

INFORMATION REPORT

TO:	Chair and Members Healthy and Safe Communities Committee
COMMITTEE DATE:	August 15, 2018
SUBJECT/REPORT NO:	Correspondence from the Ministry of Housing re: re-introduction of the Promoting Affordable Housing Act, 2016 (Bill 7) (HSC18043) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
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SIGNATURE:	

Council Direction:

On November 21, 2016, the Emergency and Community Services Committee directed staff to “investigate if Bill 7, *Promoting Affordable Housing Act, 2016*, will affect existing Community Homelessness Prevention Initiative (CHPI) funding and shift existing dollars to private sector entities, or if Bill 7 will be tied to a new announcement of provincial funding for housing, with a report back to E&CS Committee.”

Information:

The *Promoting Affordable Housing Act, 2016* (Bill 7) amended three pieces of legislation pertaining to housing: the *Housing Services Act, 2011*; the *Planning Act*, and the *Residential Tenancies Act, 2006*.

- The *Housing Services Act* changes require housing service managers to conduct enumeration of people experiencing homelessness, something the City of Hamilton has done since 2014; transfer the authority to provide consent for certain decisions regarding social housing providers, their land, and mortgages from the Province to service managers; and broaden the ways in which service managers can meet rent-geared-to-income service level standards.
- The *Planning Act* changes were to enable municipalities to implement inclusionary zoning, which requires affordable housing units to be included in residential developments; make any by-laws regarding both inclusionary zoning and

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secondary units un-appealable; and prohibit municipalities from charging development charges for second units.

- The *Residential Tenancies Act, 2006* changes clarify that rent-geared-to income tenants cannot be evicted if their incomes increase; and require municipalities to address maintenance standards issues in a rental unit or residential complexes.

November 9, 2016 a letter from Minister of Housing Chris Ballard was presented to Council. The letter noted that the government had re-introduced the *Promoting Affordable Housing Act, 2016* (Bill 7), that “if passed would help ensure that the people of Ontario have better access to affordable and adequate housing. This includes an even stronger emphasis on the role that private sector housing can play in providing a mix and range of affordable housing choices for Ontarians.”

The remainder of the Ballard letter pertained to the importance of second dwelling units, sometimes referred to as accessory apartments, in addressing the lack of affordable housing. The development of new second dwelling units is one way in which the private sector can contribute to increasing affordable housing choices for Canadians. Bill 7 encourages the development of second dwelling units by removing the ability of municipalities to charge development charges on them, and making by-laws and municipal decisions pertaining to second units un-appealable by everyone except the Minister.

The second way in which Bill 7 encouraged the private sector to increase the mix and range of affordable housing choices is by giving municipalities the option to implement inclusionary zoning, which requires affordable housing units to be included in residential developments. The *Promoting Affordable Housing Act, 2016* was enabling legislation and the detailed requirements have been set out in Ontario Regulation 232/18. The regulation gives municipalities wide latitude in implementing inclusionary zoning.

None of these legislative changes have the effect of shifting existing affordable housing funding dollars from the public sector to private sector entities. There is no provincial funding specifically associated with second dwelling units or inclusionary zoning, nor is any expected. The Investment in Affordable Housing – Extension Ontario Renovates Program has always allowed municipalities to provide renovation funding to promote the development of second dwelling units.

The only new funding temporally related to Bill 7 is the Home for Good Program introduced in March 2017, although the Province links the Home for Good funding to the Long Term Affordable Housing Strategy rather than Bill 7. This program included an affordable housing capital component, but was primarily focused on increasing supports to vulnerable households.

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There has been no reduction in Community Homelessness Prevention Initiative (CHPI) or other affordable housing funding since the re-introduction of Bill 7. In fact, all indications from both the provincial and federal governments are that new funding announcements for homelessness and affordable housing will be for the same amount or higher levels of funding than municipalities currently have access to. For instance, Reaching Home, the homelessness funding envelope replacing the Homelessness Partnering Strategy, will provide existing funding at essentially the same level. All other new federal housing programs use new funds. The federal/provincial cost matched programs which are expected to be announced by the end of the year, as part of the National Housing Strategy are reported to provide more funding to municipalities to administer the previous programs.

Appendices and Schedules Attached

None