improvement Plan (CIP) to support affordable housing projects • Tax increment equivalent grant administered under a Community Improvement Plan to help reduce property taxes of the newly constructed affordable housing • Reduction in, deferral to, or grant-in-lieu of fees relating to development applications and associated municipal charges <p>The aforementioned financial tools will need to be drawn from <u>potential revenue sources</u>, which could include:</p> <ul style="list-style-type: none"> • Community Benefits Charge, which limits a charge up to 4% of the land value. Prior to passing a by-law for this tool, as noted above, a community benefits charge strategy must be prepared • Vacant Homes Tax on residential units that are unoccupied for a certain period of time during the year, subject to further investigation in terms of the quantity and duration of vacant homes • Property Tax Levy that would be administered over a number of years, subject to further investigation of other viable means of funding CIP programs <p>All of the potential financial incentives and revenue sources listed here will require further investigation into their merits and how they may be implemented and also subject to public consultation.</p>
Land Inventory	Review existing City real estate to determine opportunities for contributing land towards affordable housing projects.
Capacity Building	Create resources and guides to help the development sector navigate through various affordable housing programs. At the same time, build capacity within City departments to improve the approval process for affordable housing. Lastly, facilitate partnerships between the non-profit and for-profit housing sectors.

It should be noted that four of the actions identified in the Strategy were also motions passed at the Regional Council meeting on February 25, 2021. Namely, Regional Council resolved to:

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- Request Regional and local staff to review the Regional Official Plan and Local Official Plans to help facilitate rental development and more affordable housing in strategic growth areas
- Prioritize and fast-track approvals for rental and affordable housing
- Request all lower-tier municipalities to amend parkland dedication by-laws to exempt Housing York Inc. from being required to pay parkland fees
- Request lower-tier municipalities to pass a resolution, in principle, of providing two acres of land over the next five years for affordable housing

While it is acknowledged that the Strategy aligns with the Regional Council resolutions, it would be prudent to further investigate into these actions following City Council endorsement of the Strategy before a City resolution is provided to the Region.

How Will the Strategy Be Implemented?

If endorsed by Council, the Affordable Housing Strategy tools will be developed over the next three years; its implementation will occur from now and beyond until the targets of the plan are consistently being met. This timeline accounts for the timing of other city-led projects that are currently underway. These parallel streams of work are excellent opportunities for integrated planning. As an example, the Parking and Transportation Demand Masterplan will consider alternative parking standards for affordable housing. If such standards are warranted and viable, they will then be incorporated into the Official Plan Update and the Comprehensive Zoning By-law Review.

There are three main ingredients for a successful implementation of the Strategy: oversight, partnerships, and capacity building. These are elaborated below:

Oversight

An implementation committee will coordinate and oversee the implementation of the Strategy. The committee would be responsible for monitoring and measuring the success of the Strategy and help provide priority and directions for the proposed actions. Establishing such a committee will give rise to accountability and transparency for the Affordable Housing Strategy. Following endorsement of the Strategy, staff will report back to Council with a Terms of Reference for this Committee.

Partners

The Strategy relies on partnerships between different levels of government, the non-profit sector, and the development sector. Woven throughout the Strategy are actions that facilitate the building of relationships with different sectors, whether it is through advocacy, networking and information sharing opportunities, or through program frameworks that encourage the partnering of non-profit and for-profit housing providers.

Capacity Building

Capacity building is crucial if the City and its partners are to increase the supply of affordable housing. Internally, City staff will need training to learn about new tools and

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incentives, as well as any accepted alternative development standards. Externally, the Strategy and its actions will be promoted through our communication channels with the Region and with the non-profit housing providers as well as the development sector. The provision of a Handbook for Affordable Housing Development will also help educate our partners on the various available affordable programs and incentives, provide contact information to enable partnerships, and also provide a simple tool for them to demonstrate how their development proposal (i.e. site plan or plan of subdivision application) is addressing the City's Official Plan policies related to affordable housing.

Public Consultation:

The Strategy was developed in partnership with City departments and external stakeholders and housing experts. The City involved the following organizations:

- For profit housing developers and property managers,
- Ontario Association of Architects
- Real Estate Board
- Financial Institutions
- Local Business Association and Board
- Land Economists and other advisors
- Canada Mortgage and Housing Corporation (CMHC)
- Ministry of Municipal Affairs and Housing
- Region of York
- Social/ co-op/ non-profit housing developers and operators
- Community agencies, other non-profits, and health care providers
- Housing advocate groups

A total of seven workshops and focus group meetings, as well as two key informant interviews were conducted with key stakeholders and housing experts. The City worked with the above listed organizations to validate the findings of the background report, review proposed tools and incentives, and deliberate on actions to implement the Strategy.

The City involved the stakeholders early and often so that City staff can understand how the Strategy will affect residents, businesses, and key players in the housing sector. And perhaps just as important, the workshops brought together the non-profit and for-profit sectors so that new relationships can be formed as we find synergy to create housing solutions together. For a more detailed overview of the consultation, please see Section 6 of the [Background Report](#).

In addition to stakeholder workshops, a public open house was held on November 5, 2020 with over 75 participants. The public was also engaged through an online survey that inquired about affordable housing in general and about secondary suites. Over 120 people responded to the survey (select results from the survey are found in Appendix C to this staff report). Survey respondents indicated that the greatest issues renters in

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Richmond Hill face is a low supply of rental housing options to meet the needs of different households. For first-time homebuyers, the greatest issue is the high level of mortgage debt and having little income lefts for other expenses. When asked about what the City could do to facilitate affordable housing, most survey respondents suggested requiring affordable units as a part of market housing developments near Major Transit Station Areas, followed by giving incentives to housing developers, and prioritizing surplus public lands for affordable housing. Respondents also indicated that it was important to have stricter rules for safety and property maintenance to protect tenants from substandard living conditions.

Next Steps:

After Council endorses the Affordable Housing Strategy, City Staff will begin in earnest to implement the Strategy. Some of the immediate steps are to promote the Strategy and to establish the Affordable Housing Committee. The Handbook for Affordable Housing Development will also be made publicly available in July. In the near term, the Official Plan Update and the Comprehensive Zoning By-law Review will consider actions in the Strategy and update relevant policies and provisions to support affordable housing. Some of the other actions in the Strategy will require further exploration and their implementation may occur over a longer term.

Financial/Staffing/Other Implications:

This staff report will not result in any immediate financial impacts, but, the proposed Affordable Housing Strategy contains a number of tools and incentives that may involve the City's resources. However, it should be noted that many of the actions in the Strategy are already a part of current City initiatives that are underway. These include: the Official Plan Update, the Comprehensive Zoning Review, the Parking and Transportation Demand Management Study, Stratification and Public Easement Study, the Community Benefits Charge Strategy, the Parks Plan and related update to the Parkland Dedication By-law, and the Development Charges (DC) Background Study and related update to the DC charges. Consequently, the actions considered in each of the City initiatives to support affordable housing will be absorbed into each respective project budgets.

For actions that will require further exploration, such as the development of potential financial incentives and funding sources, the degree of fiscal impact will depend on how and if the such tools will be implemented. As City staff makes progress with these investigations, Council will be presented with future staff reports with more details, including any requests for budgetary approval.

Relationship to Council's Strategic Priorities 2020-2022:

The draft Affordable Housing Strategy supports Council's Strategic Priority for "A Strong Sense of Belonging" by providing more housing options and creating diverse and inclusive communities.

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Climate Change Considerations:

The proposed Affordable Housing Strategy has tools and programs that may impact built form and the natural environment. Some of these tools will also support climate change mitigation. Specifically, the Strategy promotes complete communities by encouraging mixed use and transit-oriented development. These types of development will create compact built forms and reduce automobile dependency while lowering greenhouse gas emissions. Furthermore, the Strategy also recognizes that development that applies sustainable design measures may also have a positive impact on housing affordability as well as provide climate change mitigation over the long term.

Conclusion:

The City is fulfilling its 2019 commitment to developing an Affordable Housing Strategy that will provide our present and future residents with sufficient choice in housing form and tenure. The implementation of the Strategy will help develop the tools and actions needed to accommodate the millennials, the seniors, recent immigrants, and workers in Richmond Hill. Moreover, it will support the City's growth aspirations and bolster the local economy by attracting talent and labour.

The Affordable Housing Strategy is a multi-phased and multi-pronged Strategy involving a range of partners. Council's endorsement of this Strategy will enable City staff to begin implementing and exploring the proposed tools and incentives in order to address the housing gaps in Richmond Hill.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Appendix A Affordable Housing Strategy
- Appendix B Select Results from the Survey on Affordable Housing and Additional Residential Units

Report Approval Details

Document Title:	SRPI.21.052 Request for Endorsement - Affordable Housing Strategy.docx
Attachments:	- SRPI.21.052-Appendix A-Affordable Housing Strategy.pdf - SRPI.21.052-Appendix B-Affordable Housing Survey Responses.pdf
Final Approval Date:	Jun 3, 2021

This report and all of its attachments were approved and signed as outlined below:

Patrick Lee - Jun 2, 2021 - 4:53 PM

Kelvin Kwan - Jun 3, 2021 - 8:54 AM

MaryAnne Dempster - Jun 3, 2021 - 11:13 AM

Appendix A to SRPI.21.052
Affordable Housing Strategy

The City of Richmond Hill | Affordable Housing Strategy

Strategy Report



May 2021

Acknowledgement

The Richmond Hill Affordable Housing Strategy was undertaken on behalf of the City of Richmond Hill. This report is the result of a collaborative process and would not have been possible without the active involvement of City of Richmond Hill staff and members from the Regional and Provincial government, as well as CMHC, as well as a number of key housing stakeholders and residents. We would like to especially thank the Technical Advisory Committee for their continued support and feedback during the process of creating this Strategy report.

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1.0 Introduction

Purpose of this Project

The purpose of this project is to:

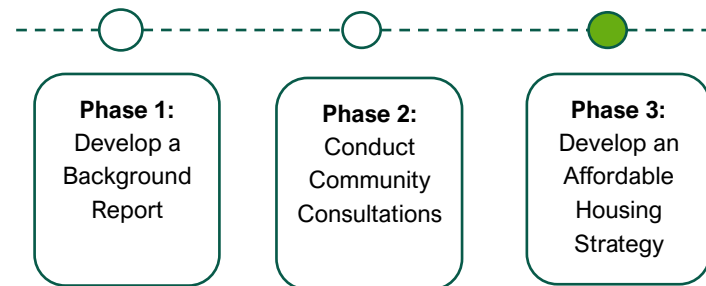
1. Develop a “Made in Richmond Hill Housing Strategy” to identify what the City can do to provide housing that is affordable to moderate-income households in the City
2. Provide a framework for the City to deliver affordable housing through partnerships with other levels of government, developers, landowners and residents

Approach and Report Format

This study is being undertaken in three phases. The first phase of work included the development of a Background Report. The second phase of the project included a number of stakeholder consultations to validate the findings in the background report. The third phase of

work involved developing an Affordable Housing Strategy to address the identified housing needs and gaps.

Figure 1: Project Phases



This Strategy Report is part of phase three, and builds on the findings from phase one and two, to develop a long-term strategic action plan that will help the City ensure more affordable housing is developed in the community. In parallel to this report, a Handbook for Developing Affordable Housing has been developed to help the development sector in Richmond Hill navigate the housing system, identify potential partners, learn about design considerations and find instructions on how to structure a planning report.

2.0 Defining Housing Affordability

The Official Plan¹ for the City of Richmond Hill defines affordable housing for rental and ownership housing. These definitions are in line with the definitions used in the Region of York’s Affordable Housing Measuring and Monitoring Guidelines Update (2018).

The definitions are based on household income deciles² as well as corresponding affordable prices and rents for ownership and renter households accordingly. The thresholds of the definitions change annually based on updated household income deciles, house prices and rents, and based on the most appropriate approach for calculating the affordability thresholds (see Background Report for more information on the methodology for determining affordability thresholds.) This section defines affordable rental and ownership thresholds for the City of Richmond Hill.

For the purposes of this definition, “low- and- moderate-income households” means in the case of ownership housing, households with incomes in the lowest 60% of the income distribution or, in the case of rental housing, households with incomes in the lowest 60% of the income distribution for renter households for the regional market area.

While the Provincial Policy Statement mentions affordability is based on the **regional market area** (i.e. Region of York), research found that using Regional information would lead to affordable house prices and rents being higher than what would be considered affordable if Richmond Hill information were to be used. This is because incomes in the Region of York as a whole are, on average, higher than those in Richmond Hill. This

¹ [The City of Richmond Hill 2010 Official Plan, Chapter 7 – Definitions.](#)

² Household income deciles divide the total universe of households into ten equally portioned income groups. This means that there is one tenth (or 10%) of all households in each income decile.

is because incomes in the Region of York vary depending on the location, and as a result, the average incomes are higher than those reflected in Richmond Hill. The PPS sets out minimum standards and local municipalities can create higher standards by defining deeper affordability thresholds. Therefore, it is recommended to use the household income deciles for Richmond Hill to define housing affordability in the city as these would lead to a more accurate representation of affordability in Richmond Hill.

It is important to note that should the City’s affordability threshold yield more expensive housing prices or rents compared to the Regional affordability threshold, then the Regional affordability threshold will apply.

The following information is provided to demonstrate what this affordable threshold looks like for Richmond Hill based on 2019 data. Each year, these figures need to be updated as new information is released.

In 2019, this means that affordable **ownership** housing should be priced at a maximum of **\$466,888**. This amount was calculated based on what is affordable to the lowest 60% of the Richmond Hill household income distribution.

Figure 2: Affordable Ownership Thresholds by Richmond Hill Household Income Deciles; 2019

Percentile	Income	Affordable Ownership
100 th		
90 th		
80 th		
70 th	Richmond Hill	\$118,317
60 th		\$466,888
50 th		
40 th		
30 th		
20 th	Housing that costs less than 30% of household income for the lowest 60% of household income levels	
10 th		

Source: Statistics Canada Custom Tabulations; 2016, SHS Calculations for Ownership Affordability

For **rental** housing, while low- to moderate-income renter households are identified by the income distribution, the affordable rent threshold is based on the market approach instead of the income approach. Hence, affordable rents should not exceed **\$1,650**, which was 125% of the average market rent according to CMHC for Richmond Hill in 2019³.

Figure 3: Affordability Thresholds for Rental Housing by Richmond Hill Household Income Deciles; 2019

Renter Households				Affordable
	Percentile	Income		Rental
100 th				
90 th				
80 th				125% AMR
70 th	Richmond Hill	\$56,045		\$1,650
60 th				
50 th				
40 th				
30 th				
20 th				
10 th				

125% AMR – meets York Region and Richmond Hill OP definitions

Source: Statistics Canada Custom Tabulations; 2016, SHS Calculations for Rental Affordability; CMHC Housing Information Portal 2020

³ This rental threshold is based on the average market rent for all bedroom types as reported by CMHC, however CMHC also reports on the average market rent by bedroom type.

3.0 Goals and Outcomes of the Strategy

This section of the report includes a summary of the key housing gaps in Richmond Hill identified in the Background Report, a vision for housing in Richmond Hill, and the goals and anticipated outcomes of the Strategy. In the Appendix of this report, the goals achieved by the recommended actions in the Action Plan in Section 4 are identified.

Summary of Gaps

The figure below summarizes the key housing gaps in Richmond Hill identified in the Background Report. The findings are based on the estimated number of households in Richmond Hill in 2019, the proportion of households with low, moderate and high incomes who are facing housing affordability issues, and the household types who are experiencing the highest need.

The figure also shows what households in each income category (based on Richmond Hill household incomes) can afford in terms of monthly rents and house prices, and what is currently available to them in terms of housing options in the city.

Finally, the figure shows what the housing targets are along the continuum for this Strategy. These housing targets will be used to measure the success of the Strategy. The current target for new affordable housing development defined by the City's Official Plan is that in the city overall, 25% of all new residential development should be affordable. Of all those affordable housing units (25% of all new residential units), 10% should be affordable to households with low incomes (serving households with special needs as well). The remaining 15% of affordable units should be affordable to households with moderate incomes. In addition, the City has incorporated actions in this Plan to achieve a 3% vacancy rate for rental housing, which is widely accepted as a "healthy" vacancy rate.

Figure 4: Summary of Housing Gaps and Affordable Housing Targets within the Housing System in the City of Richmond Hill; 2019

	Households with Low Incomes (\$56,244 or less)	Households with Moderate Incomes (\$56,245 - \$118,317)	Households with High Income (\$118,318 or more)	
Housing Demand	HOUSEHOLDS	25,525 households (34.9% of all households)	20,457 households (28.0% of all households)	27,082 households (37.1% of all households)
	WHAT IS AFFORDABLE?	rent of up to \$1,406 house price of up to \$221,941	rent of up to \$2,958 house price of up to \$466,888	rent at \$2,959 + price at \$466,889 +
	THE NEED			
	Spending 30%+ on housing	19,510 households (76.4%)	6,899 households (33.7%)	1,147 households (4.2%)
	Spending 50%+ on housing	13,438 households (52.6%)	1,495 households (7.3%)	86 households (0.3%)
	In core housing need	11,082+ households (43.4%)	183+ households (0.9%)	0+ households (0%)
	Small Households (1-2 persons)	15,889 households (62.2%)	8,551 households (41.8%)	5,552 households (20.5%)
	Large Households (3+ persons)	9,619 households (37.7%)	11,906 households (58.2%)	21,524 households (79.5%)
	Household Types	Youth, recent immigrant households, couples with children, lone parent households, households with two- or more unrelated persons and immigrant households	Recent immigrant households, couples with children and immigrant households	N/A
Housing Supply	SYSTEM CAPACITY	<ul style="list-style-type: none"> 302 shelter beds including 66 seasonal beds, 4 crisis beds and 72 beds for women who experienced domestic violence 42 transitional housing beds/apartments 83 supportive housing units 1,419 subsidized housing units including 56 rent supplements 1,069 affordable units including 250 AHP/IAH units 73 Bachelor units in the primary rental market 645 1-bedroom units in the primary rental sector 	<ul style="list-style-type: none"> 884 2-bedroom apartments in the primary rental sector 108 3-bedroom apartments in the primary rental sector 8,566 units in the secondary rental market 60,210 owner occupied units 	
	THE GAP	<ul style="list-style-type: none"> 6,286 non-senior & 6,261 senior households on the wait list for subsidized housing (2018) 514 people waiting for supportive housing 11,082 households in core need 	<ul style="list-style-type: none"> 1.2% vacancy rate in the primary rental market (2019) 	<ul style="list-style-type: none"> average of 30 days on the market
The Gap	What Housing Is Required?	affordable rental, family sized units, smaller units, units with accessibility features, and housing with supports	purpose-built rental, affordable ownership, and family sized units.	housing affordable to households with incomes in the 7 th to 9 th income decile, housing affordable to first-time home buyers
AFFORDABLE HOUSING TARGETS as a % of all new residential development		A minimum of 10% of all new residential development units should be affordable to households with low incomes	A minimum of 15% of all new residential development units should be affordable to households with moderate incomes	Continue to provide a diversity of housing forms
Overall target of 3% rental housing vacancy rate				

Source: Statistics 2016 Canada Custom Tabulation data, household projections from the Regional Municipality of York, CMHC Rental Market Report: Greater Toronto Area 2019, Notes: Household counts have been estimated for 2019 based on the household projections provided by the Regional Municipality of York but proportions in housing need are based on 2016 Statistics Canada data.

Housing Vision

As part of the Strategic Plan developed in 2009, directions for a vision on affordable housing were created. These are still relevant today.

“Create better options for where to live by planning for a range of housing that provides options for people at all stages of life.”

Source: Richmond Hill Strategic Plan 2009

Housing Goals

The housing needs assessment undertaken as part of phase one of this project identified five housing gaps in Richmond Hill. Based on these gaps, a number of goals and outcomes for the Strategy have been developed.

Goal 1: Support further diversification of the housing stock by creating a range of housing options for seniors to age in place and for younger households to settle in the community.

- **Outcomes:**

- An increased proportion of the overall housing stock as medium- and- high-density dwellings like apartment buildings, triplexes or fourplexes, and townhouses
- An increased diversity in the size of apartment dwellings including family-sized apartments with two or three bedrooms
- An increase in the number of younger households aged 25 to 44 settling in Richmond Hill, through an increased supply of housing units affordable to these households and which meet their needs

Goal 2: Increase the number of rental and specifically purpose-built rental housing options that are in a good state of repair and affordable to moderate- and- low-income households.

- **Outcomes:**

- An increase in the number of market and affordable purpose-built rental housing starts and completions

- An increase in the average vacancy rate for purpose-built rental apartment buildings to a healthier level
- An increase in the number of secondary suites throughout the existing and anticipated supply of housing
- A decrease in the proportion of rental units that need major and minor repairs
- A decrease in the proportion of moderate-income households that spend 30% or more of their income on shelter and low-income households that are in core housing need⁴

Goal 3: Attract new accessible and supportive housing options to Richmond Hill that are suitable for seniors and households with a member with a disability or mental health issue by establishing partnerships and collaborating with stakeholders.

⁴ A household is considered to be in core housing need if the dwelling they occupy falls below the adequacy, suitability, or affordability standard and if the household would be required to spend more than 30% of its before-tax household income to pay the median rent for alternative housing which meets all three standards in the area. According to CMHC, **adequate**

- **Outcomes:**

- An increase in the number of supportive housing options located in Richmond Hill
- A decrease in the number of individuals waiting for supportive housing in Richmond Hill
- Increase the number of housing units with accessibility options and enable seniors to age in their communities

Goal 4: Increase the number of ownership options in Richmond Hill that are affordable to moderate-income households.

