

Prince Edward County Official Plan Review

Housing Policy Implementation Report

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Prepared by:



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Executive Summary

In 2010, Prince Edward County (PEC) launched an Official Plan Review (OPR) with the ultimate goal of updating the County's Official Plan. In conjunction with Secondary Plans, the Official Plan is the primary land use policy tool for guiding development in Prince Edward County. About the same time, the community-led Affordable Housing Working Group completed a *Strategic Action Plan for Affordable Housing* (SAPAH) which was subsequently adopted by PEC. To move specific SAPAH housing recommendations forward within the context of the broader Official Plan review, the County elected to undertake a *Housing Policy Implementation Study*.

The main objective of this *Housing Policy Implementation Study* was to conduct a review of the current housing policy framework within the County and identify opportunities and recommendations for the future direction of housing policy as part of the OPR process. Specifically, the study was to refine housing policies within the Official Plan, to explore specific policy implementation tools identified in the SAPAH and to identify how they could be effectively implemented within the PEC context.

The study was undertaken in two phases; firstly through an initial review of the housing policy context within Prince Edward County, and secondly through the development of recommendations regarding implementation tools to actualize suggested policy directions. Recommendations have regard for provincial planning and housing legislation as well as the objectives of the PELASS *Long Term Housing and Homelessness Plan*. Throughout the study, consultations were held with County staff and local stakeholders to discuss the policy framework, to explore potential implementation options and to secure feedback. This report provides a summary of the work undertaken and the resulting recommendations for housing policy implementation in PEC.

Within the report, analysis and recommendations are provided in two primary areas; land use policy measures and supporting implementation measures. In the case of policy measures, the study sets out new housing directions for the Official Plan, establishing a guiding housing statement, objectives in support of that statement and specific policy suggestions for achieving these objectives. The policy suggestions revolve around:

- Accommodating future growth
- Supporting a mix of housing and housing choices
- Encouraging affordable housing
- Maintaining the existing supply of housing

These policy suggestions are intended to be integrated within the new Official Plan to help support PEC housing objectives. Likewise, specific suggestions are provided in regards to adjusting current Secondary Plan policies, both to ensure alignment with the new Official Plan and to provide consistency in new housing directions. As a final piece of the land use policy framework, the study also defines specific areas for modifying the current Zoning Bylaw. Like Secondary Plans, housing provisions in the Zoning Bylaw need to align with and support the housing policies adopted in the new Official Plan. Specific recommendations are provided in the study to support this alignment via the Zoning Bylaw.

The second primary area for analysis and recommendation in the study was related to implementation measures which are intended to support and advance PEC housing policies. Seven specific areas were identified within SAPAH and selected by PEC for examination as part of this study, namely:

- *Secondary suites* – promoting the addition of housing stock through creation of ancillary units in or adjacent to existing housing stock
- *Inducements/incentives* – leveraging municipal financial benefits in exchange for affordable housing
- *CIP policies* – supporting community improvement planning objectives to retain, enhance and increase housing options
- *Conversion/Demolition* – protecting and promoting existing rental stock through regulatory and incentive tools
- *Inclusionary Planning* – increasing the supply and integration of affordable housing acquired through private development
- *Surplus Lands* – leveraging public land holdings to increasing the supply of affordable housing
- *Approvals Processes & Development Standards* – streamlining approvals and standards in an effort to support housing affordability

The report provides a review of each of these implementation areas, discussing existing local conditions associated with each, potential options/tools relevant to the PEC context, and recommended implementation measures.

To advance housing policy outcomes within PEC, the report suggests a graduated approach to implementing study recommendations by:

- Initially creating opportunities for affordable housing through the regulatory framework
- Building support and achievement of policy outcomes through education and awareness
- Inducing participation through specific, targeted programs and incentives where required

The adoption of the new Official Plan, the adjustment of Secondary Plans and the amendment of the Zoning Bylaw will be important first steps in setting the housing policy framework laid out for PEC through this study. To further advance the housing objectives of the policy framework, the following recommendations regarding implementation measures are flagged for first consideration, namely:

- Establishing second suite zoning provisions
- Defining range and depth of municipal incentives to be offered
- Establishing a capital facilities by-law
- Establishing a demolition control by-law and associated guidelines
- Revising the County surplus lands policy
- Integrating affordable housing provisions within the CIP
- Establishing inclusionary planning guidelines

Recognizing the extended time required to fully implement the housing policy framework and the associated implementation measures, it will be useful to use this report as a reference document for guiding progress towards completion.

