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Subject: Dave Braden Presentation

Affordable Housing Presentation - Dave Braden

Affordable housing like climate change, has been confirmed by many recent, legitimate polls to be a priority for most Canadians. Presently there is a huge shortage of housing for lower income residents. The conventional approach is to await infrequent, inconsistent and insufficient funding from senior governments to cover the costs of building minimum standard housing. Costs for this housing are determined by the costs of land, materials, permits, administration and usually profit. The “bricks and mortar” costs are not the problem. For example, a 600 square foot unit (connected to another unit) can be built for \$200 per square foot for a total cost of \$120,000. The land component is the driver of high costs.

Consider this: An associate invested in a farm, destined for development, for \$36,000 per acre which has now been appraised at almost \$700,000 per acre even though there have been no capital improvements. This demonstrates that sprawl negates the potential of supplying land for affordable housing without massive, but unlikely subsidies.

There is a window of opportunity. Developers of large towers often negotiate for increasing heights in exchange for the provision of affordable, rental units. This is allowed because municipalities are authorized to exceed present land-use restrictions if approved projects result in “public benefits”.

Similarly, homeowners of low density housing could be allowed and encouraged to provide affordable housing units on their own lots at their own expense in exchange for conditional approvals (e.g. controlled rents for 25 years). Similar to above, these units could be adjacent to or on top of the existing structure thereby exceeding present zoning regulations by one storey. Combined with this approval, the municipality could insist on superior building standards. Unquestionably, a highly, energy efficient, affordable housing unit is an even better public benefit to the community.

In comparison, if senior government levels come through with large grants, much of the money will go to land costs, administration costs, and long-term maintenance. Units are built to present day, minimum standards resulting in potentially high utility bills.

What is needed is a means to motivate and harness the willingness of individual landowners to add an affordable, energy efficient unit on their lot and preferably onto their existing building.

This could be achieved by some or any of the following:

1. Education and advice
2. Expeditious issuing of permits
3. Reduction or elimination of fees
4. HST or other tax deductions
5. Capital and operational subsidies

Anything under about \$250,000 would be a savings to all levels of government. This approach provides the potential to distribute affordable housing throughout the city as opposed to concentrating them in one area or one building project. Adding a dwelling unit to a lot likely increases tax revenue to the municipality in the range of \$1,000 - \$2,000 which is much needed to help fund the critically underfunded infrastructure. Given that conventional efforts are not fulfilling the need, we need to be creative, practical and innovative and begin to solve this problem.

Affordable housing is not the only building topic which is on our minds. Climate change, housing the aged, responding to the restructuring of the retail sector, infrastructure deficits, transitioning to an economy based largely on renewable energy - these all require clear thinking about root causes and connections to other critical issues.

Premier Ford has required municipalities to prepare detailed growth plans for the next 30 years, even though last week he conceded that he could not forecast one fortnight ahead! Consulting with the public during a pandemic is extremely problematic. With any significant planning exercise it is wise to be wide in scope, and engaging for the public.

The Premier further reduced the parameters of the study by insisting that the plan accommodate market demand but exclude any concern about climate further impinging on the credibility of the process.

Presumably the Premier wants to appear to be supportive of an open and engaging process where as in effect he is intentionally interfering in an attempt to reach a desired outcome of his choice, rather than a democratic one. When you are faced with a bully, it is extremely hard to act with integrity given that your job may be at stake.

The City needs to fulfill its role of protecting the interests of local citizens including their right to open and democratic processes. It recognizes that growth is not a one dimensional, land use issue. It needs to launch a multi-disciplinary approach which includes, but is not limited to, relevant issues including public health, the local environment, transportation, public and private transit, land requirements and subsidies and servicing requirements. The infrastructure deficit is directly related to this topic because local staff have not yet confirmed the general assumption that **conventional suburban growth negatively affects all citizens financially**. Given that the infrastructure deficit is increasing exponentially, at a rate greater than ½ million dollars per day, it is not unreasonable to assume that the City will be forced to declare a “financial emergency” before the growth period is up. Lastly, **the City staff needs to confirm that “controlled suburban growth” results in uncontrolled climate consequences**.

Developing an open, informative process, free from intimidation and interference has the potential to complement local conditions and values and to protect our future.