- **Outcomes:**

- An increase in the number of starts and completions of owned dwellings with more than one bedroom that are affordable to households in the 6th income decile or below

housing is housing that does not require any major repairs. **Suitable housing** is housing with enough bedrooms for the size and make-up of the household. **Affordable housing** is housing which costs no more than 30% of a household's income.

- An increase in the number of younger households aged 25 to 44 settling in Richmond Hill

4.0 A Housing Action Plan for Richmond Hill

A Housing Action Plan has been developed, in collaboration with key housing stakeholders and residents of Richmond Hill to support the Housing Vision and help achieve the housing goals and outcomes identified above.

The recommended actions were formulated based on the key housing gaps, the identified barriers to housing, the current housing system and roles of key stakeholders, engagement sessions with residents and key housing stakeholders, as well as a review of the tools and incentives available to municipalities such as Richmond Hill.

The recommended actions below are also in line with the actions identified in the Region of York's updated Housing and Homelessness Plan: Housing Solutions: A Place for Everyone – Phase 2⁵.

Timelines for implementation have been established in collaboration with the City of Richmond Hill and key stakeholders. The implementation of all actions should occur from 2021-2023. This timeline takes into consideration the timing of work that is currently underway such as: Official Plan Update, the updating of the Transportation Master Plan, Parks Plan, and preparation of a Comprehensive Zoning By-law Review.

It is important to acknowledge that the Background Report identified a number of housing gaps in Richmond Hill related to the housing needs of households with the lowest incomes (households in the bottom 30% of the income continuum and earning \$65,017 or less in 2019). While there are a number of tools the City of Richmond Hill can implement to help the creation of affordable housing to support these low-income households, generally, the Region of York, as the Service Manager for

⁵ Regional Municipality of York 2019. Housing and Homelessness Plan: Solutions: A Place for Everyone – Phase 2. Accessed from: [https://www.york.ca/wps/wcm/connect/yorkpublic/f5710944-144c-402c-ba60-64bd520dc359/Housing+Solutions+Phase+2+Plan%2C+2019+to+2023.pdf?](https://www.york.ca/wps/wcm/connect/yorkpublic/f5710944-144c-402c-ba60-64bd520dc359/Housing+Solutions+Phase+2+Plan%2C+2019+to+2023.pdf?MOD=AJPERES&CVID=mTLI.du#:~:text=In%202014%2C%20The%20Regional%20Municipality,and%20Homelessness%20Plan%2C%20Housing%20Solutions.&text=Phase%20%20of%20the%20plan,prevention%20and%20related%20support%20services.)

[MOD=AJPERES&CVID=mTLI.du#:~:text=In%202014%2C%20The%20Regional%20Municipality,and%20Homelessness%20Plan%2C%20Housing%20Solutions.&text=Phase%20%20of%20the%20plan,prevention%20and%20related%20support%20services.](https://www.york.ca/wps/wcm/connect/yorkpublic/f5710944-144c-402c-ba60-64bd520dc359/Housing+Solutions+Phase+2+Plan%2C+2019+to+2023.pdf?MOD=AJPERES&CVID=mTLI.du#:~:text=In%202014%2C%20The%20Regional%20Municipality,and%20Homelessness%20Plan%2C%20Housing%20Solutions.&text=Phase%20%20of%20the%20plan,prevention%20and%20related%20support%20services.)

housing, is primarily responsible for addressing the housing needs of these households.

In general, the tools and funding sources from higher levels of government available to cities such as Richmond Hill are not sufficient to completely achieve the depths of affordability required to meet the needs of these households. Accordingly, the actions below focus on the City of Richmond Hill’s abilities to attract affordable housing options for low-income households through partnerships with the Region of York and local housing providers, while supporting the development of market housing options which are more suitable for moderate-income households.

Action Plan

The recommended actions fall within seven categories. The implementation of these actions, in most cases, will require additional public and stakeholder consultation in accordance with the applicable legislation and City protocols.

- 1 Implementation Oversight
- 2 Policy
- 3 Guidelines and Standards
- 4 Regulatory Tools
- 5 Financial Tools
- 6 Land Inventory
- 7 Capacity Building

1

Implementation Oversight

Create an Affordable Housing Strategy Implementation Committee

The purpose of this Affordable Housing Strategy Implementation Committee is to meet on a regular basis to help coordinate and oversee implementation of the Strategy as approved by City Council. It would also include identifying opportunities and making recommendations about how to better align the roles and resources of partner organizations to meet the goals and implement the actions of the Plan. It is proposed that the Committee be comprised of decision makers from different community agencies, housing providers from both the not-for-profit and for-profit sectors, Regional Staff from Long Range Planning and Housing Services Branch and Municipal staff, City councillors and at least one Regional councillor. Consideration should also be given to including individuals with lived experience and members from the supportive housing sector as Committee members. The governance and members of the committee will be finalized upon careful consideration of reporting structure, representation, and other matters. A Terms of Reference, which includes the composition of the committee, should be established, and approved by Council.

The Committee would be responsible for monitoring implementation of the Strategy and determining whether the desired outcomes are being achieved. In addition, the Committee would be responsible for advocating to higher levels of government on the need for affordable housing in Richmond Hill. The Committee would identify where and when advocacy should take place and bring affordable housing issues to the attention of Council where appropriate.

The Committee would play a role in facilitating the development of new affordable housing in Richmond Hill by guiding the implementation of all recommended actions within the Plan by 2023.

1.1 Recommended Action: Create an Affordable Housing Strategy Implementation Committee to guide the implementation of the Strategy.

a) Monitoring

It is recommended that, in accordance with policy 3.1.5.7, the Affordable Housing Implementation Committee work with the City and the Region of York to update common measuring and reporting tools to monitor progress towards implementing this Plan.

The Region of York Affordable Housing Measuring and Monitoring Guidelines provide a standard approach to implementing the Regional Official Plan affordable housing targets. The number and percent of ownership and rental housing units achieving the affordability thresholds in Richmond Hill should be reported on annually and compared with the Region's requirements that 35% of new housing in the Region's Centres and key development areas be affordable and that 25% of new housing overall in the city be affordable. Achieving the affordable housing targets helps to ensure communities are healthy, economically stable and environmentally sustainable.

The provision of a full mix and range of housing options is a legislated requirement and a key component of building complete communities. The standardized approach put into effect by the Region in 2015 allows for a consistent identification and measurement framework of the supply of new affordable units, which support evidence-based policy responses to housing needs. Monitoring the implementation of the Plan will help to identify cases where policies are not working as they should, and then policies can be updated where applicable.

The Committee should also work with the Region to monitor the addition of new supportive housing units, including mental health, developmental disabilities, physical disabilities, etc.

1.2 Recommended Action: In accordance with policy 3.1.5.7, the Committee should work with the City and the Region of York to update common measuring and reporting tools to monitor progress towards implementing this Plan and achieving its targets.

2

Policy

Update the City of Richmond Hill's Official Plan

The City of Richmond Hill is updating the current Official Plan to guide land use and development to 2041 and this update is targeted to be complete by the end of 2022. The following are elements of the Official Plan related to housing that need to be considered and updated.

a) Inclusionary zoning policy

It is recommended that the Official Plan be updated to include an inclusionary zoning policy for Protected Major Transit Station Areas (PMTSAs) that sets out the approach to authorizing inclusionary zoning in Richmond Hill. The policy design should be informed by the findings from the inclusionary zoning impact analysis conducted as part of this study (see Background Report for more detailed information) and consultations with for-profit developers, not-for-profit housing providers, and other housing stakeholders and government officials.

The policy should include provisions for monitoring the impacts of the policy every five years (at minimum). This recommended timing coincides with the Planning Act's requirement to prepare an updated needs assessment at least every five years. The policy should also set out the approach for the procedure required to monitor and ensure that the required affordable housing units are maintained for the required period of time. In addition, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.

Prior to implementing the inclusionary zoning policy, the impact analysis must be reviewed by a third party.

If an inclusionary zoning policy is enabled, an inclusionary zoning by-law can then be passed to give effect to the policy. **See Regulatory Tools for more details on the outcomes for affordable housing that can be achieved when the inclusionary zoning policy is implemented by the corresponding by-law.**

Details regarding the implementation of inclusionary zoning should be addressed when preparing the Official Plan policies as well as the inclusionary zoning by-law.

2.1 Recommended Action: Develop and incorporate an inclusionary zoning policy for Protected Major Transit Station Areas in Richmond Hill.

b) Community Planning Permit System (CPPS) policies

It is recommended that the City updates CPPS policies to enable the use of this tool. The implementation of this system creates faster and more predictable approvals processes and may assist with getting housing to market quicker. It is recognized that the implementation of this permit system requires considerable upfront work, as such if it is determined that there are competitive advantages to using CPPS over traditional zoning, these policies and the subsequent regulations should be pursued.

Lengthy and cumbersome application and approval processes for permits could be reduced through the implementation of CPPS policies and result in the creation of an environment where more affordable housing can be built in less time. If CPPS policies are able to expedite the development review, evaluation and approval timelines, unnecessary costs can be reduced and regulatory barriers to new residential construction will be curtailed. By streamlining the approvals process, there will also be increased transparency and efficiency between regulatory departments at the City and the development community.

The community planning permit system can be applied to the whole city or certain neighbourhoods or areas. The community planning permit by-law can be developed at the same time as, or after, the official plan amendment.

2.2 Recommended Action: Update Official Plan policies to enable the City to implement CPPS policies. Working through the Comprehensive Zoning By-law development process, determine whether or not to implement Community Planning Permit System (CPPS) by-law(s) in appropriate areas of the city.

c) Permit gentle density in Neighbourhood designation

It is recommended that the Official Plan be updated to optimize the development potential in existing Neighbourhoods. To support more gentle density of the housing stock in Neighbourhoods, the City should amend its Official Plan to introduce policies to enable a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones. Multi-tach is a multi-family, detached building containing three to five condominium/rental units that complies to all existing height and setback limits. This policy would enable multi-tach zoning to be established in these typically low-density areas of the city and provide more housing supply within the same land area.

In advance of finalizing this Strategy, the City has taken action to expand its policy for permitting additional residential units within ground related (i.e. single detached, semi-detached and townhouse) units, and in a structure accessory to the primary unit in most areas within the City where ground related units are permitted. The introduction of an additional residential units policy allows homeowners to earn income by renting out a second unit in their home, making mortgage payments more affordable; creates new rental supply for households who cannot afford or do not want to own a home; and is an efficient use of the existing housing stock.

As part of the Official Plan Update, there is also the opportunity to accommodate some limited intensification through infill and redevelopment in Neighbourhoods. Furthermore, the City should ensure there are no barriers to building innovative housing forms such as laneway homes, garden homes and micro/tiny homes, etc. in appropriate areas provided they meet health and safety standards.

2.3 Recommended Action: Introduce policies to enable a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.

2.4 Recommended Action: Ensure there are no barriers in the Official Plan to building innovative housing forms, such as smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.

d) Revise definition of affordable housing

It is recommended that, as part of the Official Plan Update, the threshold⁶ of affordable housing in the Official Plan is updated to reflect the definition and methodology described in the Background Report. It is also recommended that thresholds of affordable rent and house price be shared with the public annually. It is recommended that these updates be done through communications published on the City's Affordable Housing Strategy webpage.

2.5 Recommended Action: Update the definition of affordable housing in the Official Plan and update the affordable threshold for prices and rents on an annual basis based on the methodology identified in the Background Report.

e) Demolition and rental conversion control policy

It is recommended that, as part of the Official Plan Update, policy 3.1.5.4 be strengthened to implement a demolition and conversion control policy that prohibits the demolition and conversion of rental properties into another tenure. This policy should apply city-wide. It is recommended that the Official Plan be updated to include the following policy criteria under policy 3.1.5.4:

- Conversion of rental housing to condominium tenure must be prohibited unless the vacancy rate of market rate purpose-built rental housing, as reported by CMHC, is above 3% for the preceding three-year reporting period.
- Demolition of rental units must be prevented unless replacement units are provided. If the rents of the units proposed for demolition are considered affordable at the time of application, these must be replaced by units that have affordable rents enforced through an agreement on title. If rents of the units proposed for demolition are at

⁶ The methodology for determining the threshold of affordable housing is presented in the Background Report.

market rates at the time of the application, these units may be replaced with rental units with no restrictions to the price of the rents.

The key housing gaps analysis conducted as part of this Strategy (see Background Report) identified that there is a need to increase the number of rental housing options that are in a good state of repair and affordable to households with moderate and low incomes in Richmond Hill. The demolition and conversion policy in the Official Plan should therefore be strengthened to preserve the existing supply and increase the supply of rental housing in the city.

2.6 Recommended Action: Strengthen policy 3.1.5.4 in the Official Plan to implement a demolition and conversion control policy that prevents the demolition and conversion of rental properties into another tenure.

f) Policy requiring larger sized units in all multi-residential buildings with 20 units or more

It is recommended that policy 3.1.5.6 in the Official Plan be updated and refined to require 5% of units in all new multi-residential buildings with 20 or more units be built to include 3 or more bedrooms (except for developments providing supportive housing and/or affordable housing).

It is important that families and larger households have the opportunity to rent or buy housing that is suitable throughout the city. While it is important to protect and replenish the existing supply of larger sized housing units, a policy requiring larger sized units in all new multi-residential buildings would ensure the availability of housing suitable for families and larger households into the future.

The recent housing completions data demonstrate that higher-density apartments are increasing in number in Richmond Hill as apartment completions made up the largest share in Richmond Hill in 2019 at 39.0%. However, very few housing units with three-bedrooms or more, that may be considered appropriate for families, are being provided in these buildings, based on building permit data. The building permit applications from 2016 to 2019 suggest that 3.6% of the apartment dwellings will be three-bedroom units.

2.7 Recommended Action: Update policy 3.1.5.6 in the Official Plan to require 5% of units in all new multi-residential buildings with 20 or more units be built to include 3 or more bedrooms (except for supportive housing and/or affordable housing).

g) Policy to prioritize surplus land for affordable housing

It is recommended that the City adopt a policy that encourages public agencies to develop a hierarchy of priority when considering the sale or lease of land or buildings (where housing is permitted), which identifies developers who commit to creating affordable purpose-built rental housing second in priority to other public agencies.

To reduce the burden of high land costs on developers of affordable housing, the City of Richmond Hill could identify surplus City land where housing is permitted within the city and make it available for the development of affordable rental housing and especially supportive housing. Priority should be given to not-for-profits or to private developers who have partnered with not-for-profits in the bidding process for these sites. These lands could be provided through long-term leases for nominal costs. While the land sales dollar value may not result in immediate profits, the City will incur long term financial gains through increased property tax, as well as multiple economic spinoff benefits that result from increased jobs and consumers within the area.

Implementation of this policy might involve identifying an appropriate period of time for this site to be bid on. If this timeline expires with no buyer from a public agency or buyer who has purchased the property for affordable housing, the property can then be opened for sale or lease for other purposes.

2.8 Recommended Action: Adopt a policy in the Official Plan that encourages public agencies to make surplus or underutilized public land or buildings where housing is permitted, where other public agencies have not expressed an interest in them, available to developers who commit to creating affordable, purpose-built rental, and especially supportive housing at no cost or a nominal cost.

2.9 Recommended Action: The City should update its land disposition policies, pursuant to the Municipal Act, to prioritize the sale or lease of land first to other public authorities, and then to providers of affordable rental or supportive housing.

h) Policy to promote more complete community building

It is recommended that the City update its Official Plan to further promote the creation of complete communities to address the wealth creation initiatives provided in the Background Report. The intent of this recommendation is to help households create wealth by providing residents with options that reduce the cost of living for them (e.g., strategies that reduce reliance on automobiles and their associated costs) and/or creating opportunities to gain income (e.g., renting out a portion of their home) or having access to better paying jobs near where they live (e.g., more mixed-use developments).

The City's Official Plan contains "A Complete Community" as one of its five core policy directions. Through the update of the Official Plan, more policy permissions may be warranted to ensure that home, work and mobility options are expanded within the City.

2.10 Recommended Action: Update the Official Plan to further promote the creation of complete communities by addressing the wealth creation initiatives related to mobility, mix of uses, access to jobs, and housing options among others that are provided in the Background Report.

3

Guidelines and Standards

Update Parking Standards

It is recommended that current in force parking requirements be reduced for residential developments in Major Transit Station Areas and other appropriate areas (e.g. areas that are well-served by public transit) based on the findings from the Transportation Masterplan Update.

The City should consider approving further reductions of parking requirements for affordable, supportive and purpose-built rental housing projects where the proponent can demonstrate that the demand for parking will be less than what is otherwise required. Consideration should also be given to how the project will prevent social isolation that might occur due to a lack of transportation options to residents (e.g. by providing car-sharing services in the building or providing parking options in non-residential buildings in the same area). In cases where parking requirements are reduced, ensure that “rent-a-car” or other car sharing facilities are incorporated into the operations of the development.

Demand for parking should be monitored on an ongoing basis to determine whether parking standards are defined appropriately.

The City should also consider permitting above ground structured parking in mid-rise and high-rise buildings across the city where these developments are zoned.

Decreasing parking requirements in new buildings and/or permitting above ground structured parking can result in decreased construction costs and could facilitate the development of new housing units. Parking standards for Major Transit Station Areas vary by location (key development areas) and they vary by unit type. Developments that occur within Major Transit Station Areas could likely sustain lower ratios of parking spots to units, as residents can access public transit easily. By reducing costs associated with constructing underground parking spaces, through lowering parking requirements, developers can offset the decreased revenue stream incurred by providing affordable housing units in their developments while still maintaining financial viability overall.

3.1 Recommended Action: Assign parking requirements for residential developments in Major Transit Station Areas and other appropriate areas (e.g. areas that are well-served by public transit) that are commiserate with the walkability and existing and planned transit for that area. Based on the findings from the Parking Strategy Update, consider permitting further reductions of parking requirements for affordable, supportive and purpose-built rental housing projects where appropriate and where the proponent can demonstrate that the demand for parking will be less than what is otherwise required.

3.2 Recommended Action: Consider permitting above ground structured parking in mid-rise and high-rise buildings across the city where these developments are zoned.

Update Standards for Alternative Design and Development

It is recommended that the City consider revising non-regulatory standards that may have the effect of reducing capital and/or operating costs of housing and enable more flexible and innovative residential development throughout the city. Alternative development standards could replace many traditional standards. For example, right-of-way and road pavement widths can be reduced without compromising safety, resulting in land cost savings; and lots can be smaller or configured differently to increase densities, resulting in more development at a lesser land value per capita cost.

The City may also change urban design requirements for particular tenures (e.g. purpose-built rental buildings) to allow for concrete slabs and simple designs or permit stratification of infrastructure by allowing parking for private use under or

above City or other public infrastructure. Furthermore, municipalities could use this tool to facilitate the construction of modular homes, pre-fabricated homes, shipping container housing, and/or tiny homes.

Alternative design and development standards can encourage developers to use the available land and building materials more efficiently. This is especially powerful when combined with a requirement to apply cost savings to rents/house prices or other community benefits. This could provide incentives for private developers to create units that include purpose-built rental housing or affordable ownership housing. In addition, it could attract non-profit, as well as supportive housing providers to the City of Richmond Hill as these alternate standards can make them more competitive with the private sector.

3.3 Recommended Action: Consider revising non-regulatory standards that may have the effect of reducing capital and/or operating costs of housing and enable more flexible and innovative residential development.

4

Regulatory Tools

Update the Comprehensive Zoning By-law (CZBL)

The City is in the process of conducting a comprehensive Zoning By-law review (to be completed by 2023). It is the intent that the comprehensive Zoning By-law review will create one document that will establish "as-of-right" permissions for all properties in the City and enable residents and landowners to develop their lands in a predictable and consistent manner.

As part of this process, the CZBL should be updated to conform with all relevant updates to the Official Plan. It would be important to ensure that the review includes an analysis of all land-use policies to identify if there are policies that might prevent the diversification of the housing stock, as well as the creation of affordable and supportive housing. It would also be important to identify any policies that might be discriminatory (e.g., distancing requirements for supportive housing and group-homes).

The following are elements of the CZBL that need to be considered and updated.

a) As-of-right zoning for mid- and high-rise developments

It is recommended that the City provide as-of-right zoning for multi-residential developments in areas identified for mid- and high-rise developments to ensure zoning provisions conform with Official Plan policies. This would allow for intensification in these areas to occur more easily and it creates transparency and certainty for developers.

4.1 Recommended Action: Ensure the Comprehensive Zoning By-Law conforms with the Official Plan policies to provide as-of-right zoning for multi-residential developments in areas identified in the Official Plan for mid- and- high-rise developments.

b) Shared housing/co-housing

It is recommended that as part of the Comprehensive Zoning By-Law review, ensure there are no barriers to shared housing/co-housing and co-living arrangements in appropriate areas, as-of-right, in Richmond Hill. By-laws that refer to “single-family” units should be revised to be more inclusive of unrelated people living within the same dwelling.