1 Introduction

In 2010, Prince Edward County (PEC) launched an Official Plan Review (OPR), a process which will ultimately result in the updating of the County's primary land use planning tool - its Official Plan and Secondary Plans. As a related component of that work, the County initiated a detailed assessment of several of the housing policy recommendations within the 2010 **Strategic Action Plan for Affordable Housing (SAPAH)**. In addition to refining the housing policies of the current Official Plan, this Housing Policy Implementation Study is intended to explore specific options identified in the SAPAH and how they may be implemented within PEC's evolving policy landscape.

1.1 Study Purpose and Approach

The main objective of the Housing Policy Implementation Study is to conduct a review of the current housing policy framework within the County and identify opportunities and recommendations for the future direction of housing policy as part of the OPR process. As a result, the study is intended to refine housing policy within the local land use planning framework and to advance options for implementing these policies through related tools and initiatives.

The Housing Policy Implementation Study was completed in two phases:

PHASE ONE entailed a detailed review of the current policy context within Prince Edward County, an environmental scan of best practices in other jurisdictions (related to specific policy areas identified within the SAPAH), and the identification of housing policy recommendations for consideration as part of the OPR.

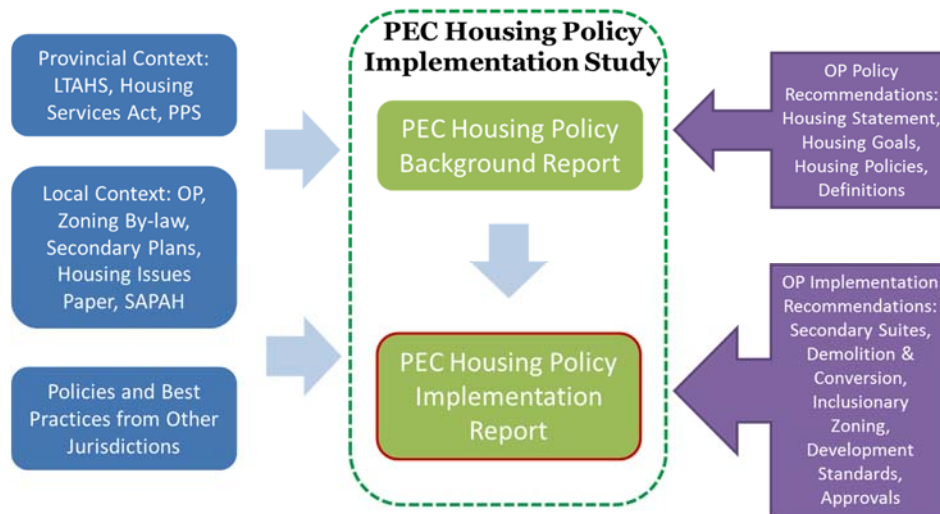
PHASE TWO included the development of a set of recommendations regarding tools to implement key housing policy areas identified in the Plan (and as recommended within SAPAH). Specific areas for consideration included secondary suites, inducements/incentives, Community Improvement Plans, convert-to-rent incentives, conversion and demolition, inclusionary zoning, development standards, and surplus County owned land.

Consultation meetings with key stakeholders were held during both study phases to confirm recommended policy directions and explore implementation options. The Affordable Housing Working Group (AHWG) was a key contributor in this regard, providing feedback and comments throughout the study process.

A Background Report was developed as part of Phase 1 to help document the current policy framework and inform stakeholder discussions in issues. This report builds on that work, providing a summary of Phase 1 as well as the detailed work of Phase 2.

2 Policy Context

This section provides a review of the current Provincial and local housing policy framework as a first step to identify opportunities for the future direction of housing policy in the County. Subsequent sections discuss refinements to the housing policy framework as well as recommended implementation measures and initiatives which are intended to support achievement of specific policy directions through purposeful actions.