The City is presently preparing a technical paper on short term and shared residential accommodations. Shared accommodations offer affordable housing and needed services, where residents live within a building comprised of units or suites, which have either a kitchen or bathroom, but not both. Some of these facilities, or common areas, are shared by the residents. Examples include rooming houses, boarding houses, lodging houses, and institutional housing. The technical paper will explore this form of accommodation and determine how it fits in with the character of surrounding neighbourhoods and whether regulations are required.

Shared housing can help support the creation of more affordable housing units for certain demographic groups, such as young adults, seniors and persons with disabilities. As the housing gaps analysis in the Background Report shows, Richmond Hill’s population is aging and while some seniors would prefer their own housing unit, others may wish to share housing with friends or other seniors, whether or not they are receiving services. Having the option to share housing would not only address the issue of having more housing options for seniors, but it would also allow seniors to share other costs, such as housekeeping, outdoor maintenance, meals, and vehicle maintenance. It also helps ensure seniors are not isolated and have the option to stay socially connected as they age. In addition, the key housing gaps analysis demonstrated that younger households (aged 25 to 44 years) have been leaving Richmond Hill. This exodus might be caused by challenges to obtain suitable and affordable housing in the city. Shared housing may be a means of retaining and attracting younger households in the city. Furthermore, shared housing would also help address the need for supportive housing in the city by having a group of persons with similar needs living together and receiving services.

4.2 Recommended Action: As part of the Comprehensive Zoning By-law review, ensure there are no barriers to shared housing/co-housing and co-living arrangements where dwellings are permitted or currently exist, as-of-right, in Richmond Hill.

c) Innovative housing forms

If the Official Plan is updated to ensure there are no barriers to building innovative housing forms in appropriate areas of the city, it is recommended that the zoning by-law also be updated to remove barriers to building innovative housing forms such as smaller units, laneway homes or garden homes as well as micro/tiny homes etc., provided these units meet health and safety standards.

Household trends show that smaller households are increasing in Richmond Hill. This demonstrates a need for smaller housing options as well. This need is further reinforced by the aging population and a need for housing options that are suitable for aging in place. Building these innovative smaller units, can enhance affordability due to lower development costs. Promoting innovative housing forms will contribute to facilitating the production of housing that is affordable and suitable to these residents.

The outcome of this recommendation would be to support the diversification of the housing stock.

4.3 Recommended Action: As part of the Comprehensive Zoning By-Law review, ensure there are no barriers to building innovative housing forms, such as modular units, smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.

d) Multi-tach zoning

If policies to enable a multi-tach zoning category are introduced in the Official Plan Update, it is recommended that zoning in areas throughout the city where new housing development is restricted to low-density, single-family detached homes be modified to allow for multi-tach zoning. Multi-tach is a multi-family, detached building containing three to five condominium units that complies to all existing height and setback limits. Introducing multi-tach zoning therefore contributes to modest

densification in these typically low-density areas without affecting the character of the neighbourhood.

4.4 Recommended Action: As part of the Comprehensive Zoning By-law review, introduce a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.

e) Additional residential units

In advance of finalizing this Strategy, the City has taken action to update its zoning by-law to permit an additional residential unit within a ground related (i.e. single detached, semi-detached and townhouse) unit, and in a structure accessory to the primary unit in most areas within the city where ground related units are permitted. This by-law amendment enables homeowners to create an additional residential unit without having to request a site-specific amendment to the zoning by-law. This amendment also generally legalizes any additional residential units that may have been created prior to the by-law having been enacted. In this way, improvements to existing units can be done and any new units can be created in compliance with building and fire code requirements when building permits are issued for these units.

Inclusionary Zoning By-Law

If an inclusionary zoning policy is put in place, it is recommended that the City determine where an inclusionary zoning by-law should come into effect and with what provisions.

Some additional information is needed in the inclusionary zoning by-law that is distinct from the inclusionary zoning policies in the Official Plan. These include:

- Development standards for the affordable units
- Whether measures and incentives may be provided, and what these are
- Requirement that prices/rents be affordable when they are sold/leased
- Requirement for any agreements to be entered into with the City

- Procedure for monitoring and maintaining units to be affordable over the affordable period

The analysis conducted as part of this study (see Background Report) reviewed the expected impact of a potential inclusionary zoning policy and by-law through a pro forma model that evaluates the impact on land values. This type of zoning provides developers and the public with certainty regarding development permissions within these areas. It is noted that inclusionary zoning by-laws and the height and densities of buildings set in the PMTSAs are not subject to appeal to the Local Planning Appeal Tribunal (except by the Minister of Municipal Affairs and Housing.)

Once implemented, the inclusionary zoning units of the building will remain affordable over the predetermined period of time stipulated in the by-law, this ensures long-term affordability of units. The inclusionary zoning pro forma analysis shows that there is a strong correlation between the viable rate of inclusion of affordable housing and the increased density. As such, the maximum permitted density of each PMTSA considered for implementation of the inclusionary zoning policy must be reviewed and the maximum density increased by a sufficient amount to create viable development projects.

As mentioned in the Policy section of this Plan, the needs assessment report is required to be updated every five years to determine whether the official plan policies require amending. A report detailing the performance of the inclusionary zoning by-law is required to be prepared every two years and address prescribed matters.

If it is determined that an inclusionary zoning by-law will be implemented, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.

4.5 Recommended Action: Once an inclusionary zoning policy for Protected Major Transit Station Areas has been adopted, develop and incorporate an implementing inclusionary zoning by-law.

Community Planning Permit System (CPPS) By-law

If Community Planning Permit System policies have been put in place, it is recommended that the City determine where a CPPS by-law should come into effect and with what provisions.

Like a traditional zoning by-law, the community planning permit by-law would contain a list of permitted uses and development standards, such as height and density specifications (for example, how tall a building can be or how many units it can have). It could also contain other elements not found in a traditional zoning by-law, such as:

- land uses that are allowed, subject to certain conditions including conditions that require the provision of affordable units over the long term
- classes of development or uses of land exempt from requiring a permit (for example, garages, pools, sheds)

Once a community planning permit by-law is in effect, municipalities can issue permits to allow development to occur if an application meets the standards set out in the community planning permit by-law.

The expected outcomes of implementing a CPPS are to:

- make the provision of affordable housing a condition of development approval
- make development approval processes more streamlined and efficient
- get housing to market quicker
- create certainty and transparency for the community, landowners, and developers

4.6 Recommended Action: If CPPS policies have been adopted, develop a CPPS by-law.

Community Benefits Charge (CBC) By-law

It is recommended that the City consider preparing a strategy for implementing a CBC, which will include the estimated charges as well as the annual reports on the amounts in the CBC special account.

The More Homes, More Choice Act provides municipalities with the authority to charge for community benefits with respect to land to be developed or redeveloped. Community Benefits Charges (CBC) are intended to fund municipal

infrastructure for community services, such as land for parks, affordable housing, and childcare facilities, that are needed to support new residents and businesses associated with new development. The CBC is meant to complement development charges and parkland dedication requirements. A CBC may not exceed 4% of the land value on the day before a building permit is submitted. The CBC can be paid "in kind", as such, a development that provides affordable units would not have to pay the charge.

Municipalities are required to pass a CBC By-law by September 18, 2022. Non-profit and affordable developments are excluded from a potential CBC.

To implement a Community Benefits Charge by-law, a municipality must prepare a Community Benefits Charge Strategy which identifies the items such a by-law intends to support through the collected funds. Such a strategy must contain:

- The anticipated type, amount and location of development or redevelopment that would be subject to a community benefits charge
- The anticipated increase in the need for a specific community service (for example, **affordable housing**) resulting from new development or redevelopment
- The capital costs associated with the increased need for a specific community service resulting from new development or redevelopment
- The excess capacity that exists in those specific services (for example, the extra capacity that exists in a service that is not currently being used)
- Whether the increased provision of those specific services would also serve existing residents (for example, existing residents may also benefit from new childcare facilities that are needed as a result of new development or redevelopment)
- Any capital grants, subsidies, or contributions from other levels of government or other sources like donations that are anticipated to be made to support those specific services

As part of the Community Benefits Charge Strategy, the City may want to examine opportunities for using some revenue from the CBC to fund potential financial incentives to support affordable housing including the Community Improvement Plan or to acquire land to be provided to developers of affordable housing.

4.7 Recommended Action: Undertake a Community Benefits Charge Strategy and adopt a Community Benefits Charge By-law in accordance with the Community Benefits Charge Strategy.

Demolition and Rental Conversion Control By-law

It is recommended that the demolition and rental conversion control by-law be updated to conform with the updated demolition and rental conversion control policy (policy 3.1.5.4) in the Official Plan. In the Policy section of this Plan, it is recommended that policy 3.1.5.4 be strengthened to implement a demolition and conversion control policy that prohibits the demolition and conversion of rental properties into another tenure. It is further recommended that the policy be amended to include the following specifications:

- Conversion of rental housing to condominium tenure must be prohibited unless the vacancy rate of market rate purpose-built rental housing, as reported by CMHC, is above 3% for the preceding three-year reporting period.
- Demolition of rental units must be prevented unless replacement units are provided. If the rents of the units proposed for demolition are considered affordable at the time of application, these must be replaced by units that have affordable rents enforced through an agreement on title. If rents of the units proposed for demolition are at market rates of the time of the application, these units may be replaced with rental units with no restrictions to the price of the rents.

With the implementation of such a by-law, the City would be able to protect a greater number of rental housing properties subject to demolition or conversion activities.

4.8 Recommended Action: If policy 3.1.5.4 in the Official Plan is updated, strengthen the demolition and rental conversion control by-law in accordance.

5

Financial Tools and Incentives

Community Improvement Plan (CIP)

It is recommended that the City explore the use of a Community Improvement Plan (CIP) to incentivize purpose-built rental and affordable housing in areas where inclusionary zoning is applied, or city-wide. The outcome of this recommendation would be to assist in the development of rental housing in the city by providing an incentive to encourage the creation of these housing units.

The resulting CIP could include one or more programs which may be in the form of a grant, loan, or provision of land. A loan program may be suitable for the creation of additional residential units (also known as secondary suites). The outcome of such an incentive would be to encourage homeowners to develop new supply of affordable rental housing on their currently existing lot. Alternatively, a capital grant would be effective for building renovations to existing rental buildings, or the development of new rental buildings. The provision of a Tax Increment Equivalent Grant (TIEG) may be suitable to offset operating costs associated with rental buildings. The granting of lands may be suitable for supportive not-for profit housing; but this too needs to be recognized in a CIP.

The CIP may also include energy efficient programs and incentives, which may reduce operating costs of the development and also support City priorities related to the reduction of greenhouse gas emissions.

A key barrier for developers to provide affordable housing is the cost associated with planning approvals, building permits, development charges, and increased tax rates, all of which contribute to higher rents and ownership costs. These CIPs

would contribute to decreases in these costs, which in turn could result in greater supply of affordable housing and significantly lower average rents and prices.

The possible outcomes of implementing these CIPs are an investment in affordable housing by the City, an incentive that encourages the private sector to invest in the provision of affordable housing, and an increased the supply of rental and affordable housing in Richmond Hill.

5.1 Recommended Action: It is recommended that the City explore the use of a Community Improvement Plan (CIP) to incentivize purpose-built rental, additional residential units, and affordable housing, in areas where inclusionary zoning is applied, or city-wide.

Purpose Built Rental Housing - Building Renovation Program (CIP)

It is recommended that the City implement a repair program for purpose-built rental housing (6+ units) to offer grants or forgivable loans to rental properties where modifications are needed to make their buildings accessible or to address critical repairs to improve the safety and/or energy efficiency of their buildings. This program could compliment other programs which help with critical repairs or accessible modifications. This program could address matters, such as:

- Ramp and/or elevator installations
- Urgent repairs to roofs, windows, balconies, or other areas that jeopardize safety
- Critical furnace repairs or replacements that jeopardize the ability for a tenant to continue to live safely
- Improvements to the building's electrical and mechanical systems as well as insulation that improves energy conservation to reduce GHG emissions and reduce operating costs to sustain current rent rates within the building

An important requirement of this program is that the proponent commit to not increasing rent rates to cover the costs of the building renovation that are otherwise addressed by this program.

5.2 Recommended Action: The City should implement a Purpose-Built Rental Housing - Building Renovation Program (CIP) to offer grants or forgivable loans to rental properties that require improvements to improve accessibility or require critical repairs to improve the safety.

Reduce, Defer, or Grant-in-lieu of Fees for Affordable Housing Development

It is recommended that municipal fee by-law(s) be reviewed and amended, where practicable, to reduce or provide grant-in-lieu of fees associated with the provision of new affordable, purpose-built rental, rental, and/or supportive housing. Municipal fees such as development charges, parkland dedication fees, and property taxes which contribute to the soft costs of a development can be onerous. High soft costs associated with construction can contribute to limitations on the level of housing affordability that is possible. Incentives applicable to affordable and purpose-built rental buildings such as the reduction or deferral of or exemptions from development charges and other municipal fees, deferrals of municipal tax payments, etc. could reduce the costs of construction and increase affordability of new units. The purpose of this recommendation is to incentivize the development of these housing types.

The Region of York has its own Development Charges Deferral for Affordable, Purpose-Built Rental Buildings policy. It should be noted that the Region will only enter into a Development Charges Deferral agreement if the local municipality has provided a similar, if not better, deferral, exemption, or other incentive, for the proposed development. It is, therefore, recommended that the City develop its own similar, if not better, program. It should be noted that local matching incentive(s) do not need to be monetary.

The policy could include eligibility requirements based on building height, distribution of bedroom sizes, level of affordability, etc. to meet the needs of the community. The incentives should be tied directly to the affordable housing units created and should be aligned with the Region's programs and incentives. The City could consider introducing this as a pilot program prior to introducing the full program to evaluate its impacts.

If a community benefits charges by-law is passed, this policy should be expanded to include the deferral of the community benefits charges applicable to purpose-built rental, and/or supportive housing units in new developments if the CBC does not include contributions for affordable housing.

In addition, it is recommended that the City consider allowing developers to provide parkland offsite in lieu of in situ or cash in lieu. This may benefit developers who are able to offer up the amount of parkland elsewhere, in appropriate locations, where there are lower land values. This also results in the City receiving the amount of parkland it needs, while the developer pays less than the land value of the land on which they are developing. If the offsite parkland area is relatively close by to the residential development, this would still meet the needs of new residents, while enhancing park areas and housing generally.

To consider parkland offsite in lieu of in situ or cash-in-lieu, there should be clear parameters regarding when this could be applied, including providing alternate sites proximate to the development site. Further, there should be clear thresholds for determining affordable housing and how many affordable units would be required.

5.3 Recommended Action: Review and, where practicable, amend fee by-law(s) to reduce, defer or provide grant-in-lieu of fees associated with the provision of affordable housing, purpose-built rental housing, and/or supportive housing in new residential developments.

5.4 Recommended Action: Consider allowing developers to provide parkland offsite, in appropriate locations, in lieu of in situ or cash in lieu.

Vacant Homes Tax

It is recommended that the City conduct consultations on the potential implementation and design of a tax on vacant homes with key housing stakeholders who would be impacted by such a tax, including property owners and the general public. The Province of Ontario recently introduced legislation that would empower the City to implement a tax on vacant residential units, encourage property owners to sell unoccupied units or rent them out, and address concerns about

residential units potentially being left vacant. The objective of such a tax is to encourage homeowners to rent out these empty units, increasing the supply of rental housing immediately available with no additional development required.

The revenues collected through a Vacant Homes Tax could be used to finance incentives (such as the CIP) and/or other initiatives related to the development of affordable and rental housing in the City. Although revenues will be collected through the Vacant Homes Tax, the main objective of the tool is to incentive the occupancy of vacant housing.

If the City proceeds with implementing a Vacant Homes Tax, it may consider using the City of Vancouver's administrative approach for identifying vacant units used in its Empty Homes Tax program. The City of Vancouver requires all residential property owners to make a mandatory Status Declaration of their property on an annual basis. Owners are required to declare their property's occupancy status for the preceding year. Failure to declare status after a notice period would deem the property vacant and trigger tax liability ("negative billing"). Substantial penalties act as deterrence from making false declarations.

5.5 Recommended Action: Investigate whether a Vacant Homes Tax for residential properties that are empty for several months during the year should be implemented.

Property Tax Levy

It is recommended that the City investigate whether a property tax levy should be imposed on residential and non-residential properties to develop an ongoing fund to be used towards affordable housing and purpose-built rental housing projects. Such a property tax levy could be introduced on all tax classes or certain non-residential tax classes which benefit from the presence of affordable housing in the city.

The outcome of this financial tool is to provide an ongoing source of funds to be dedicated to affordable housing. The revenues generated from the property tax levy could be used by the City to fund some of the financial incentives described throughout this Plan, such as the CIP. In addition, the City could use these funds to acquire private lands following certain considerations such as existing City real estate, planning and zoning considerations, condition of the site,

access to public transit, local amenities and services, etc. The design of the property tax levy should clearly identify where and how the funds collected will be used as well as measure how quickly funds are being used.

Before introducing a property tax levy, it is imperative that the City pursue a community consultation process to gain acceptance and buy-in from residents on the design and implementation of the levy.

5.6 Recommended Action: Investigate whether a property tax levy should be imposed on residential and non-residential properties to develop an ongoing fund to be used towards affordable housing and purpose-built rental housing projects.

6

Land Inventory

Identify Surplus or Underutilized Land or Buildings for Affordable Housing

It is recommended that the City identify all surplus municipally owned properties that are appropriate for the development of housing and consider selling or leasing some or all of these properties at a discounted price to be developed as affordable housing. This action would reduce the cost of acquiring land for developers of affordable housing and ultimately increase the supply of affordable units throughout Richmond Hill.

During consultations with key stakeholders, it was suggested that the City should also identify land currently occupied for a municipal function such as a library, community centre, municipal parking lots, etc. that could accommodate affordable housing on additional top floors. An example of this could be a multi-purpose development with a library on the ground floor and several levels of affordable housing on the higher levels. Not only will land costs be reduced for the developer and for affordability to be promoted, but mixed-use developments also increase density and create diverse and complete neighborhoods. Creating affordable housing at these sites will help address the need for affordable housing while also providing housing that is affordable to future area employees close to places of work.

To implement this recommendation, the City may consider designating a department to lead the process of identifying and allocating these surplus properties. In developing such a program, the City should explore options and opportunities to maximize the participation of non-profit housing providers, in these offerings for City-owned sites, and provide greater consideration to submissions from non-profits that are financially viable, meet all other program requirements under the program and provide greater levels of affordability.

6.1 Recommended Action: Identify surplus or underutilized City-owned land or buildings for the purpose of developing affordable housing. In addition, consider options to re-develop/use City land to include affordable housing on these sites where appropriate (e.g., above or next to libraries and/or other City owned properties or land such as municipal parking sites).

7

Capacity Building

Handbook for Developing Affordable Housing

Building on action 3.3 (Goal 1) of the Region’s updated Housing Solutions Plan and as part of an education campaign, it is recommended that the City work with the Region to promote the Handbook for Developing Affordable Housing, develop educational material and facilitate workshops to increase the capacity and knowledge of housing developers and community agencies on how to build affordable housing in Richmond Hill, including available funding programs, incentives, and partnership opportunities. This should also include presentations of successful partnerships among community agencies and private developers as well as the successful management of the Region and community agencies of affordable units located within private market rate rental and condominium buildings.

The Handbook for Developing Affordable Housing should be updated on a regular basis to include the most recent information on available funding programs that help reduce the cost of affordable residential development, promising innovations in residential development, potential partnership opportunities between the private and not-for-profit sectors, and any other information that could encourage the provision of affordable housing.

In addition, the City should continue to work with the Region to explore and promote alternative forms of affordable home ownership models, such as rent-to-own, shared equity, unbundling, and life lease, within the development community.

7.1 Recommended Action: Work with the Region to promote the Handbook for Developing Affordable Housing.

7.2 Recommended Action: Update the Handbook for Developing Affordable Housing on a regular basis.

7.3 Recommended Action: Building on the Region’s updated Housing Solutions Plan, continue to work with the Region to explore and promote alternative forms of affordable home ownership models, such as rent-to-own, shared equity, unbundling, and life lease, within the development community. This could be an additional section incorporated within the Handbook for Developing Affordable Housing.

Additional Residential Units’ Guidance

It is recommended that the City develop guidance material to help homeowners plan and build additional residential units on their lot that has a ground related house. This material could supplement and reference similar guides published by the Province of Ontario⁷ to provide homeowners with a user-friendly guide and checklist to help build legal additional residential units.

The guidance material should include information related to:

- Municipal zoning requirements and standards for second units, including parking requirements, exits and entrances, servicing and minimum or maximum unit size, etc.
- Instructions for getting a building permit
- References to guides on landlord and tenant rights and responsibilities
- References to City’s Fire Retrofit Program for making existing dwelling units fire-safe

If any incentives are to be provided to households that develop an additional residential unit these should be highlighted.

⁷ Province of Ontario, Adding a Second Unit in an Existing House. Accessed from: https://files.ontario.ca/mmah-adding-a-second-unit-in-an-existing-house-en_0.pdf

The desired outcome of this guidance material is to facilitate and encourage homeowners to incorporate an additional residential unit within their home, which helps to meet the need for affordable rental housing throughout the city.

7.4 Recommended Action: Once the City has brought into effect its Official Plan Amendment and Zoning By-law Amendment to permit additional residential units, update the relevant sections of the City's website to help homeowners plan and build additional residential units on their lot.