2.1 Provincial Policy Context

Provincial policy has a clear interest in housing. In 2010, the Province launched Ontario’s Long-Term Affordable Housing Strategy (LTAHS). The vision of the LTAHS is: *“To improve Ontarians’ access to adequate, suitable and affordable housing, and provide a solid foundation on which to secure employment, raise families and build strong communities”*¹. The LTAHS is aimed at streamlining the housing system and providing greater flexibility to municipalities to meet their local housing needs. The Housing Services Act (2011) is a key companion to the LTAHS. In addition to stipulating municipal funding and administration obligations for social housing programs, this Act also requires municipal service managers to develop 10-year housing and homelessness plans. The Ontario Housing Policy Statement (2011) also provides policy context and direction to Service Managers, setting out expectations regarding the development of the required housing and homelessness plans.

From a land use perspective, the Provincial Policy Statement (2014) also requires municipalities to provide a full range of housing types and densities, including the provision of affordable housing. As a policy statement issued under the Planning Act, municipalities must ensure that *“decisions affecting planning matters ‘shall be consistent with’ policy statements issued under the Act”*². Under more recent

¹ From Ontario Long-Term Affordable Housing Strategy (2010) as issued by Ministry of Municipal Affairs and Housing.

² From Provincial Policy Statement (2014) as issued by Ministry of Municipal Affairs and Housing.

changes to the Planning Act, municipalities are also now specifically required to establish policies allowing second suites in new and existing developments.

Cumulatively, this Provincial framework of policy and legislation establishes parameters within which municipalities must consider housing and land use decisions in order to effectively meet local needs.

2.2 Local Direction

The County's current Official Plan was adopted by Council in November 1993 and is now approximately 20 years old. The County's Comprehensive Zoning By-law was adopted in 2006, providing a primary implementation vehicle for the County's Official Plan policies. These policies have provided guidance for growth and development in the County since their adoption. The current policy framework is guided by a vision which plans to the year 2021, identifying the County as a special place with rich history, a unique natural geography and rural charm. The Official Plan also envisages the County as a healthy community that strives to achieve a high quality of life for all its residents. Furthermore, the Plan recognizes that the provision of adequate housing is a fundamental requirement for the social well-being of all residents. While this community vision remains clear, many policies are not reflective of current conditions and challenges being faced by the County. As such, the County launched a formal Official Plan Review (OPR) in 2010.

The work of the **Strategic Action Plan for Affordable Housing (SAPAH)** that was completed in 2010 is highly relevant to the OPR process. The SAPAH, a comprehensive review and assessment of the local housing market, identified nine key housing issues facing PEC and proposed 31 recommendations to help address these issues. Recommendations were grouped in five theme areas, namely:

1. **Leadership and Coordination** - establishing clear direction and maintaining an accountability framework for facilitating responses to housing needs
2. **Policy Development** - facilitating and coordinating the provision of appropriate housing through policy vehicles such as official plans, zoning bylaws and approvals processes
3. **Resources and Incentives** - providing a suite of tools to help maintain and enhance the supply of affordable housing
4. **Education and Advocacy** – using education campaigns and advocacy strategies to build awareness, engage partners and align efforts
5. **Partnerships** – developing beneficial partnerships that foster opportunities to create and sustain affordable housing

The SAPAH work and recommendations identified general level policy directions, potential tools and implementation options for addressing local housing needs. To meaningfully advance implementation of these recommendations, work is required in a number of key areas. The OPR is a primary vehicle for moving the SAPAH policy actions forward insofar as they relate to the Official Plan. However, other vehicles are also required to fully extend these policy directions in Secondary Plans and Zoning By-laws. There are also a host of tools and implementation vehicles identified in SAPAH that can help to translate housing policies into tangible action. This study is therefore specifically designed to advance the SAPAH recommendations by helping to shape OPR housing policies in the new Official Plan and the Secondary Plans, and to provide options for implementation tools, including Zoning By-laws, that will put these policies into action.

3 Policy Framework

Key elements of the municipal planning framework are the Official Plan, Secondary Plans and Zoning By-laws. An Official Plan (OP) sets out the primary policy foundation for a municipality and outlines the direction for subsidiary policy and implementation tools. As such, the OP sets the foundation for local land use policy from which more detailed policies flow. Secondary Plans build on the objectives and central direction of the Official Plan while providing a more localized framework for guiding development within specific areas of the municipality. Zoning By-laws are the regulatory tools used to implement the policy objectives of the Official and Secondary Plans through land use controls.