Update Affordable Housing Website

It is recommended that the City's Affordable Housing website be updated on an ongoing basis to increase the awareness of housing needs in Richmond Hill and of programs available to support the development of affordable and rental housing. The Affordable Housing Strategy provides a framework for action focused on meeting the housing needs of residents of Richmond Hill into the future. The Affordable Housing website should be updated regularly to inform the public and key housing stakeholders of the progress towards delivering on the actions identified in the Affordable Housing Strategy. The outcome of this action is to increase accountability and clarity between the City and the public when it comes to the City's role in improving housing outcomes for residents.

It is on the Affordable Housing website where the thresholds of affordable housing are to be updated and published on an annual basis. The Affordable Housing website should also be updated to include information on upcoming consultation sessions/activities related to the implementation of the actions outlined in this Plan.

7.5 Recommended Action: Continue to update the City's Affordable Housing website on an ongoing basis to increase the awareness of housing needs in Richmond Hill and the benefits of including affordable and rental housing in all communities.

7.6 Recommended Action: Share updated affordable housing price and rent thresholds with the public annually through communications published on the City's Affordable Housing Strategy webpage.

Prioritize Processing of Affordable Housing Applications

It is recommended that the City expand its concierge program, RH Concierge, to not-for-profit housing providers and supportive housing providers to prioritize these types of residential development. This recommendation involves a non-financial incentive the City could pursue to encourage the development of affordable housing. Currently RH Concierge is only eligible to office and industrial developments, however by expanding the program to these affordable housing providers it would help to facilitate the development application process and encourage developing more of these specialized forms of affordable housing.

By expediting the development review, evaluation and approval timelines, costs associated with long approval timelines can be reduced and regulatory barriers to new residential construction will be curtailed. Furthermore, by streamlining the approvals process, transparency and efficiency will be enhanced between regulatory departments at the City and the development community. According to stakeholders, faster approvals will have a great impact on the ability to expand the supply of new housing that is affordable to households in Richmond Hill.

To implement the expansion of the RH Concierge program would involve a coordinated inter-departmental effort led by Economic Development staff in partnership with Development Planning staff in the Planning and Infrastructure Department.

7.7 Recommended Action: Expand the City's concierge program, RH Concierge, to not-for-profit housing providers and supportive housing providers to prioritize these types of residential development. This service should have as its goal to fast-track affordable housing developments as well as make City Planning staff available to help developers of these projects navigate the approvals' process.

Educate Staff and Industry on Alternative Design and Development Standards

It is recommended that the City educate staff and development and construction industry on alternative design and development standards which can promote the development of new affordable residential units. Factory manufacturing of the components of a housing project can reduce construction costs and time and be applicable to both temporary and

permanent dwellings. It can also improve worker safety, reduce transportation costs, and mitigate site congestion and disruption. Modular construction is also a requirement for some funding programs, such as CMHC's Rapid Housing Initiative as the shorter construction timelines support the program's goal of housing people in need in as short a time as possible. Educating City staff on the alternative design and development standards would lead to an adaptation of the approval processes to account for these different standards, including how alternative design standards are translated in site plan agreements and other contracts between the City and the applicant.

As part of this recommendation, the City could consider fostering a partnership with an organization such as the University of Toronto's Mass Timber Institute to provide City staff and the industry with leading edge research and education on sustainable mass timber products and technologies.

7.8 Recommended Action: Work with the development and construction industry to promote the use of alternative construction materials and methods (e.g. mass timber, 3D concrete printing etc.) to reduce the cost of construction for new projects in Richmond Hill. This could potentially be achieved through partnerships with organizations like the University of Toronto's Mass Timber Institute.

7.9 Recommended Action: Train City staff on alternative design and development standards to ensure these are recognized in the approvals process.

Monitoring the Inclusionary Zoning Policy and By-law

As mentioned in the Policy and Regulatory Tools sections of this Plan, it is required that the needs assessment report be updated every five years to determine whether the inclusionary zoning Official Plan policies require amending. A report detailing the performance of the inclusionary zoning by-law is also required to be prepared every two years and address prescribed matters.

7.10 Recommended Action: If it is determined that an inclusionary zoning policy and by-law will be implemented, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.

Foster Partnerships

There are several opportunities for the City to foster partnerships between different players in the housing system to encourage the development of more affordable housing and create more complete and diverse communities. These partnerships could include, but are not limited to:

a) Partnerships between the non-profit sector and other players in the housing system

It is recommended that the City initiate efforts to support non-profit housing providers in Richmond Hill in their quest to expand their affordable housing portfolio by facilitating collaboration with private sector developers, advocating on their behalf to high orders of government, as appropriate, and involving them in education and networking initiatives sponsored by the City or Region. The 12,547 households on the centralized wait list for subsidized housing who indicated they would prefer to live in Richmond Hill demonstrate that the existing stock of affordable and subsidized rental housing in Richmond Hill is not sufficient to meet the need in the community.

To encourage the development of more affordable housing throughout Richmond Hill, the City should update the partners list in the Handbook for Developing Affordable Housing to facilitate collaboration between the non-profit providers and private sector developers. While some not-for-profits have the financial resources and capacity to develop affordable housing on their own, others can seek out partnerships with private developers to do so. As competitiveness for government housing funds increases, partnerships are a potential strategy for improving a project's ability to compete for these limited funds. As such, socially motivated private developers can also benefit from partnerships with the not-for-profit sector. In addition, not-for-profits and for-profit housing developers may consider forming partnerships to share capital, lands, real estate, and expertise in the operations and management of housing portfolio.

Along with the above, the City might consider conducting an annual housing forum where private developers and not-for-profits can come together to discuss with City staff the partnership opportunities and challenges they face.

The Affordable Housing Strategy Implementation Committee may also advocate on behalf of the non-profits to high orders of government, as appropriate, and involve the non-profits in education initiatives sponsored by the City or Region.

7.11 Recommended Action: Support non-profits in their quest to expand their affordable housing portfolio by facilitating collaboration with private sector developers, advocating on their behalf to high orders of government, as appropriate, and involving them in education initiatives sponsored by the City or Region.

b) Partnerships between the City and owners of property appropriate for residential development in Richmond Hill

It is recommended that the Affordable Housing Strategy Implementation Committee consider advocating to its partners to identify and dedicate surplus lands in Richmond Hill for the development of affordable housing. These potential partners include the federal and provincial governments, charities and faith groups, non-profit and cooperative housing organizations and private sector organizations.

The City should consider setting a target for the amount of land to be made available for the development of affordable housing and report on the achievements of such a program.

7.12 Recommended Action: Continue to facilitate partnerships among property owners, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized lands, homes, and non-residential buildings, including heritage buildings, to increase the supply of affordable and supportive housing.

7.13 Recommended Action: Facilitate partnerships among faith groups, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized property, including church-owned property, to increase the supply of affordable and supportive housing, as well as market rate rental.

Support a Land Trust

It is recommended that the City support investigations by the Region of York, other local municipalities, and community-based organizations in the exploration of establishing a land trust for the purposes of affordable and supportive housing development in the Region of York.

A land trust can take on several forms including where a non-profit corporation or where the City or Region itself obtains and holds land and housing for the benefit of the community. The goal of the land trust is to remove land and housing from the real estate market through either purchase or donation, and perpetually hold it in a trust to preserve the affordability of that land and housing asset. There is evidence that a land trust can be an effective model to obtain and secure land for housing and provides greater opportunity for households with low and moderate incomes to access housing that is affordable.

A key feature that allows land trusts to maintain affordability is dual ownership, the separation of land ownership (owned by the land trust) from ownership of the housing or buildings on the land itself, which is leased out to individuals or non-profit organizations over a long-term period. Long-term land leases to non-profit housing partners helps to ensure that public investment and affordable housing is preserved over the long term.

7.14 Recommended Action: Support investigations by the Region of York, other local municipalities, and community-based organizations in the exploration of establishing a land trust for the purposes of affordable and supportive housing development.

5.0 Appendix: Recommended Actions & Goals

Each recommended action within this Plan addresses one or many of the goals and outcomes for the Strategy. In the table below, the goals addressed by the actions are identified. The goals of this Strategy are:

- **Goal 1:** Support further **diversification of the housing stock** by creating a range of housing options for seniors to age in place and for younger households to settle in the community.
- **Goal 2:** **Increase** the number of **rental** and specifically purpose-built rental housing options that are in a good state of repair and affordable to low- and moderate-income households.
- **Goal 3:** **Attract** new accessible and **supportive housing options** to Richmond Hill that are suitable for seniors and households with a member with a disability or mental health issue by establishing partnerships and collaborating with stakeholders.
- **Goal 4:** Increase the number of **ownership options** in Richmond Hill that are **affordable to moderate-income households**.

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
1. Implementation Oversight				
1.1. Create an Affordable Housing Strategy Implementation Committee to guide the implementation of the Strategy.				
1.2. In accordance with policy 3.1.5.7, the Committee should work with the City and the Region of York to update common measuring and reporting tools to monitor progress towards implementing this Plan and achieving its targets.	✓	✓	✓	✓
2. Policy				
2.1. Develop and incorporate an inclusionary zoning policy for Protected Major Transit Station Areas in Richmond Hill.	✓	✓	✓	✓
2.2. Update Official Plan policies to enable the City to implement CPPS policies. Working through the Comprehensive Zoning By-law development process, determine whether or not to implement Community Planning Permit System (CPPS) by-law(s) in appropriate areas of the city.	✓	✓		✓
2.3. Introduce policies to enable a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.	✓	✓		✓
2.4. Ensure there are no barriers in the Official Plan to building innovative housing forms, such as smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.	✓	✓		✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
2.5.Update the definition of affordable housing in the Official Plan and update the affordable threshold for prices and rents on an annual basis based on the methodology identified in the Background Report.				
2.6.Strengthen policy 3.1.5.4 in the Official Plan to implement a demolition and conversion control policy that prevents the demolition and conversion of rental properties into another tenure.	✓	✓	✓	
2.7.Update policy 3.1.5.6 in the Official Plan to require 5% of units in all new multi-residential buildings with 20 or more units be built to include 3 or more bedrooms (except for supportive housing and/or not-for-profit housing).	✓			
2.8.Adopt a policy in the Official Plan that encourages public agencies to make surplus or underutilized public land or buildings where housing is permitted, where other public agencies have not expressed an interest in them, available to developers who commit to creating affordable, purpose-built rental, and especially supportive housing at no cost or a nominal cost.	✓	✓	✓	✓
2.9.The City should update its land disposition policies, pursuant to the Municipal Act, to prioritize the sale or lease of land first to other public authorities, and then to providers of affordable rental or supportive housing.	✓	✓	✓	✓
2.10. Update the Official Plan to further promote the creation of complete communities by addressing the wealth creation initiatives related to mobility, mix of uses, access to jobs, and housing options among others that are provided in the Background Report.	✓	✓	✓	✓
3. Guidelines and Standards				

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
3.1. Assign parking requirements for residential developments in Major Transit Station Areas and other appropriate areas (e.g. areas that are well-served by public transit) that are commiserate with the walkability and existing and planned transit for that area. Based on the findings from the Parking Strategy Update, consider permitting further reductions of parking requirements for affordable, supportive and purpose-built rental housing projects where appropriate and where the proponent can demonstrate that the demand for parking will be less than what is otherwise required.	✓	✓	✓	✓
3.2. Consider permitting above ground structured parking in mid-rise and high-rise buildings across the city where these developments are zoned.	✓	✓	✓	✓
3.3. Consider revising non-regulatory standards that may have the effect of reducing capital and/or operating costs of housing and enable more flexible and innovative residential development.	✓	✓	✓	✓
4. Regulatory Tools				
4.1. Ensure the Comprehensive Zoning By-law conforms with the Official Plan policies to provide as-of-right zoning for multi-residential developments in areas identified in the Official Plan for mid- and- high-rise developments.	✓	✓		✓
4.2. As part of the Comprehensive Zoning By-Law review, ensure there are no barriers to shared housing/co-housing and co-living arrangements where dwellings are permitted or currently exist, as-of-right, in Richmond Hill.		✓	✓	✓
4.3. As part of the Comprehensive Zoning By-Law review, ensure there are no barriers to building innovative housing forms, such as modular units, smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.	✓	✓		✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
4.4.As part of the Comprehensive Zoning By-Law review, introduce a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.	✓	✓		✓
4.5.Once an inclusionary zoning policy for Protected Major Transit Station Areas has been adopted, develop and incorporate an implementing inclusionary zoning by-law.	✓	✓	✓	✓
4.6.If CPPS policies have been adopted, develop a CPPS by-law.	✓	✓		✓
4.7.Undertake a Community Benefits Charge Strategy and adopt a Community Benefits Charge by-law in accordance with the Community Benefits Charge Strategy.	✓	✓	✓	✓
4.8.If policy 3.1.5.4 in the Official Plan is updated, strengthen the demolition and rental conversion control by-law in accordance.	✓	✓	✓	
5. Financial Tools and Incentives				
5.1.It is recommended that the City explore the use of a Community Improvement Plan (CIP) to incentivize purpose-built rental, additional residential units, and affordable housing, in areas where inclusionary zoning is applied, or city-wide.	✓	✓	✓	✓
5.2.The City should implement a Purpose-Built Rental Housing - Building Renovation Program (CIP) to offer grants or forgivable loans to rental properties that require improvements to improve accessibility or require critical repairs to improve the safety.		✓	✓	✓
5.3.Review and, where practicable, amend fee by-law(s) to reduce, defer or provide grant-in-lieu of fees associated with the provision of affordable housing, purpose-built rental housing, and/or supportive housing in new residential developments.	✓	✓	✓	✓
5.4.Consider allowing developers to provide parkland offsite, in appropriate locations, in lieu of in situ or cash in lieu.	✓	✓	✓	✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
5.5. Investigate whether a Vacant Homes Tax for residential properties that are empty for several months during the year should be implemented.		✓		✓
5.6. Investigate whether a property tax levy should be imposed on residential and non-residential properties to develop an ongoing fund to be used towards affordable housing and purpose-built rental housing projects.	✓	✓	✓	✓
6. Land Inventory				
6.1. Identify surplus or underutilized City-owned land or buildings for the purpose of developing affordable housing. In addition, consider options to re-develop/use City land to include affordable housing on these sites where appropriate (e.g., above or next to libraries and/or other City owned properties or land such as municipal parking sites).	✓	✓	✓	✓
7. Capacity Building				
7.1. Work with the Region to promote the Handbook for Developing Affordable Housing.	✓	✓	✓	✓
7.2. Update the Handbook for Developing Affordable Housing on a regular basis.	✓	✓	✓	✓
7.3. Building on the Region's updated Housing Solutions Plan, continue to work with the Region to explore and promote alternative forms of affordable home ownership models, such as rent-to-own, shared equity, unbundling, and life lease, within the development community. This could be an additional section incorporated within the Handbook for Developing Affordable Housing.	✓			✓
7.4. Once the City has brought into effect its Official Plan Amendment and Zoning By-law Amendment to permit additional residential units, update the relevant sections of the City's website to help homeowners plan and build additional residential units on their lot.	✓	✓	✓	

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
7.5.Continue to update the City’s Affordable Housing website on an ongoing basis to increase the awareness of housing needs in Richmond Hill and the benefits of including affordable and rental housing in all communities.	✓	✓	✓	✓
7.6.Share updated affordable housing price and rent thresholds with the public annually through communications published on the City's Affordable Housing Strategy webpage.		✓		✓
7.7.Expand the City’s concierge program, RH Concierge, to not-for-profit housing providers and supportive housing providers to prioritize these types of residential development. This service should have as its goal to fast-track affordable housing developments as well as make City Planning staff available to help developers of these projects navigate the approvals’ process.		✓		✓
7.8.Work with the development and construction industry to promote the use of alternative construction materials and methods (e.g., mass timber, 3D concrete printing etc.) to reduce the cost of construction for new projects in Richmond Hill. This could potentially be achieved through partnerships with organizations like the University of Toronto’s Mass Timber Institute.		✓		✓
7.9.Train City staff on alternative design and development standards to ensure these are recognized in the approvals process.	✓	✓	✓	✓
7.10. If it is determined that an inclusionary zoning policy and by-law will be implemented, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.	✓	✓	✓	✓
7.11. Support non-profits in their quest to expand their affordable housing portfolio by facilitating collaboration with private sector developers, advocating on their behalf to		✓		✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
high orders of government, as appropriate, and involving them in education initiatives sponsored by the City or Region.				
7.12. Continue to facilitate partnerships among property owners, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized lands, homes, and non-residential buildings, including heritage buildings, to increase the supply of affordable and supportive housing.	✓	✓	✓	✓
7.13. Facilitate partnerships among faith groups, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized property, including church-owned property, to increase the supply of affordable and supportive housing, as well as market rate rental.	✓	✓	✓	✓
7.14. Support investigations by the Region of York, other local municipalities, and community-based organizations in the exploration of establishing a land trust for the purposes of affordable and supportive housing development.	✓	✓	✓	✓



Survey on Affordable Housing and Additional Residential Units

Survey Results

Period: November 6 to December 16, 2020

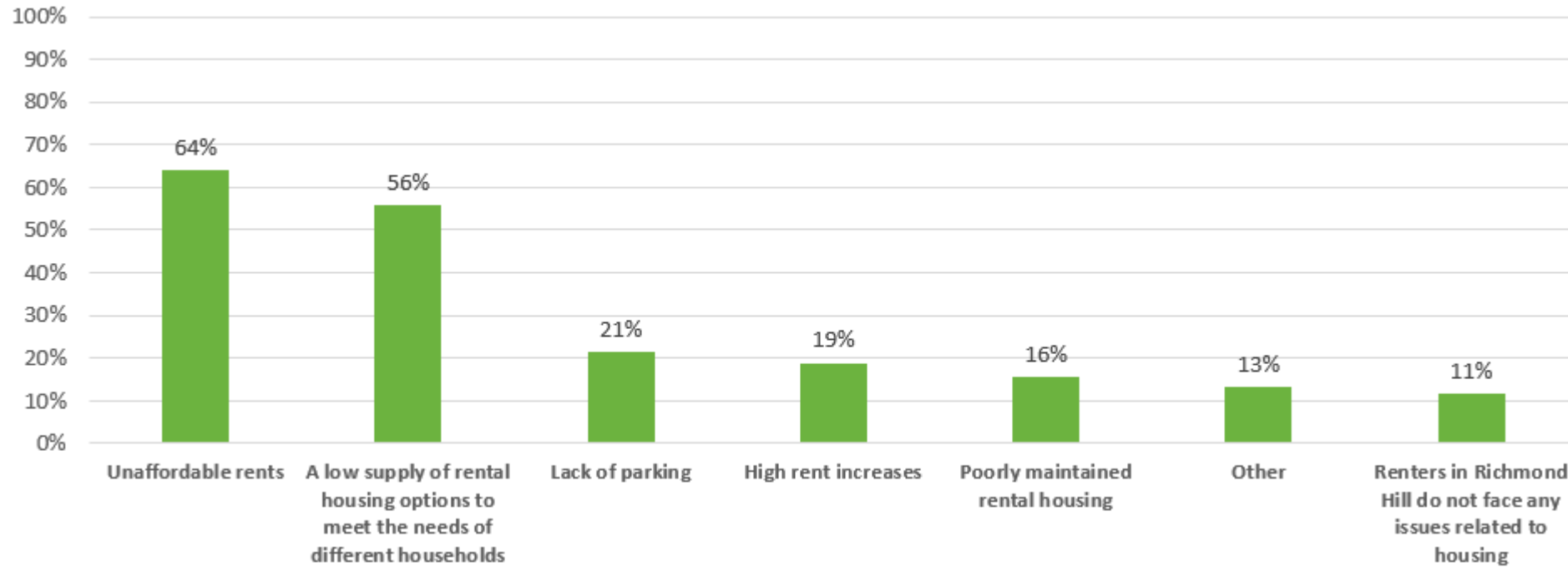
Total Respondents: 122





Housing Survey Results

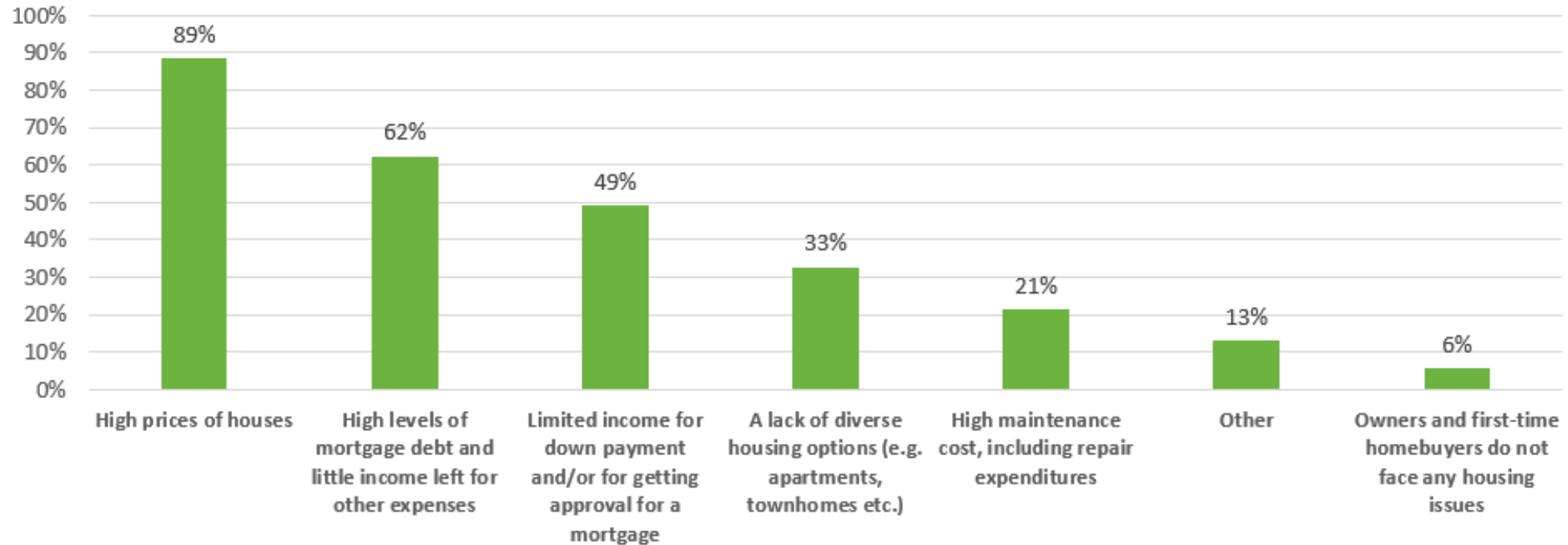
Q1. What do you think are the greatest issues renters in Richmond Hill face?