In addition to policies and zoning regulations, other planning tools are also used to implement the goals and objectives set out in the broader policy framework. These tools provide a tangible way to translate particular policies into action. The specific tools examined as part of this study include secondary suites, inducements/incentives, Community Improvement Plans, conversion and demolition, inclusionary planning, surplus land, and approvals and standards.



The following sections summarize the current municipal land use policies related to each area of the local housing policy framework and provide recommendations to help implement the 2010 SAPAH policies within the ‘new’ Official Plan. To further assist in this regard, a summary of existing policies within the current Official Plan (Office Consolidation 2008), the draft Secondary Plans for Picton-Hallowell (2011) and Wellington (2011) as well as the Comprehensive Zoning By-law 1816-2006 (Office Consolidation 2010) have been provided in Appendix A.

3.1 Official Plan

An Official Plan (OP) is a long-range planning document that outlines municipal goals and land use policies that are intended to guide the growth and development for that area. To do this, the OP necessarily covers a broad range of aspects related to the built and natural environment as well as the inter-relationships between them at a general level. Within the local policy hierarchy, the OP provides the basis from which other more detailed land use policies, tools and implementing actions flow. As a

cornerstone of a healthy community, housing policies are an essential component of an OP and provide specific direction on how a community's housing needs will be accommodated over time.

As part of the SAPAH process in 2010, OP policies for housing were reviewed and areas were identified for improvement. Housing issues and policy concerns were also identified in the County's *Official Plan Review - Issue Paper on Housing* (2012). These issues were reviewed and flagged as part of the background analysis undertaken in Phase 1 of this study. As a result of this background work, a revised OP policy framework was developed and discussed with stakeholders.

This study has also advanced with due regard for the OPR process that is happening in parallel. The OPR consulting team's *Issues, Options and Opportunities Report* (2013) has been reviewed as part of the study process. There has also been dialogue with the OPR consulting team regarding housing directions.

Based on these various inputs and stakeholder feedback procured through the study process, new policy directions for housing have been established that build on current policy directions while addressing former areas of concern.

3.1.1 Setting New Directions for Housing

The following section summarizes the recommended policy direction for housing in Prince Edward County to be considered as part of the current Official Plan Review. This direction has regard for the existing housing policy framework already in place within Prince Edward County and reflects the findings from the 2010 Strategic Action Plan for Affordable Housing. It also builds on the priorities of the 2012 Housing Issues Report and the feedback provided by the Affordable Housing Working Group (AHWG) through this study.

From a policy perspective, this section sets out a formal housing statement and objectives designed to support that statement. Subsequent sections provide recommended OP policy language, building on existing policies while providing supplementary language to help support achievement of the objectives set out in this section.

Housing Statement

A Housing Statement helps to establish context within the Official Plan, underscoring the importance of housing to a community's overall well-being and providing a vision or guiding sense of purpose to which the community aspires.

It is recommended that the County adopt the following Housing Statement:

Housing is vital to the creation of healthy, sustainable, and complete communities. Residents of all ages, income levels and abilities rely on a range and mix of housing types to offer a meaningful place to grow and a safe and secure place to live. An appropriate range of housing choices contributes to the overall health and well-being of communities.

Facilitating an appropriate and adequate mix of housing types is central to accommodating not only existing needs but also potential new growth. By creating a multitude of opportunities, the supply of housing available within the County can more effectively respond to local housing needs and changes in demand particularly as the existing population ages, new seniors are drawn to the County, and as the County strives to attract young families and professionals.

Policies of this Plan are aimed at creating inclusive and diverse communities through the provision of an appropriate range of housing choices.

Housing Objectives

Housing objectives are intended to set out general directions for attaining the housing goals of the community. In addition to supporting the goals, the objectives should also ideally speak to the general manner in which they will be achieved.

It is recommended that the County consider the following housing objectives as part of their new Official Plan:

- Promote the development and sustainability of an appropriate and adequate mix of housing by fostering a range of types, tenure and affordability which can accommodate the broad needs of residents over time, regardless of age, income level, ability, and household type
- Monitor, evaluate and report on changes within the housing market as well as the County's progress in achieving its housing objectives through implemented housing policies
- Work with the private sector, the not-for-profit sector, all levels of government, community agencies and other stakeholders in the implementation of the County's housing policies

3.1.2 Recommended Housing Policies

To help support achievement of the stated housing objectives, the following section sets out recommended OP policy language. The policies respond to the issues highlighted in SAPAH and explored as part of the OPR process while aligning with the new policy direction proposed by this report. While there has been dialogue with the municipality and the OPR consulting team as these policies were developed, the comprehensive set of recommended housing policies are provided here for further consideration and integration in the new OP.