Housing Survey Results

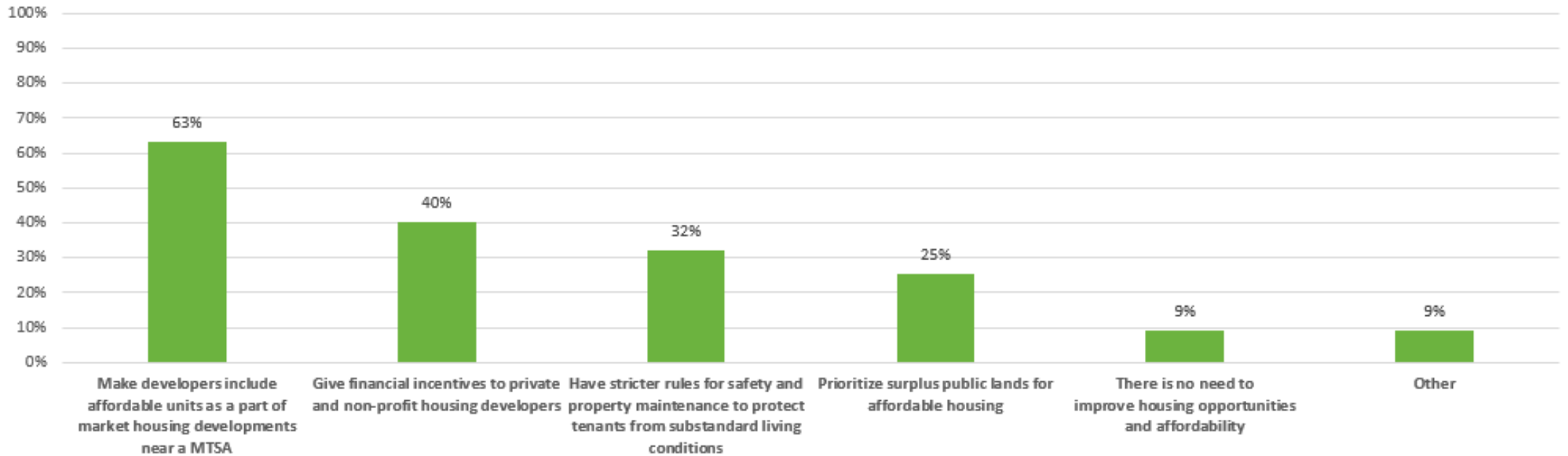
Q2. What do you think are the greatest issues owners / first-time homebuyers face?





Housing Survey Results

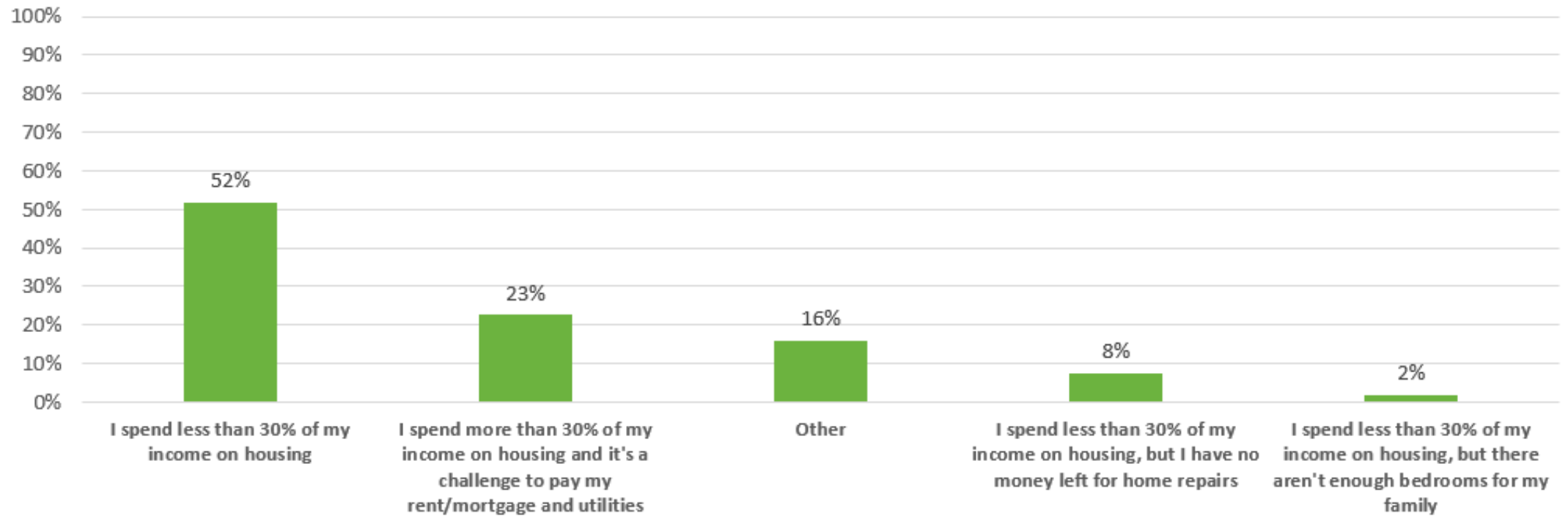
Q3. In addition to updating the Zoning By-law to permit ARUs, what could be done to improve housing opportunities and affordability in the community?





Housing Survey Results

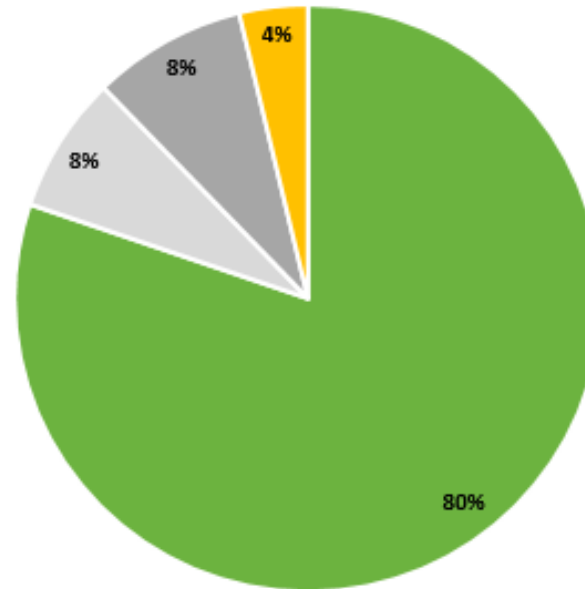
Q8. How would you best describe your current housing situation?





Profile of Respondents

Q10. "I am currently a..."

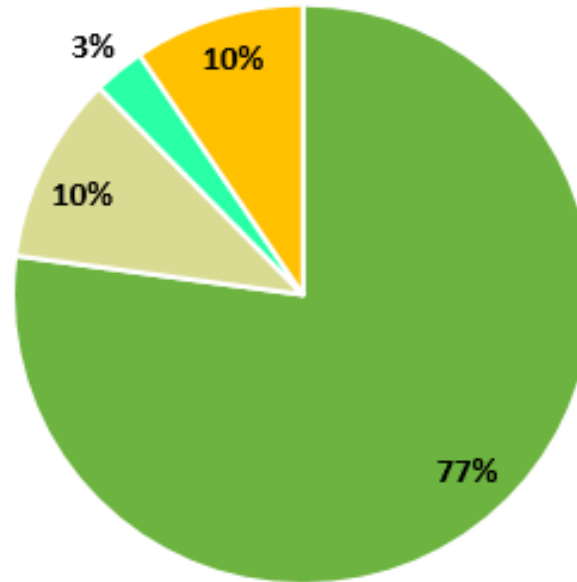


■ Homeowner ■ Renter ■ Renter and potential first-time home buyer ■ Other



Profile of Respondents

Q12. What kind of dwelling do you live in?

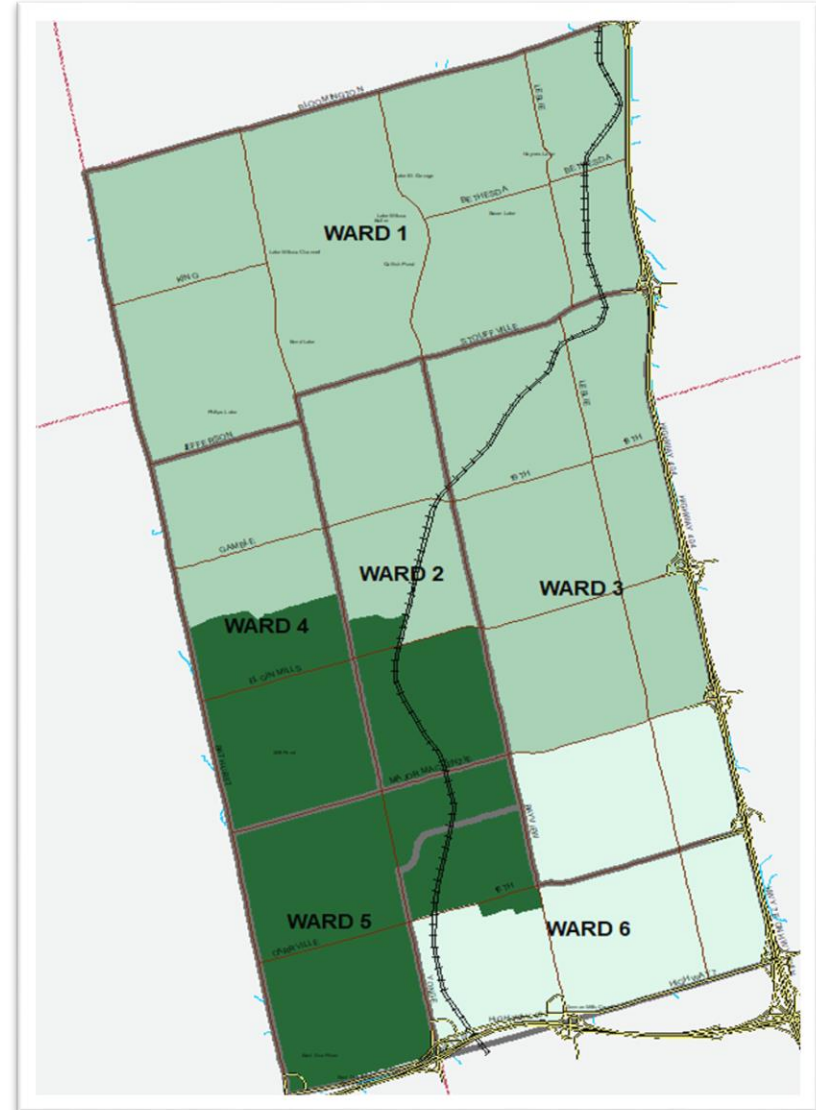
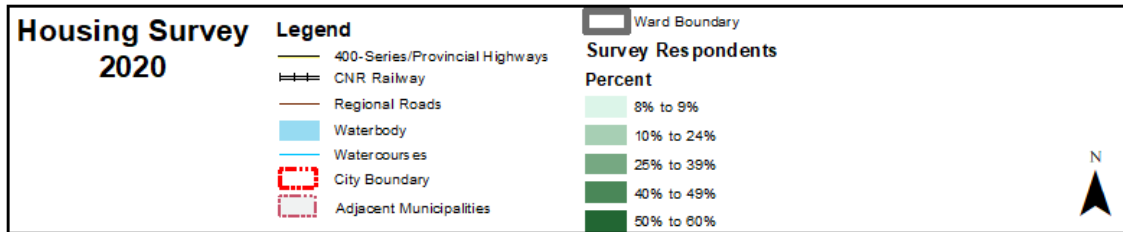


■ House ■ Street Townhouse ■ Back to back Townhouse ■ Apartment



Location of Respondents

Map of Respondent locations in Richmond Hill



Appendix B to SRPI.21.089
Affordable Housing Strategy

The City of Richmond Hill | Affordable Housing Strategy

Strategy Report



May 2021

Acknowledgement

The Richmond Hill Affordable Housing Strategy was undertaken on behalf of the City of Richmond Hill. This report is the result of a collaborative process and would not have been possible without the active involvement of City of Richmond Hill staff and members from the Regional and Provincial government, as well as CMHC, as well as a number of key housing stakeholders and residents. We would like to especially thank the Technical Advisory Committee for their continued support and feedback during the process of creating this Strategy report.

SHS Consulting

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Isanna Biglands, Senior Research and Policy Analyst

Dalton Wudrich, Senior Consultant



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1.0 Introduction

Purpose of this Project

The purpose of this project is to:

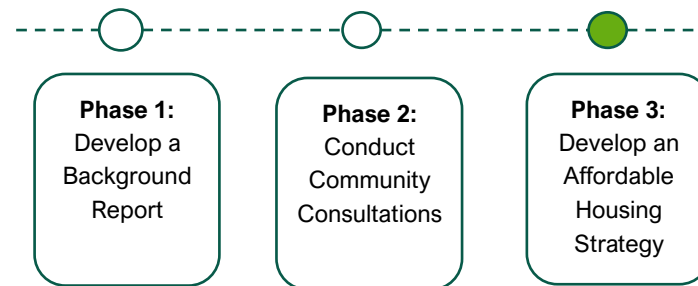
1. Develop a “Made in Richmond Hill Housing Strategy” to identify what the City can do to provide housing that is affordable to moderate-income households in the City
2. Provide a framework for the City to deliver affordable housing through partnerships with other levels of government, developers, landowners and residents

Approach and Report Format

This study is being undertaken in three phases. The first phase of work included the development of a Background Report. The second phase of the project included a number of stakeholder consultations to validate the findings in the background report. The third phase of

work involved developing an Affordable Housing Strategy to address the identified housing needs and gaps.

Figure 1: Project Phases



This Strategy Report is part of phase three, and builds on the findings from phase one and two, to develop a long-term strategic action plan that will help the City ensure more affordable housing is developed in the community. In parallel to this report, a Handbook for Developing Affordable Housing has been developed to help the development sector in Richmond Hill navigate the housing system, identify potential partners, learn about design considerations and find instructions on how to structure a planning report.

2.0 Defining Housing Affordability

The Official Plan¹ for the City of Richmond Hill defines affordable housing for rental and ownership housing. These definitions are in line with the definitions used in the Region of York’s Affordable Housing Measuring and Monitoring Guidelines Update (2018).

The definitions are based on household income deciles² as well as corresponding affordable prices and rents for ownership and renter households accordingly. The thresholds of the definitions change annually based on updated household income deciles, house prices and rents, and based on the most appropriate approach for calculating the affordability thresholds (see Background Report for more information on the methodology for determining affordability thresholds.) This section defines affordable rental and ownership thresholds for the City of Richmond Hill.

For the purposes of this definition, “low- and- moderate-income households” means in the case of ownership housing, households with incomes in the lowest 60% of the income distribution or, in the case of rental housing, households with incomes in the lowest 60% of the income distribution for renter households for the regional market area.

While the Provincial Policy Statement mentions affordability is based on the **regional market area** (i.e. Region of York), research found that using Regional information would lead to affordable house prices and rents being higher than what would be considered affordable if Richmond Hill information were to be used. This is because incomes in the Region of York as a whole are, on average, higher than those in Richmond Hill. This

¹ [The City of Richmond Hill 2010 Official Plan, Chapter 7 – Definitions.](#)

² Household income deciles divide the total universe of households into ten equally portioned income groups. This means that there is one tenth (or 10%) of all households in each income decile.

is because incomes in the Region of York vary depending on the location, and as a result, the average incomes are higher than those reflected in Richmond Hill. The PPS sets out minimum standards and local municipalities can create higher standards by defining deeper affordability thresholds. Therefore, it is recommended to use the household income deciles for Richmond Hill to define housing affordability in the city as these would lead to a more accurate representation of affordability in Richmond Hill.

It is important to note that should the City’s affordability threshold yield more expensive housing prices or rents compared to the Regional affordability threshold, then the Regional affordability threshold will apply.

The following information is provided to demonstrate what this affordable threshold looks like for Richmond Hill based on 2019 data. Each year, these figures need to be updated as new information is released.

In 2019, this means that affordable **ownership** housing should be priced at a maximum of **\$466,888**. This amount was calculated based on what is affordable to the lowest 60% of the Richmond Hill household income distribution.

Figure 2: Affordable Ownership Thresholds by Richmond Hill Household Income Deciles; 2019

Percentile	Income	Affordable Ownership
100 th		
90 th		
80 th		
70 th	Richmond Hill	\$118,317
60 th		\$466,888
50 th		
40 th		
30 th		
20 th	Housing that costs less than 30% of household income for the lowest 60% of household income levels	
10 th		

Source: Statistics Canada Custom Tabulations; 2016, SHS Calculations for Ownership Affordability

For **rental** housing, while low- to moderate-income renter households are identified by the income distribution, the affordable rent threshold is based on the market approach instead of the income approach. Hence, affordable rents should not exceed **\$1,650**, which was 125% of the average market rent according to CMHC for Richmond Hill in 2019³.

Figure 3: Affordability Thresholds for Rental Housing by Richmond Hill Household Income Deciles; 2019

Renter Households				Affordable
	Percentile	Income		Rental
100 th				
90 th				
80 th				125% AMR
70 th	Richmond Hill	\$56,045		\$1,650
60 th				
50 th				
40 th				
30 th				
20 th				
10 th				

125% AMR – meets York Region and Richmond Hill OP definitions

Source: Statistics Canada Custom Tabulations; 2016, SHS Calculations for Rental Affordability; CMHC Housing Information Portal 2020

³ This rental threshold is based on the average market rent for all bedroom types as reported by CMHC, however CMHC also reports on the average market rent by bedroom type.

3.0 Goals and Outcomes of the Strategy

This section of the report includes a summary of the key housing gaps in Richmond Hill identified in the Background Report, a vision for housing in Richmond Hill, and the goals and anticipated outcomes of the Strategy. In the Appendix of this report, the goals achieved by the recommended actions in the Action Plan in Section 4 are identified.

Summary of Gaps

The figure below summarizes the key housing gaps in Richmond Hill identified in the Background Report. The findings are based on the estimated number of households in Richmond Hill in 2019, the proportion of households with low, moderate and high incomes who are facing housing affordability issues, and the household types who are experiencing the highest need.

The figure also shows what households in each income category (based on Richmond Hill household incomes) can afford in terms of monthly rents and house prices, and what is currently available to them in terms of housing options in the city.

Finally, the figure shows what the housing targets are along the continuum for this Strategy. These housing targets will be used to measure the success of the Strategy. The current target for new affordable housing development defined by the City's Official Plan is that in the city overall, 25% of all new residential development should be affordable. Of all those affordable housing units (25% of all new residential units), 10% should be affordable to households with low incomes (serving households with special needs as well). The remaining 15% of affordable units should be affordable to households with moderate incomes. In addition, the City has incorporated actions in this Plan to achieve a 3% vacancy rate for rental housing, which is widely accepted as a "healthy" vacancy rate.

Figure 4: Summary of Housing Gaps and Affordable Housing Targets within the Housing System in the City of Richmond Hill; 2019

	Households with Low Incomes (\$56,244 or less)	Households with Moderate Incomes (\$56,245 - \$118,317)	Households with High Income (\$118,318 or more)	
Housing Demand	HOUSEHOLDS	25,525 households (34.9% of all households)	20,457 households (28.0% of all households)	27,082 households (37.1% of all households)
	WHAT IS AFFORDABLE?	rent of up to \$1,406 house price of up to \$221,941	rent of up to \$2,958 house price of up to \$466,888	rent at \$2,959 + price at \$466,889 +
	THE NEED			
	Spending 30%+ on housing	19,510 households (76.4%)	6,899 households (33.7%)	1,147 households (4.2%)
	Spending 50%+ on housing	13,438 households (52.6%)	1,495 households (7.3%)	86 households (0.3%)
	In core housing need	11,082+ households (43.4%)	183+ households (0.9%)	0+ households (0%)
	Small Households (1-2 persons)	15,889 households (62.2%)	8,551 households (41.8%)	5,552 households (20.5%)
	Large Households (3+ persons)	9,619 households (37.7%)	11,906 households (58.2%)	21,524 households (79.5%)
	Household Types	Youth, recent immigrant households, couples with children, lone parent households, households with two- or more unrelated persons and immigrant households	Recent immigrant households, couples with children and immigrant households	N/A
Housing Supply	SYSTEM CAPACITY	<ul style="list-style-type: none"> 302 shelter beds including 66 seasonal beds, 4 crisis beds and 72 beds for women who experienced domestic violence 42 transitional housing beds/apartments 83 supportive housing units 1,419 subsidized housing units including 56 rent supplements 1,069 affordable units including 250 AHP/IAH units 73 Bachelor units in the primary rental market 645 1-bedroom units in the primary rental sector 	<ul style="list-style-type: none"> 884 2-bedroom apartments in the primary rental sector 108 3-bedroom apartments in the primary rental sector 8,566 units in the secondary rental market 60,210 owner occupied units 	
	THE GAP	<ul style="list-style-type: none"> 6,286 non-senior & 6,261 senior households on the wait list for subsidized housing (2018) 514 people waiting for supportive housing 11,082 households in core need 	<ul style="list-style-type: none"> 1.2% vacancy rate in the primary rental market (2019) 	<ul style="list-style-type: none"> average of 30 days on the market
The Gap	What Housing Is Required?	affordable rental, family sized units, smaller units, units with accessibility features, and housing with supports	purpose-built rental, affordable ownership, and family sized units.	housing affordable to households with incomes in the 7 th to 9 th income decile, housing affordable to first-time home buyers
AFFORDABLE HOUSING TARGETS as a % of all new residential development		A minimum of 10% of all new residential development units should be affordable to households with low incomes	A minimum of 15% of all new residential development units should be affordable to households with moderate incomes	Continue to provide a diversity of housing forms
Overall target of 3% rental housing vacancy rate				

Source: Statistics 2016 Canada Custom Tabulation data, household projections from the Regional Municipality of York, CMHC Rental Market Report: Greater Toronto Area 2019, Notes: Household counts have been estimated for 2019 based on the household projections provided by the Regional Municipality of York but proportions in housing need are based on 2016 Statistics Canada data.

Housing Vision

As part of the Strategic Plan developed in 2009, directions for a vision on affordable housing were created. These are still relevant today.

“Create better options for where to live by planning for a range of housing that provides options for people at all stages of life.”

Source: Richmond Hill Strategic Plan 2009

Housing Goals

The housing needs assessment undertaken as part of phase one of this project identified five housing gaps in Richmond Hill. Based on these gaps, a number of goals and outcomes for the Strategy have been developed.

Goal 1: Support further diversification of the housing stock by creating a range of housing options for seniors to age in place and for younger households to settle in the community.

- **Outcomes:**

- An increased proportion of the overall housing stock as medium- and- high-density dwellings like apartment buildings, triplexes or fourplexes, and townhouses
- An increased diversity in the size of apartment dwellings including family-sized apartments with two or three bedrooms
- An increase in the number of younger households aged 25 to 44 settling in Richmond Hill, through an increased supply of housing units affordable to these households and which meet their needs

Goal 2: Increase the number of rental and specifically purpose-built rental housing options that are in a good state of repair and affordable to moderate- and- low-income households.

- **Outcomes:**

- An increase in the number of market and affordable purpose-built rental housing starts and completions

- An increase in the average vacancy rate for purpose-built rental apartment buildings to a healthier level
- An increase in the number of secondary suites throughout the existing and anticipated supply of housing
- A decrease in the proportion of rental units that need major and minor repairs
- A decrease in the proportion of moderate-income households that spend 30% or more of their income on shelter and low-income households that are in core housing need⁴

Goal 3: Attract new accessible and supportive housing options to Richmond Hill that are suitable for seniors and households with a member with a disability or mental health issue by establishing partnerships and collaborating with stakeholders.

⁴ A household is considered to be in core housing need if the dwelling they occupy falls below the adequacy, suitability, or affordability standard and if the household would be required to spend more than 30% of its before-tax household income to pay the median rent for alternative housing which meets all three standards in the area. According to CMHC, **adequate**

- **Outcomes:**

- An increase in the number of supportive housing options located in Richmond Hill
- A decrease in the number of individuals waiting for supportive housing in Richmond Hill
- Increase the number of housing units with accessibility options and enable seniors to age in their communities

Goal 4: Increase the number of ownership options in Richmond Hill that are affordable to moderate-income households.

- **Outcomes:**

- An increase in the number of starts and completions of owned dwellings with more than one bedroom that are affordable to households in the 6th income decile or below

housing is housing that does not require any major repairs. **Suitable housing** is housing with enough bedrooms for the size and make-up of the household. **Affordable housing** is housing which costs no more than 30% of a household's income.

- An increase in the number of younger households aged 25 to 44 settling in Richmond Hill

4.0 A Housing Action Plan for Richmond Hill

A Housing Action Plan has been developed, in collaboration with key housing stakeholders and residents of Richmond Hill to support the Housing Vision and help achieve the housing goals and outcomes identified above.

The recommended actions were formulated based on the key housing gaps, the identified barriers to housing, the current housing system and roles of key stakeholders, engagement sessions with residents and key housing stakeholders, as well as a review of the tools and incentives available to municipalities such as Richmond Hill.

The recommended actions below are also in line with the actions identified in the Region of York's updated Housing and Homelessness Plan: Housing Solutions: A Place for Everyone – Phase 2⁵.

Timelines for implementation have been established in collaboration with the City of Richmond Hill and key stakeholders. The implementation of all actions should occur from 2021-2023. This timeline takes into consideration the timing of work that is currently underway such as: Official Plan Update, the updating of the Transportation Master Plan, Parks Plan, and preparation of a Comprehensive Zoning By-law Review.

It is important to acknowledge that the Background Report identified a number of housing gaps in Richmond Hill related to the housing needs of households with the lowest incomes (households in the bottom 30% of the income continuum and earning \$65,017 or less in 2019). While there are a number of tools the City of Richmond Hill can implement to help the creation of affordable housing to support these low-income households, generally, the Region of York, as the Service Manager for

⁵ Regional Municipality of York 2019. Housing and Homelessness Plan: Solutions: A Place for Everyone – Phase 2. Accessed from: [https://www.york.ca/wps/wcm/connect/yorkpublic/f5710944-144c-402c-ba60-64bd520dc359/Housing+Solutions+Phase+2+Plan%2C+2019+to+2023.pdf?](https://www.york.ca/wps/wcm/connect/yorkpublic/f5710944-144c-402c-ba60-64bd520dc359/Housing+Solutions+Phase+2+Plan%2C+2019+to+2023.pdf?MOD=AJPERES&CVID=mTLI.du#:~:text=In%202014%2C%20The%20Regional%20Municipality,and%20Homelessness%20Plan%2C%20Housing%20Solutions.&text=Phase%20of%20the%20plan,prevention%20and%20related%20support%20services.)

[MOD=AJPERES&CVID=mTLI.du#:~:text=In%202014%2C%20The%20Regional%20Municipality,and%20Homelessness%20Plan%2C%20Housing%20Solutions.&text=Phase%20of%20the%20plan,prevention%20and%20related%20support%20services.](https://www.york.ca/wps/wcm/connect/yorkpublic/f5710944-144c-402c-ba60-64bd520dc359/Housing+Solutions+Phase+2+Plan%2C+2019+to+2023.pdf?MOD=AJPERES&CVID=mTLI.du#:~:text=In%202014%2C%20The%20Regional%20Municipality,and%20Homelessness%20Plan%2C%20Housing%20Solutions.&text=Phase%20of%20the%20plan,prevention%20and%20related%20support%20services.)

housing, is primarily responsible for addressing the housing needs of these households.

In general, the tools and funding sources from higher levels of government available to cities such as Richmond Hill are not sufficient to completely achieve the depths of affordability required to meet the needs of these households. Accordingly, the actions below focus on the City of Richmond Hill’s abilities to attract affordable housing options for low-income households through partnerships with the Region of York and local housing providers, while supporting the development of market housing options which are more suitable for moderate-income households.

Action Plan

The recommended actions fall within seven categories. The implementation of these actions, in most cases, will require additional public and stakeholder consultation in accordance with the applicable legislation and City protocols.

- 1 Implementation Oversight
- 2 Policy
- 3 Guidelines and Standards
- 4 Regulatory Tools
- 5 Financial Tools
- 6 Land Inventory
- 7 Capacity Building

1

Implementation Oversight

Create an Affordable Housing Strategy Implementation Committee

The purpose of this Affordable Housing Strategy Implementation Committee is to meet on a regular basis to help coordinate and oversee implementation of the Strategy as approved by City Council. It would also include identifying opportunities and making recommendations about how to better align the roles and resources of partner organizations to meet the goals and implement the actions of the Plan. It is proposed that the Committee be comprised of decision makers from different community agencies, housing providers from both the not-for-profit and for-profit sectors, Regional Staff from Long Range Planning and Housing Services Branch and Municipal staff, City councillors and at least one Regional councillor. Consideration should also be given to including individuals with lived experience and members from the supportive housing sector as Committee members. The governance and members of the committee will be finalized upon careful consideration of reporting structure, representation, and other matters. A Terms of Reference, which includes the composition of the committee, should be established, and approved by Council.

The Committee would be responsible for monitoring implementation of the Strategy and determining whether the desired outcomes are being achieved. In addition, the Committee would be responsible for advocating to higher levels of government on the need for affordable housing in Richmond Hill. The Committee would identify where and when advocacy should take place and bring affordable housing issues to the attention of Council where appropriate.

The Committee would play a role in facilitating the development of new affordable housing in Richmond Hill by guiding the implementation of all recommended actions within the Plan by 2023.

1.1 Recommended Action: Create an Affordable Housing Strategy Implementation Committee to guide the implementation of the Strategy.

a) Monitoring

It is recommended that, in accordance with policy 3.1.5.7, the Affordable Housing Implementation Committee work with the City and the Region of York to update common measuring and reporting tools to monitor progress towards implementing this Plan.

The Region of York Affordable Housing Measuring and Monitoring Guidelines provide a standard approach to implementing the Regional Official Plan affordable housing targets. The number and percent of ownership and rental housing units achieving the affordability thresholds in Richmond Hill should be reported on annually and compared with the Region's requirements that 35% of new housing in the Region's Centres and key development areas be affordable and that 25% of new housing overall in the city be affordable. Achieving the affordable housing targets helps to ensure communities are healthy, economically stable and environmentally sustainable.

The provision of a full mix and range of housing options is a legislated requirement and a key component of building complete communities. The standardized approach put into effect by the Region in 2015 allows for a consistent identification and measurement framework of the supply of new affordable units, which support evidence-based policy responses to housing needs. Monitoring the implementation of the Plan will help to identify cases where policies are not working as they should, and then policies can be updated where applicable.

The Committee should also work with the Region to monitor the addition of new supportive housing units, including mental health, developmental disabilities, physical disabilities, etc.

1.2 Recommended Action: In accordance with policy 3.1.5.7, the Committee should work with the City and the Region of York to update common measuring and reporting tools to monitor progress towards implementing this Plan and achieving its targets.

2

Policy

Update the City of Richmond Hill's Official Plan

The City of Richmond Hill is updating the current Official Plan to guide land use and development to 2041 and this update is targeted to be complete by the end of 2022. The following are elements of the Official Plan related to housing that need to be considered and updated.

a) Inclusionary zoning policy

It is recommended that the Official Plan be updated to include an inclusionary zoning policy for Protected Major Transit Station Areas (PMTSAs) that sets out the approach to authorizing inclusionary zoning in Richmond Hill. The policy design should be informed by the findings from the inclusionary zoning impact analysis conducted as part of this study (see Background Report for more detailed information) and consultations with for-profit developers, not-for-profit housing providers, and other housing stakeholders and government officials.

The policy should include provisions for monitoring the impacts of the policy every five years (at minimum). This recommended timing coincides with the Planning Act's requirement to prepare an updated needs assessment at least every five years. The policy should also set out the approach for the procedure required to monitor and ensure that the required affordable housing units are maintained for the required period of time. In addition, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.

Prior to implementing the inclusionary zoning policy, the impact analysis must be reviewed by a third party.

If an inclusionary zoning policy is enabled, an inclusionary zoning by-law can then be passed to give effect to the policy. **See Regulatory Tools for more details on the outcomes for affordable housing that can be achieved when the inclusionary zoning policy is implemented by the corresponding by-law.**

Details regarding the implementation of inclusionary zoning should be addressed when preparing the Official Plan policies as well as the inclusionary zoning by-law.

2.1 Recommended Action: Develop and incorporate an inclusionary zoning policy for Protected Major Transit Station Areas in Richmond Hill.

b) Community Planning Permit System (CPPS) policies

It is recommended that the City updates CPPS policies to enable the use of this tool. The implementation of this system creates faster and more predictable approvals processes and may assist with getting housing to market quicker. It is recognized that the implementation of this permit system requires considerable upfront work, as such if it is determined that there are competitive advantages to using CPPS over traditional zoning, these policies and the subsequent regulations should be pursued.

Lengthy and cumbersome application and approval processes for permits could be reduced through the implementation of CPPS policies and result in the creation of an environment where more affordable housing can be built in less time. If CPPS policies are able to expedite the development review, evaluation and approval timelines, unnecessary costs can be reduced and regulatory barriers to new residential construction will be curtailed. By streamlining the approvals process, there will also be increased transparency and efficiency between regulatory departments at the City and the development community.

The community planning permit system can be applied to the whole city or certain neighbourhoods or areas. The community planning permit by-law can be developed at the same time as, or after, the official plan amendment.

2.2 Recommended Action: Update Official Plan policies to enable the City to implement CPPS policies. Working through the Comprehensive Zoning By-law development process, determine whether or not to implement Community Planning Permit System (CPPS) by-law(s) in appropriate areas of the city.

c) Permit gentle density in Neighbourhood designation

It is recommended that the Official Plan be updated to optimize the development potential in existing Neighbourhoods. To support more gentle density of the housing stock in Neighbourhoods, the City should amend its Official Plan to introduce policies to enable a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones. Multi-tach is a multi-family, detached building containing three to five condominium/rental units that complies to all existing height and setback limits. This policy would enable multi-tach zoning to be established in these typically low-density areas of the city and provide more housing supply within the same land area.

In advance of finalizing this Strategy, the City has taken action to expand its policy for permitting additional residential units within ground related (i.e. single detached, semi-detached and townhouse) units, and in a structure accessory to the primary unit in most areas within the City where ground related units are permitted. The introduction of an additional residential units policy allows homeowners to earn income by renting out a second unit in their home, making mortgage payments more affordable; creates new rental supply for households who cannot afford or do not want to own a home; and is an efficient use of the existing housing stock.

As part of the Official Plan Update, there is also the opportunity to accommodate some limited intensification through infill and redevelopment in Neighbourhoods. Furthermore, the City should ensure there are no barriers to building innovative housing forms such as laneway homes, garden homes and micro/tiny homes, etc. in appropriate areas provided they meet health and safety standards.

2.3 Recommended Action: Introduce policies to enable a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.

2.4 Recommended Action: Ensure there are no barriers in the Official Plan to building innovative housing forms, such as smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.

d) Revise definition of affordable housing

It is recommended that, as part of the Official Plan Update, the threshold⁶ of affordable housing in the Official Plan is updated to reflect the definition and methodology described in the Background Report. It is also recommended that thresholds of affordable rent and house price be shared with the public annually. It is recommended that these updates be done through communications published on the City's Affordable Housing Strategy webpage.

2.5 Recommended Action: Update the definition of affordable housing in the Official Plan and update the affordable threshold for prices and rents on an annual basis based on the methodology identified in the Background Report.

e) Demolition and rental conversion control policy

It is recommended that, as part of the Official Plan Update, policy 3.1.5.4 be strengthened to implement a demolition and conversion control policy that prohibits the demolition and conversion of rental properties into another tenure. This policy should apply city-wide. It is recommended that the Official Plan be updated to include the following policy criteria under policy 3.1.5.4:

- Conversion of rental housing to condominium tenure must be prohibited unless the vacancy rate of market rate purpose-built rental housing, as reported by CMHC, is above 3% for the preceding three-year reporting period.
- Demolition of rental units must be prevented unless replacement units are provided. If the rents of the units proposed for demolition are considered affordable at the time of application, these must be replaced by units that have affordable rents enforced through an agreement on title. If rents of the units proposed for demolition are at

⁶ The methodology for determining the threshold of affordable housing is presented in the Background Report.

market rates at the time of the application, these units may be replaced with rental units with no restrictions to the price of the rents.

The key housing gaps analysis conducted as part of this Strategy (see Background Report) identified that there is a need to increase the number of rental housing options that are in a good state of repair and affordable to households with moderate and low incomes in Richmond Hill. The demolition and conversion policy in the Official Plan should therefore be strengthened to preserve the existing supply and increase the supply of rental housing in the city.

2.6 Recommended Action: Strengthen policy 3.1.5.4 in the Official Plan to implement a demolition and conversion control policy that prevents the demolition and conversion of rental properties into another tenure.

f) Policy requiring larger sized units in all multi-residential buildings with 20 units or more

It is recommended that policy 3.1.5.6 in the Official Plan be updated and refined to require 5% of units in all new multi-residential buildings with 20 or more units be built to include 3 or more bedrooms (except for developments providing supportive housing and/or affordable housing).

It is important that families and larger households have the opportunity to rent or buy housing that is suitable throughout the city. While it is important to protect and replenish the existing supply of larger sized housing units, a policy requiring larger sized units in all new multi-residential buildings would ensure the availability of housing suitable for families and larger households into the future.

The recent housing completions data demonstrate that higher-density apartments are increasing in number in Richmond Hill as apartment completions made up the largest share in Richmond Hill in 2019 at 39.0%. However, very few housing units with three-bedrooms or more, that may be considered appropriate for families, are being provided in these buildings, based on building permit data. The building permit applications from 2016 to 2019 suggest that 3.6% of the apartment dwellings will be three-bedroom units.

2.7 Recommended Action: Update policy 3.1.5.6 in the Official Plan to require 5% of units in all new multi-residential buildings with 20 or more units be built to include 3 or more bedrooms (except for supportive housing and/or affordable housing).

g) Policy to prioritize surplus land for affordable housing

It is recommended that the City adopt a policy that encourages public agencies to develop a hierarchy of priority when considering the sale or lease of land or buildings (where housing is permitted), which identifies developers who commit to creating affordable purpose-built rental housing second in priority to other public agencies.

To reduce the burden of high land costs on developers of affordable housing, the City of Richmond Hill could identify surplus City land where housing is permitted within the city and make it available for the development of affordable rental housing and especially supportive housing. Priority should be given to not-for-profits or to private developers who have partnered with not-for-profits in the bidding process for these sites. These lands could be provided through long-term leases for nominal costs. While the land sales dollar value may not result in immediate profits, the City will incur long term financial gains through increased property tax, as well as multiple economic spinoff benefits that result from increased jobs and consumers within the area.

Implementation of this policy might involve identifying an appropriate period of time for this site to be bid on. If this timeline expires with no buyer from a public agency or buyer who has purchased the property for affordable housing, the property can then be opened for sale or lease for other purposes.

2.8 Recommended Action: Adopt a policy in the Official Plan that encourages public agencies to make surplus or underutilized public land or buildings where housing is permitted, where other public agencies have not expressed an interest in them, available to developers who commit to creating affordable, purpose-built rental, and especially supportive housing at no cost or a nominal cost.

2.9 Recommended Action: The City should update its land disposition policies, pursuant to the Municipal Act, to prioritize the sale or lease of land first to other public authorities, and then to providers of affordable rental or supportive housing.

h) Policy to promote more complete community building

It is recommended that the City update its Official Plan to further promote the creation of complete communities to address the wealth creation initiatives provided in the Background Report. The intent of this recommendation is to help households create wealth by providing residents with options that reduce the cost of living for them (e.g., strategies that reduce reliance on automobiles and their associated costs) and/or creating opportunities to gain income (e.g., renting out a portion of their home) or having access to better paying jobs near where they live (e.g., more mixed-use developments).

The City's Official Plan contains "A Complete Community" as one of its five core policy directions. Through the update of the Official Plan, more policy permissions may be warranted to ensure that home, work and mobility options are expanded within the City.

2.10 Recommended Action: Update the Official Plan to further promote the creation of complete communities by addressing the wealth creation initiatives related to mobility, mix of uses, access to jobs, and housing options among others that are provided in the Background Report.

3

Guidelines and Standards

Update Parking Standards

It is recommended that current in force parking requirements be reduced for residential developments in Major Transit Station Areas and other appropriate areas (e.g. areas that are well-served by public transit) based on the findings from the Transportation Masterplan Update.

The City should consider approving further reductions of parking requirements for affordable, supportive and purpose-built rental housing projects where the proponent can demonstrate that the demand for parking will be less than what is otherwise required. Consideration should also be given to how the project will prevent social isolation that might occur due to a lack of transportation options to residents (e.g. by providing car-sharing services in the building or providing parking options in non-residential buildings in the same area). In cases where parking requirements are reduced, ensure that “rent-a-car” or other car sharing facilities are incorporated into the operations of the development.

Demand for parking should be monitored on an ongoing basis to determine whether parking standards are defined appropriately.

The City should also consider permitting above ground structured parking in mid-rise and high-rise buildings across the city where these developments are zoned.

Decreasing parking requirements in new buildings and/or permitting above ground structured parking can result in decreased construction costs and could facilitate the development of new housing units. Parking standards for Major Transit Station Areas vary by location (key development areas) and they vary by unit type. Developments that occur within Major Transit Station Areas could likely sustain lower ratios of parking spots to units, as residents can access public transit easily. By reducing costs associated with constructing underground parking spaces, through lowering parking requirements, developers can offset the decreased revenue stream incurred by providing affordable housing units in their developments while still maintaining financial viability overall.

3.1 Recommended Action: Assign parking requirements for residential developments in Major Transit Station Areas and other appropriate areas (e.g. areas that are well-served by public transit) that are commiserate with the walkability and existing and planned transit for that area. Based on the findings from the Parking Strategy Update, consider permitting further reductions of parking requirements for affordable, supportive and purpose-built rental housing projects where appropriate and where the proponent can demonstrate that the demand for parking will be less than what is otherwise required.

3.2 Recommended Action: Consider permitting above ground structured parking in mid-rise and high-rise buildings across the city where these developments are zoned.

Update Standards for Alternative Design and Development

It is recommended that the City consider revising non-regulatory standards that may have the effect of reducing capital and/or operating costs of housing and enable more flexible and innovative residential development throughout the city. Alternative development standards could replace many traditional standards. For example, right-of-way and road pavement widths can be reduced without compromising safety, resulting in land cost savings; and lots can be smaller or configured differently to increase densities, resulting in more development at a lesser land value per capita cost.

The City may also change urban design requirements for particular tenures (e.g. purpose-built rental buildings) to allow for concrete slabs and simple designs or permit stratification of infrastructure by allowing parking for private use under or

above City or other public infrastructure. Furthermore, municipalities could use this tool to facilitate the construction of modular homes, pre-fabricated homes, shipping container housing, and/or tiny homes.

Alternative design and development standards can encourage developers to use the available land and building materials more efficiently. This is especially powerful when combined with a requirement to apply cost savings to rents/house prices or other community benefits. This could provide incentives for private developers to create units that include purpose-built rental housing or affordable ownership housing. In addition, it could attract non-profit, as well as supportive housing providers to the City of Richmond Hill as these alternate standards can make them more competitive with the private sector.

3.3 Recommended Action: Consider revising non-regulatory standards that may have the effect of reducing capital and/or operating costs of housing and enable more flexible and innovative residential development.

4

Regulatory Tools

Update the Comprehensive Zoning By-law (CZBL)

The City is in the process of conducting a comprehensive Zoning By-law review (to be completed by 2023). It is the intent that the comprehensive Zoning By-law review will create one document that will establish "as-of-right" permissions for all properties in the City and enable residents and landowners to develop their lands in a predictable and consistent manner.

As part of this process, the CZBL should be updated to conform with all relevant updates to the Official Plan. It would be important to ensure that the review includes an analysis of all land-use policies to identify if there are policies that might prevent the diversification of the housing stock, as well as the creation of affordable and supportive housing. It would also be important to identify any policies that might be discriminatory (e.g., distancing requirements for supportive housing and group-homes).

The following are elements of the CZBL that need to be considered and updated.

a) As-of-right zoning for mid- and high-rise developments

It is recommended that the City provide as-of-right zoning for multi-residential developments in areas identified for mid- and high-rise developments to ensure zoning provisions conform with Official Plan policies. This would allow for intensification in these areas to occur more easily and it creates transparency and certainty for developers.

4.1 Recommended Action: Ensure the Comprehensive Zoning By-Law conforms with the Official Plan policies to provide as-of-right zoning for multi-residential developments in areas identified in the Official Plan for mid- and- high-rise developments.

b) Shared housing/co-housing

It is recommended that as part of the Comprehensive Zoning By-Law review, ensure there are no barriers to shared housing/co-housing and co-living arrangements in appropriate areas, as-of-right, in Richmond Hill. By-laws that refer to “single-family” units should be revised to be more inclusive of unrelated people living within the same dwelling.

The City is presently preparing a technical paper on short term and shared residential accommodations. Shared accommodations offer affordable housing and needed services, where residents live within a building comprised of units or suites, which have either a kitchen or bathroom, but not both. Some of these facilities, or common areas, are shared by the residents. Examples include rooming houses, boarding houses, lodging houses, and institutional housing. The technical paper will explore this form of accommodation and determine how it fits in with the character of surrounding neighbourhoods and whether regulations are required.

Shared housing can help support the creation of more affordable housing units for certain demographic groups, such as young adults, seniors and persons with disabilities. As the housing gaps analysis in the Background Report shows, Richmond Hill’s population is aging and while some seniors would prefer their own housing unit, others may wish to share housing with friends or other seniors, whether or not they are receiving services. Having the option to share housing would not only address the issue of having more housing options for seniors, but it would also allow seniors to share other costs, such as housekeeping, outdoor maintenance, meals, and vehicle maintenance. It also helps ensure seniors are not isolated and have the option to stay socially connected as they age. In addition, the key housing gaps analysis demonstrated that younger households (aged 25 to 44 years) have been leaving Richmond Hill. This exodus might be caused by challenges to obtain suitable and affordable housing in the city. Shared housing may be a means of retaining and attracting younger households in the city. Furthermore, shared housing would also help address the need for supportive housing in the city by having a group of persons with similar needs living together and receiving services.

4.2 Recommended Action: As part of the Comprehensive Zoning By-law review, ensure there are no barriers to shared housing/co-housing and co-living arrangements where dwellings are permitted or currently exist, as-of-right, in Richmond Hill.

c) Innovative housing forms

If the Official Plan is updated to ensure there are no barriers to building innovative housing forms in appropriate areas of the city, it is recommended that the zoning by-law also be updated to remove barriers to building innovative housing forms such as smaller units, laneway homes or garden homes as well as micro/tiny homes etc., provided these units meet health and safety standards.

Household trends show that smaller households are increasing in Richmond Hill. This demonstrates a need for smaller housing options as well. This need is further reinforced by the aging population and a need for housing options that are suitable for aging in place. Building these innovative smaller units, can enhance affordability due to lower development costs. Promoting innovative housing forms will contribute to facilitating the production of housing that is affordable and suitable to these residents.

The outcome of this recommendation would be to support the diversification of the housing stock.

4.3 Recommended Action: As part of the Comprehensive Zoning By-Law review, ensure there are no barriers to building innovative housing forms, such as modular units, smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.

d) Multi-tach zoning

If policies to enable a multi-tach zoning category are introduced in the Official Plan Update, it is recommended that zoning in areas throughout the city where new housing development is restricted to low-density, single-family detached homes be modified to allow for multi-tach zoning. Multi-tach is a multi-family, detached building containing three to five condominium units that complies to all existing height and setback limits. Introducing multi-tach zoning therefore contributes to modest

densification in these typically low-density areas without affecting the character of the neighbourhood.

4.4 Recommended Action: As part of the Comprehensive Zoning By-law review, introduce a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.

e) Additional residential units

In advance of finalizing this Strategy, the City has taken action to update its zoning by-law to permit an additional residential unit within a ground related (i.e. single detached, semi-detached and townhouse) unit, and in a structure accessory to the primary unit in most areas within the city where ground related units are permitted. This by-law amendment enables homeowners to create an additional residential unit without having to request a site-specific amendment to the zoning by-law. This amendment also generally legalizes any additional residential units that may have been created prior to the by-law having been enacted. In this way, improvements to existing units can be done and any new units can be created in compliance with building and fire code requirements when building permits are issued for these units.

Inclusionary Zoning By-Law

If an inclusionary zoning policy is put in place, it is recommended that the City determine where an inclusionary zoning by-law should come into effect and with what provisions.

Some additional information is needed in the inclusionary zoning by-law that is distinct from the inclusionary zoning policies in the Official Plan. These include:

- Development standards for the affordable units
- Whether measures and incentives may be provided, and what these are
- Requirement that prices/rents be affordable when they are sold/leased
- Requirement for any agreements to be entered into with the City

- Procedure for monitoring and maintaining units to be affordable over the affordable period

The analysis conducted as part of this study (see Background Report) reviewed the expected impact of a potential inclusionary zoning policy and by-law through a pro forma model that evaluates the impact on land values. This type of zoning provides developers and the public with certainty regarding development permissions within these areas. It is noted that inclusionary zoning by-laws and the height and densities of buildings set in the PMTSAs are not subject to appeal to the Local Planning Appeal Tribunal (except by the Minister of Municipal Affairs and Housing.)

Once implemented, the inclusionary zoning units of the building will remain affordable over the predetermined period of time stipulated in the by-law, this ensures long-term affordability of units. The inclusionary zoning pro forma analysis shows that there is a strong correlation between the viable rate of inclusion of affordable housing and the increased density. As such, the maximum permitted density of each PMTSA considered for implementation of the inclusionary zoning policy must be reviewed and the maximum density increased by a sufficient amount to create viable development projects.

As mentioned in the Policy section of this Plan, the needs assessment report is required to be updated every five years to determine whether the official plan policies require amending. A report detailing the performance of the inclusionary zoning by-law is required to be prepared every two years and address prescribed matters.

If it is determined that an inclusionary zoning by-law will be implemented, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.

4.5 Recommended Action: Once an inclusionary zoning policy for Protected Major Transit Station Areas has been adopted, develop and incorporate an implementing inclusionary zoning by-law.

Community Planning Permit System (CPPS) By-law

If Community Planning Permit System policies have been put in place, it is recommended that the City determine where a CPPS by-law should come into effect and with what provisions.

Like a traditional zoning by-law, the community planning permit by-law would contain a list of permitted uses and development standards, such as height and density specifications (for example, how tall a building can be or how many units it can have). It could also contain other elements not found in a traditional zoning by-law, such as:

- land uses that are allowed, subject to certain conditions including conditions that require the provision of affordable units over the long term
- classes of development or uses of land exempt from requiring a permit (for example, garages, pools, sheds)

Once a community planning permit by-law is in effect, municipalities can issue permits to allow development to occur if an application meets the standards set out in the community planning permit by-law.

The expected outcomes of implementing a CPPS are to:

- make the provision of affordable housing a condition of development approval
- make development approval processes more streamlined and efficient
- get housing to market quicker
- create certainty and transparency for the community, landowners, and developers

4.6 Recommended Action: If CPPS policies have been adopted, develop a CPPS by-law.

Community Benefits Charge (CBC) By-law

It is recommended that the City consider preparing a strategy for implementing a CBC, which will include the estimated charges as well as the annual reports on the amounts in the CBC special account.

The More Homes, More Choice Act provides municipalities with the authority to charge for community benefits with respect to land to be developed or redeveloped. Community Benefits Charges (CBC) are intended to fund municipal

infrastructure for community services, such as land for parks, affordable housing, and childcare facilities, that are needed to support new residents and businesses associated with new development. The CBC is meant to complement development charges and parkland dedication requirements. A CBC may not exceed 4% of the land value on the day before a building permit is submitted. The CBC can be paid "in kind", as such, a development that provides affordable units would not have to pay the charge.

Municipalities are required to pass a CBC By-law by September 18, 2022. Non-profit and affordable developments are excluded from a potential CBC.

To implement a Community Benefits Charge by-law, a municipality must prepare a Community Benefits Charge Strategy which identifies the items such a by-law intends to support through the collected funds. Such a strategy must contain:

- The anticipated type, amount and location of development or redevelopment that would be subject to a community benefits charge
- The anticipated increase in the need for a specific community service (for example, **affordable housing**) resulting from new development or redevelopment
- The capital costs associated with the increased need for a specific community service resulting from new development or redevelopment
- The excess capacity that exists in those specific services (for example, the extra capacity that exists in a service that is not currently being used)
- Whether the increased provision of those specific services would also serve existing residents (for example, existing residents may also benefit from new childcare facilities that are needed as a result of new development or redevelopment)
- Any capital grants, subsidies, or contributions from other levels of government or other sources like donations that are anticipated to be made to support those specific services

As part of the Community Benefits Charge Strategy, the City may want to examine opportunities for using some revenue from the CBC to fund potential financial incentives to support affordable housing including the Community Improvement Plan or to acquire land to be provided to developers of affordable housing.

4.7 Recommended Action: Undertake a Community Benefits Charge Strategy and adopt a Community Benefits Charge By-law in accordance with the Community Benefits Charge Strategy.

Demolition and Rental Conversion Control By-law

It is recommended that the demolition and rental conversion control by-law be updated to conform with the updated demolition and rental conversion control policy (policy 3.1.5.4) in the Official Plan. In the Policy section of this Plan, it is recommended that policy 3.1.5.4 be strengthened to implement a demolition and conversion control policy that prohibits the demolition and conversion of rental properties into another tenure. It is further recommended that the policy be amended to include the following specifications:

- Conversion of rental housing to condominium tenure must be prohibited unless the vacancy rate of market rate purpose-built rental housing, as reported by CMHC, is above 3% for the preceding three-year reporting period.
- Demolition of rental units must be prevented unless replacement units are provided. If the rents of the units proposed for demolition are considered affordable at the time of application, these must be replaced by units that have affordable rents enforced through an agreement on title. If rents of the units proposed for demolition are at market rates of the time of the application, these units may be replaced with rental units with no restrictions to the price of the rents.

With the implementation of such a by-law, the City would be able to protect a greater number of rental housing properties subject to demolition or conversion activities.

4.8 Recommended Action: If policy 3.1.5.4 in the Official Plan is updated, strengthen the demolition and rental conversion control by-law in accordance.

5

Financial Tools and Incentives

Community Improvement Plan (CIP)

It is recommended that the City explore the use of a Community Improvement Plan (CIP) to incentivize purpose-built rental and affordable housing in areas where inclusionary zoning is applied, or city-wide. The outcome of this recommendation would be to assist in the development of rental housing in the city by providing an incentive to encourage the creation of these housing units.

The resulting CIP could include one or more programs which may be in the form of a grant, loan, or provision of land. A loan program may be suitable for the creation of additional residential units (also known as secondary suites). The outcome of such an incentive would be to encourage homeowners to develop new supply of affordable rental housing on their currently existing lot. Alternatively, a capital grant would be effective for building renovations to existing rental buildings, or the development of new rental buildings. The provision of a Tax Increment Equivalent Grant (TIEG) may be suitable to offset operating costs associated with rental buildings. The granting of lands may be suitable for supportive not-for profit housing; but this too needs to be recognized in a CIP.

The CIP may also include energy efficient programs and incentives, which may reduce operating costs of the development and also support City priorities related to the reduction of greenhouse gas emissions.

A key barrier for developers to provide affordable housing is the cost associated with planning approvals, building permits, development charges, and increased tax rates, all of which contribute to higher rents and ownership costs. These CIPs

would contribute to decreases in these costs, which in turn could result in greater supply of affordable housing and significantly lower average rents and prices.

The possible outcomes of implementing these CIPs are an investment in affordable housing by the City, an incentive that encourages the private sector to invest in the provision of affordable housing, and an increased the supply of rental and affordable housing in Richmond Hill.

5.1 Recommended Action: It is recommended that the City explore the use of a Community Improvement Plan (CIP) to incentivize purpose-built rental, additional residential units, and affordable housing, in areas where inclusionary zoning is applied, or city-wide.

Purpose Built Rental Housing - Building Renovation Program (CIP)

It is recommended that the City implement a repair program for purpose-built rental housing (6+ units) to offer grants or forgivable loans to rental properties where modifications are needed to make their buildings accessible or to address critical repairs to improve the safety and/or energy efficiency of their buildings. This program could compliment other programs which help with critical repairs or accessible modifications. This program could address matters, such as:

- Ramp and/or elevator installations
- Urgent repairs to roofs, windows, balconies, or other areas that jeopardize safety
- Critical furnace repairs or replacements that jeopardize the ability for a tenant to continue to live safely
- Improvements to the building's electrical and mechanical systems as well as insulation that improves energy conservation to reduce GHG emissions and reduce operating costs to sustain current rent rates within the building

An important requirement of this program is that the proponent commit to not increasing rent rates to cover the costs of the building renovation that are otherwise addressed by this program.

5.2 Recommended Action: The City should implement a Purpose-Built Rental Housing - Building Renovation Program (CIP) to offer grants or forgivable loans to rental properties that require improvements to improve accessibility or require critical repairs to improve the safety.

Reduce, Defer, or Grant-in-lieu of Fees for Affordable Housing Development

It is recommended that municipal fee by-law(s) be reviewed and amended, where practicable, to reduce or provide grant-in-lieu of fees associated with the provision of new affordable, purpose-built rental, rental, and/or supportive housing. Municipal fees such as development charges, parkland dedication fees, and property taxes which contribute to the soft costs of a development can be onerous. High soft costs associated with construction can contribute to limitations on the level of housing affordability that is possible. Incentives applicable to affordable and purpose-built rental buildings such as the reduction or deferral of or exemptions from development charges and other municipal fees, deferrals of municipal tax payments, etc. could reduce the costs of construction and increase affordability of new units. The purpose of this recommendation is to incentivize the development of these housing types.

The Region of York has its own Development Charges Deferral for Affordable, Purpose-Built Rental Buildings policy. It should be noted that the Region will only enter into a Development Charges Deferral agreement if the local municipality has provided a similar, if not better, deferral, exemption, or other incentive, for the proposed development. It is, therefore, recommended that the City develop its own similar, if not better, program. It should be noted that local matching incentive(s) do not need to be monetary.

The policy could include eligibility requirements based on building height, distribution of bedroom sizes, level of affordability, etc. to meet the needs of the community. The incentives should be tied directly to the affordable housing units created and should be aligned with the Region's programs and incentives. The City could consider introducing this as a pilot program prior to introducing the full program to evaluate its impacts.

If a community benefits charges by-law is passed, this policy should be expanded to include the deferral of the community benefits charges applicable to purpose-built rental, and/or supportive housing units in new developments if the CBC does not include contributions for affordable housing.

In addition, it is recommended that the City consider allowing developers to provide parkland offsite in lieu of in situ or cash in lieu. This may benefit developers who are able to offer up the amount of parkland elsewhere, in appropriate locations, where there are lower land values. This also results in the City receiving the amount of parkland it needs, while the developer pays less than the land value of the land on which they are developing. If the offsite parkland area is relatively close by to the residential development, this would still meet the needs of new residents, while enhancing park areas and housing generally.

To consider parkland offsite in lieu of in situ or cash-in-lieu, there should be clear parameters regarding when this could be applied, including providing alternate sites proximate to the development site. Further, there should be clear thresholds for determining affordable housing and how many affordable units would be required.

5.3 Recommended Action: Review and, where practicable, amend fee by-law(s) to reduce, defer or provide grant-in-lieu of fees associated with the provision of affordable housing, purpose-built rental housing, and/or supportive housing in new residential developments.

5.4 Recommended Action: Consider allowing developers to provide parkland offsite, in appropriate locations, in lieu of in situ or cash in lieu.

Vacant Homes Tax

It is recommended that the City conduct consultations on the potential implementation and design of a tax on vacant homes with key housing stakeholders who would be impacted by such a tax, including property owners and the general public. The Province of Ontario recently introduced legislation that would empower the City to implement a tax on vacant residential units, encourage property owners to sell unoccupied units or rent them out, and address concerns about

residential units potentially being left vacant. The objective of such a tax is to encourage homeowners to rent out these empty units, increasing the supply of rental housing immediately available with no additional development required.

The revenues collected through a Vacant Homes Tax could be used to finance incentives (such as the CIP) and/or other initiatives related to the development of affordable and rental housing in the City. Although revenues will be collected through the Vacant Homes Tax, the main objective of the tool is to incentive the occupancy of vacant housing.

If the City proceeds with implementing a Vacant Homes Tax, it may consider using the City of Vancouver's administrative approach for identifying vacant units used in its Empty Homes Tax program. The City of Vancouver requires all residential property owners to make a mandatory Status Declaration of their property on an annual basis. Owners are required to declare their property's occupancy status for the preceding year. Failure to declare status after a notice period would deem the property vacant and trigger tax liability ("negative billing"). Substantial penalties act as deterrence from making false declarations.

5.5 Recommended Action: Investigate whether a Vacant Homes Tax for residential properties that are empty for several months during the year should be implemented.

Property Tax Levy

It is recommended that the City investigate whether a property tax levy should be imposed on residential and non-residential properties to develop an ongoing fund to be used towards affordable housing and purpose-built rental housing projects. Such a property tax levy could be introduced on all tax classes or certain non-residential tax classes which benefit from the presence of affordable housing in the city.

The outcome of this financial tool is to provide an ongoing source of funds to be dedicated to affordable housing. The revenues generated from the property tax levy could be used by the City to fund some of the financial incentives described throughout this Plan, such as the CIP. In addition, the City could use these funds to acquire private lands following certain considerations such as existing City real estate, planning and zoning considerations, condition of the site,

access to public transit, local amenities and services, etc. The design of the property tax levy should clearly identify where and how the funds collected will be used as well as measure how quickly funds are being used.

Before introducing a property tax levy, it is imperative that the City pursue a community consultation process to gain acceptance and buy-in from residents on the design and implementation of the levy.

5.6 Recommended Action: Investigate whether a property tax levy should be imposed on residential and non-residential properties to develop an ongoing fund to be used towards affordable housing and purpose-built rental housing projects.

6

Land Inventory

Identify Surplus or Underutilized Land or Buildings for Affordable Housing

It is recommended that the City identify all surplus municipally owned properties that are appropriate for the development of housing and consider selling or leasing some or all of these properties at a discounted price to be developed as affordable housing. This action would reduce the cost of acquiring land for developers of affordable housing and ultimately increase the supply of affordable units throughout Richmond Hill.

During consultations with key stakeholders, it was suggested that the City should also identify land currently occupied for a municipal function such as a library, community centre, municipal parking lots, etc. that could accommodate affordable housing on additional top floors. An example of this could be a multi-purpose development with a library on the ground floor and several levels of affordable housing on the higher levels. Not only will land costs be reduced for the developer and for affordability to be promoted, but mixed-use developments also increase density and create diverse and complete neighborhoods. Creating affordable housing at these sites will help address the need for affordable housing while also providing housing that is affordable to future area employees close to places of work.

To implement this recommendation, the City may consider designating a department to lead the process of identifying and allocating these surplus properties. In developing such a program, the City should explore options and opportunities to maximize the participation of non-profit housing providers, in these offerings for City-owned sites, and provide greater consideration to submissions from non-profits that are financially viable, meet all other program requirements under the program and provide greater levels of affordability.

6.1 Recommended Action: Identify surplus or underutilized City-owned land or buildings for the purpose of developing affordable housing. In addition, consider options to re-develop/use City land to include affordable housing on these sites where appropriate (e.g., above or next to libraries and/or other City owned properties or land such as municipal parking sites).

7

Capacity Building

Handbook for Developing Affordable Housing

Building on action 3.3 (Goal 1) of the Region’s updated Housing Solutions Plan and as part of an education campaign, it is recommended that the City work with the Region to promote the Handbook for Developing Affordable Housing, develop educational material and facilitate workshops to increase the capacity and knowledge of housing developers and community agencies on how to build affordable housing in Richmond Hill, including available funding programs, incentives, and partnership opportunities. This should also include presentations of successful partnerships among community agencies and private developers as well as the successful management of the Region and community agencies of affordable units located within private market rate rental and condominium buildings.

The Handbook for Developing Affordable Housing should be updated on a regular basis to include the most recent information on available funding programs that help reduce the cost of affordable residential development, promising innovations in residential development, potential partnership opportunities between the private and not-for-profit sectors, and any other information that could encourage the provision of affordable housing.

In addition, the City should continue to work with the Region to explore and promote alternative forms of affordable home ownership models, such as rent-to-own, shared equity, unbundling, and life lease, within the development community.

7.1 Recommended Action: Work with the Region to promote the Handbook for Developing Affordable Housing.

7.2 Recommended Action: Update the Handbook for Developing Affordable Housing on a regular basis.

7.3 Recommended Action: Building on the Region’s updated Housing Solutions Plan, continue to work with the Region to explore and promote alternative forms of affordable home ownership models, such as rent-to-own, shared equity, unbundling, and life lease, within the development community. This could be an additional section incorporated within the Handbook for Developing Affordable Housing.

Additional Residential Units’ Guidance

It is recommended that the City develop guidance material to help homeowners plan and build additional residential units on their lot that has a ground related house. This material could supplement and reference similar guides published by the Province of Ontario⁷ to provide homeowners with a user-friendly guide and checklist to help build legal additional residential units.

The guidance material should include information related to:

- Municipal zoning requirements and standards for second units, including parking requirements, exits and entrances, servicing and minimum or maximum unit size, etc.
- Instructions for getting a building permit
- References to guides on landlord and tenant rights and responsibilities
- References to City’s Fire Retrofit Program for making existing dwelling units fire-safe

If any incentives are to be provided to households that develop an additional residential unit these should be highlighted.

⁷ Province of Ontario, Adding a Second Unit in an Existing House. Accessed from: https://files.ontario.ca/mmah-adding-a-second-unit-in-an-existing-house-en_0.pdf

The desired outcome of this guidance material is to facilitate and encourage homeowners to incorporate an additional residential unit within their home, which helps to meet the need for affordable rental housing throughout the city.

7.4 Recommended Action: Once the City has brought into effect its Official Plan Amendment and Zoning By-law Amendment to permit additional residential units, update the relevant sections of the City's website to help homeowners plan and build additional residential units on their lot.

Update Affordable Housing Website

It is recommended that the City's Affordable Housing website be updated on an ongoing basis to increase the awareness of housing needs in Richmond Hill and of programs available to support the development of affordable and rental housing. The Affordable Housing Strategy provides a framework for action focused on meeting the housing needs of residents of Richmond Hill into the future. The Affordable Housing website should be updated regularly to inform the public and key housing stakeholders of the progress towards delivering on the actions identified in the Affordable Housing Strategy. The outcome of this action is to increase accountability and clarity between the City and the public when it comes to the City's role in improving housing outcomes for residents.

It is on the Affordable Housing website where the thresholds of affordable housing are to be updated and published on an annual basis. The Affordable Housing website should also be updated to include information on upcoming consultation sessions/activities related to the implementation of the actions outlined in this Plan.

7.5 Recommended Action: Continue to update the City's Affordable Housing website on an ongoing basis to increase the awareness of housing needs in Richmond Hill and the benefits of including affordable and rental housing in all communities.

7.6 Recommended Action: Share updated affordable housing price and rent thresholds with the public annually through communications published on the City's Affordable Housing Strategy webpage.

Prioritize Processing of Affordable Housing Applications

It is recommended that the City expand its concierge program, RH Concierge, to not-for-profit housing providers and supportive housing providers to prioritize these types of residential development. This recommendation involves a non-financial incentive the City could pursue to encourage the development of affordable housing. Currently RH Concierge is only eligible to office and industrial developments, however by expanding the program to these affordable housing providers it would help to facilitate the development application process and encourage developing more of these specialized forms of affordable housing.

By expediting the development review, evaluation and approval timelines, costs associated with long approval timelines can be reduced and regulatory barriers to new residential construction will be curtailed. Furthermore, by streamlining the approvals process, transparency and efficiency will be enhanced between regulatory departments at the City and the development community. According to stakeholders, faster approvals will have a great impact on the ability to expand the supply of new housing that is affordable to households in Richmond Hill.

To implement the expansion of the RH Concierge program would involve a coordinated inter-departmental effort led by Economic Development staff in partnership with Development Planning staff in the Planning and Infrastructure Department.

7.7 Recommended Action: Expand the City's concierge program, RH Concierge, to not-for-profit housing providers and supportive housing providers to prioritize these types of residential development. This service should have as its goal to fast-track affordable housing developments as well as make City Planning staff available to help developers of these projects navigate the approvals' process.

Educate Staff and Industry on Alternative Design and Development Standards

It is recommended that the City educate staff and development and construction industry on alternative design and development standards which can promote the development of new affordable residential units. Factory manufacturing of the components of a housing project can reduce construction costs and time and be applicable to both temporary and

permanent dwellings. It can also improve worker safety, reduce transportation costs, and mitigate site congestion and disruption. Modular construction is also a requirement for some funding programs, such as CMHC's Rapid Housing Initiative as the shorter construction timelines support the program's goal of housing people in need in as short a time as possible. Educating City staff on the alternative design and development standards would lead to an adaptation of the approval processes to account for these different standards, including how alternative design standards are translated in site plan agreements and other contracts between the City and the applicant.

As part of this recommendation, the City could consider fostering a partnership with an organization such as the University of Toronto's Mass Timber Institute to provide City staff and the industry with leading edge research and education on sustainable mass timber products and technologies.

7.8 Recommended Action: Work with the development and construction industry to promote the use of alternative construction materials and methods (e.g. mass timber, 3D concrete printing etc.) to reduce the cost of construction for new projects in Richmond Hill. This could potentially be achieved through partnerships with organizations like the University of Toronto's Mass Timber Institute.

7.9 Recommended Action: Train City staff on alternative design and development standards to ensure these are recognized in the approvals process.

Monitoring the Inclusionary Zoning Policy and By-law

As mentioned in the Policy and Regulatory Tools sections of this Plan, it is required that the needs assessment report be updated every five years to determine whether the inclusionary zoning Official Plan policies require amending. A report detailing the performance of the inclusionary zoning by-law is also required to be prepared every two years and address prescribed matters.

7.10 Recommended Action: If it is determined that an inclusionary zoning policy and by-law will be implemented, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.

Foster Partnerships

There are several opportunities for the City to foster partnerships between different players in the housing system to encourage the development of more affordable housing and create more complete and diverse communities. These partnerships could include, but are not limited to:

a) Partnerships between the non-profit sector and other players in the housing system

It is recommended that the City initiate efforts to support non-profit housing providers in Richmond Hill in their quest to expand their affordable housing portfolio by facilitating collaboration with private sector developers, advocating on their behalf to high orders of government, as appropriate, and involving them in education and networking initiatives sponsored by the City or Region. The 12,547 households on the centralized wait list for subsidized housing who indicated they would prefer to live in Richmond Hill demonstrate that the existing stock of affordable and subsidized rental housing in Richmond Hill is not sufficient to meet the need in the community.

To encourage the development of more affordable housing throughout Richmond Hill, the City should update the partners list in the Handbook for Developing Affordable Housing to facilitate collaboration between the non-profit providers and private sector developers. While some not-for-profits have the financial resources and capacity to develop affordable housing on their own, others can seek out partnerships with private developers to do so. As competitiveness for government housing funds increases, partnerships are a potential strategy for improving a project's ability to compete for these limited funds. As such, socially motivated private developers can also benefit from partnerships with the not-for-profit sector. In addition, not-for-profits and for-profit housing developers may consider forming partnerships to share capital, lands, real estate, and expertise in the operations and management of housing portfolio.

Along with the above, the City might consider conducting an annual housing forum where private developers and not-for-profits can come together to discuss with City staff the partnership opportunities and challenges they face.

The Affordable Housing Strategy Implementation Committee may also advocate on behalf of the non-profits to high orders of government, as appropriate, and involve the non-profits in education initiatives sponsored by the City or Region.

7.11 Recommended Action: Support non-profits in their quest to expand their affordable housing portfolio by facilitating collaboration with private sector developers, advocating on their behalf to high orders of government, as appropriate, and involving them in education initiatives sponsored by the City or Region.

b) Partnerships between the City and owners of property appropriate for residential development in Richmond Hill

It is recommended that the Affordable Housing Strategy Implementation Committee consider advocating to its partners to identify and dedicate surplus lands in Richmond Hill for the development of affordable housing. These potential partners include the federal and provincial governments, charities and faith groups, non-profit and cooperative housing organizations and private sector organizations.

The City should consider setting a target for the amount of land to be made available for the development of affordable housing and report on the achievements of such a program.

7.12 Recommended Action: Continue to facilitate partnerships among property owners, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized lands, homes, and non-residential buildings, including heritage buildings, to increase the supply of affordable and supportive housing.

7.13 Recommended Action: Facilitate partnerships among faith groups, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized property, including church-owned property, to increase the supply of affordable and supportive housing, as well as market rate rental.

Support a Land Trust

It is recommended that the City support investigations by the Region of York, other local municipalities, and community-based organizations in the exploration of establishing a land trust for the purposes of affordable and supportive housing development in the Region of York.

A land trust can take on several forms including where a non-profit corporation or where the City or Region itself obtains and holds land and housing for the benefit of the community. The goal of the land trust is to remove land and housing from the real estate market through either purchase or donation, and perpetually hold it in a trust to preserve the affordability of that land and housing asset. There is evidence that a land trust can be an effective model to obtain and secure land for housing and provides greater opportunity for households with low and moderate incomes to access housing that is affordable.

A key feature that allows land trusts to maintain affordability is dual ownership, the separation of land ownership (owned by the land trust) from ownership of the housing or buildings on the land itself, which is leased out to individuals or non-profit organizations over a long-term period. Long-term land leases to non-profit housing partners helps to ensure that public investment and affordable housing is preserved over the long term.

7.14 Recommended Action: Support investigations by the Region of York, other local municipalities, and community-based organizations in the exploration of establishing a land trust for the purposes of affordable and supportive housing development.

5.0 Appendix: Recommended Actions & Goals

Each recommended action within this Plan addresses one or many of the goals and outcomes for the Strategy. In the table below, the goals addressed by the actions are identified. The goals of this Strategy are:

- **Goal 1:** Support further **diversification of the housing stock** by creating a range of housing options for seniors to age in place and for younger households to settle in the community.
- **Goal 2:** **Increase** the number of **rental** and specifically purpose-built rental housing options that are in a good state of repair and affordable to low- and moderate-income households.
- **Goal 3:** **Attract** new accessible and **supportive housing options** to Richmond Hill that are suitable for seniors and households with a member with a disability or mental health issue by establishing partnerships and collaborating with stakeholders.
- **Goal 4:** Increase the number of **ownership options** in Richmond Hill that are **affordable to moderate-income households**.

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
1. Implementation Oversight				
1.1.Create an Affordable Housing Strategy Implementation Committee to guide the implementation of the Strategy.				
1.2.In accordance with policy 3.1.5.7, the Committee should work with the City and the Region of York to update common measuring and reporting tools to monitor progress towards implementing this Plan and achieving its targets.	✓	✓	✓	✓
2. Policy				
2.1.Develop and incorporate an inclusionary zoning policy for Protected Major Transit Station Areas in Richmond Hill.	✓	✓	✓	✓
2.2.Update Official Plan policies to enable the City to implement CPPS policies. Working through the Comprehensive Zoning By-law development process, determine whether or not to implement Community Planning Permit System (CPPS) by-law(s) in appropriate areas of the city.	✓	✓		✓
2.3.Introduce policies to enable a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.	✓	✓		✓
2.4.Ensure there are no barriers in the Official Plan to building innovative housing forms, such as smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.	✓	✓		✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
2.5. Update the definition of affordable housing in the Official Plan and update the affordable threshold for prices and rents on an annual basis based on the methodology identified in the Background Report.				
2.6. Strengthen policy 3.1.5.4 in the Official Plan to implement a demolition and conversion control policy that prevents the demolition and conversion of rental properties into another tenure.	✓	✓	✓	
2.7. Update policy 3.1.5.6 in the Official Plan to require 5% of units in all new multi-residential buildings with 20 or more units be built to include 3 or more bedrooms (except for supportive housing and/or not-for-profit housing).	✓			
2.8. Adopt a policy in the Official Plan that encourages public agencies to make surplus or underutilized public land or buildings where housing is permitted, where other public agencies have not expressed an interest in them, available to developers who commit to creating affordable, purpose-built rental, and especially supportive housing at no cost or a nominal cost.	✓	✓	✓	✓
2.9. The City should update its land disposition policies, pursuant to the Municipal Act, to prioritize the sale or lease of land first to other public authorities, and then to providers of affordable rental or supportive housing.	✓	✓	✓	✓
2.10. Update the Official Plan to further promote the creation of complete communities by addressing the wealth creation initiatives related to mobility, mix of uses, access to jobs, and housing options among others that are provided in the Background Report.	✓	✓	✓	✓
3. Guidelines and Standards				

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
3.1. Assign parking requirements for residential developments in Major Transit Station Areas and other appropriate areas (e.g. areas that are well-served by public transit) that are commiserate with the walkability and existing and planned transit for that area. Based on the findings from the Parking Strategy Update, consider permitting further reductions of parking requirements for affordable, supportive and purpose-built rental housing projects where appropriate and where the proponent can demonstrate that the demand for parking will be less than what is otherwise required.	✓	✓	✓	✓
3.2. Consider permitting above ground structured parking in mid-rise and high-rise buildings across the city where these developments are zoned.	✓	✓	✓	✓
3.3. Consider revising non-regulatory standards that may have the effect of reducing capital and/or operating costs of housing and enable more flexible and innovative residential development.	✓	✓	✓	✓
4. Regulatory Tools				
4.1. Ensure the Comprehensive Zoning By-law conforms with the Official Plan policies to provide as-of-right zoning for multi-residential developments in areas identified in the Official Plan for mid- and- high-rise developments.	✓	✓		✓
4.2. As part of the Comprehensive Zoning By-Law review, ensure there are no barriers to shared housing/co-housing and co-living arrangements where dwellings are permitted or currently exist, as-of-right, in Richmond Hill.		✓	✓	✓
4.3. As part of the Comprehensive Zoning By-Law review, ensure there are no barriers to building innovative housing forms, such as modular units, smaller units, laneway homes or garden homes as well as micro/tiny homes etc. in appropriate areas, provided they meet health and safety standards.	✓	✓		✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
4.4.As part of the Comprehensive Zoning By-Law review, introduce a multi-tach zoning category to allow, as of right, multi-unit buildings that fit within the existing envelope in low density zones, as a way to introduce gentle density in established residential areas.	✓	✓		✓
4.5.Once an inclusionary zoning policy for Protected Major Transit Station Areas has been adopted, develop and incorporate an implementing inclusionary zoning by-law.	✓	✓	✓	✓
4.6.If CPPS policies have been adopted, develop a CPPS by-law.	✓	✓		✓
4.7.Undertake a Community Benefits Charge Strategy and adopt a Community Benefits Charge by-law in accordance with the Community Benefits Charge Strategy.	✓	✓	✓	✓
4.8.If policy 3.1.5.4 in the Official Plan is updated, strengthen the demolition and rental conversion control by-law in accordance.	✓	✓	✓	
5. Financial Tools and Incentives				
5.1.It is recommended that the City explore the use of a Community Improvement Plan (CIP) to incentivize purpose-built rental, additional residential units, and affordable housing, in areas where inclusionary zoning is applied, or city-wide.	✓	✓	✓	✓
5.2.The City should implement a Purpose-Built Rental Housing - Building Renovation Program (CIP) to offer grants or forgivable loans to rental properties that require improvements to improve accessibility or require critical repairs to improve the safety.		✓	✓	✓
5.3.Review and, where practicable, amend fee by-law(s) to reduce, defer or provide grant-in-lieu of fees associated with the provision of affordable housing, purpose-built rental housing, and/or supportive housing in new residential developments.	✓	✓	✓	✓
5.4.Consider allowing developers to provide parkland offsite, in appropriate locations, in lieu of in situ or cash in lieu.	✓	✓	✓	✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
5.5. Investigate whether a Vacant Homes Tax for residential properties that are empty for several months during the year should be implemented.		✓		✓
5.6. Investigate whether a property tax levy should be imposed on residential and non-residential properties to develop an ongoing fund to be used towards affordable housing and purpose-built rental housing projects.	✓	✓	✓	✓
6. Land Inventory				
6.1. Identify surplus or underutilized City-owned land or buildings for the purpose of developing affordable housing. In addition, consider options to re-develop/use City land to include affordable housing on these sites where appropriate (e.g., above or next to libraries and/or other City owned properties or land such as municipal parking sites).	✓	✓	✓	✓
7. Capacity Building				
7.1. Work with the Region to promote the Handbook for Developing Affordable Housing.	✓	✓	✓	✓
7.2. Update the Handbook for Developing Affordable Housing on a regular basis.	✓	✓	✓	✓
7.3. Building on the Region's updated Housing Solutions Plan, continue to work with the Region to explore and promote alternative forms of affordable home ownership models, such as rent-to-own, shared equity, unbundling, and life lease, within the development community. This could be an additional section incorporated within the Handbook for Developing Affordable Housing.	✓			✓
7.4. Once the City has brought into effect its Official Plan Amendment and Zoning By-law Amendment to permit additional residential units, update the relevant sections of the City's website to help homeowners plan and build additional residential units on their lot.	✓	✓	✓	

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
7.5.Continue to update the City’s Affordable Housing website on an ongoing basis to increase the awareness of housing needs in Richmond Hill and the benefits of including affordable and rental housing in all communities.	✓	✓	✓	✓
7.6.Share updated affordable housing price and rent thresholds with the public annually through communications published on the City's Affordable Housing Strategy webpage.		✓		✓
7.7.Expand the City’s concierge program, RH Concierge, to not-for-profit housing providers and supportive housing providers to prioritize these types of residential development. This service should have as its goal to fast-track affordable housing developments as well as make City Planning staff available to help developers of these projects navigate the approvals’ process.		✓		✓
7.8.Work with the development and construction industry to promote the use of alternative construction materials and methods (e.g., mass timber, 3D concrete printing etc.) to reduce the cost of construction for new projects in Richmond Hill. This could potentially be achieved through partnerships with organizations like the University of Toronto’s Mass Timber Institute.		✓		✓
7.9.Train City staff on alternative design and development standards to ensure these are recognized in the approvals process.	✓	✓	✓	✓
7.10. If it is determined that an inclusionary zoning policy and by-law will be implemented, the inclusionary zoning regulation requires a status report be provided to Council every two years to track performance.	✓	✓	✓	✓
7.11. Support non-profits in their quest to expand their affordable housing portfolio by facilitating collaboration with private sector developers, advocating on their behalf to		✓		✓

Recommended Actions	Goals Addressed			
	Goal 1	Goal 2	Goal 3	Goal 4
high orders of government, as appropriate, and involving them in education initiatives sponsored by the City or Region.				
7.12. Continue to facilitate partnerships among property owners, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized lands, homes, and non-residential buildings, including heritage buildings, to increase the supply of affordable and supportive housing.	✓	✓	✓	✓
7.13. Facilitate partnerships among faith groups, non-profit and for-profit residential developers, and community agencies to redevelop vacant or underutilized property, including church-owned property, to increase the supply of affordable and supportive housing, as well as market rate rental.	✓	✓	✓	✓
7.14. Support investigations by the Region of York, other local municipalities, and community-based organizations in the exploration of establishing a land trust for the purposes of affordable and supportive housing development.	✓	✓	✓	✓