Policies are grouped by four key directions: Accommodating Future Growth, Supporting Mix of Housing and Housing Choice, Encouraging Affordable Housing, and Maintaining Existing Supply. The organization and wording of these policies are intended to help shape final policy language in the Official Plan.

Accommodating Future Growth

It is important to include Official Plan policies that ensure the County can accommodate appropriate future residential growth. The Provincial Policy Statement sets out requirements including maintaining an adequate land supply, servicing capacity, and promoting housing diversity to meet a range of housing needs. To help ensure these requirements are met, on-going monitoring is also recommended as part of this policy direction. It is suggested that OP policy language reflect the following:

1. To accommodate for future residential growth by:
 - a. Promoting greater housing diversity through the growth policies of this Plan by encouraging a mix of type, size, tenure and affordability which will accommodate changes in community needs over time.
 - b. Maintaining the ability to accommodate future residential growth for a minimum 10 year period through intensification, redevelopment and having designated land available for residential development.

- c. Maintaining available service capacity to accommodate a minimum 3 year supply of residential units.
- d. Monitoring the County's ability to accommodate future growth and available servicing.
- e. Providing infrastructure to enable timely delivery of housing that meets community needs.

Supporting Mix of Housing and Housing Choice

Policies that encourage and facilitate a range of housing choices are needed to accommodate the growing diversity of housing needs within the County. The changing nature of household types and sizes, the aging population and the need for affordable and special needs housing are already influencing housing demand. Despite this, there is limited diversity being seen in the current supply of housing. Providing for a broader range of housing choices can help to ensure that these needs are met going forward and that the local housing stock can more readily respond to changes in demand (i.e. through permissions for housing forms such as secondary suites, garden suite and conversion of non-residential properties). It is suggested that OP policy language reflect the following:

2. To promote a greater mix of housing and support greater housing choice throughout the County by:
 - a. Providing for a range of housing forms (single detached, semi-detached, duplex, triplex, townhouse, apartments, special needs housing and innovative housing models), densities and tenures in designated settlement areas as well as appropriate rural locations.
 - b. Encouraging second suites as-of-right in detached, semi-detached and row houses as well as in ancillary structures subject to appropriate zoning standards as well as sewage and water servicing.
 - c. Supporting garden suites on residential lots containing single-detached dwellings subject to appropriate zoning standards as well as sewage and water servicing.
 - d. Supporting the conversion of non-seasonal single residential dwellings into multiple dwellings provided that in the case of a single detached dwelling, no more than 3 separate dwelling units exist or in the case of semi-detached and town house dwellings, that no more than 2 separate dwelling units exist.
 - e. Supporting increased housing densities in appropriate locations.
 - f. Promoting the integration of neighbourhood-scale supported residential uses (i.e. assisted living, special needs housing, nursing homes) in existing neighbourhoods as appropriate.
 - g. Permitting the conversion of non-residential buildings to residential uses, especially where they provide affordable housing.
 - h. Encouraging the development of accessible housing forms.
 - i. Working with community partners to identify and facilitate opportunities for seniors housing in the County.

Encouraging Affordable Housing

The Strategic Action Plan for Affordable Housing in Prince Edward County highlighted a limited supply of affordable housing and the gaps in meeting the needs of households in lower income ranges. As such, there continues to be a sustained need in the County to increase the supply of affordable housing that can meet these needs.

While having housing targets is one approach to encourage more affordable housing, it is likewise important that policies facilitate the development of affordable housing through flexible planning tools that are available to municipalities (e.g., through the enactment of a Municipal Housing Facilities By-law). These tools can include agreements for securing affordable housing in larger developments (new/existing), providing incentives or targeted relief to engage the private sector in developing affordable housing, and policies that support housing forms that are more affordable and accessible, thereby responding to the needs of more vulnerable households (e.g., persons with disabilities, seniors, young families). It is suggested that OP policy language reflect the following:

3. To encourage the development of affordable housing choices by:
 - a. Establishing and monitoring affordability targets for housing within the Official Plan and Secondary Plans.
 - b. Supporting affordability targets by requiring the inclusion of affordable units within subdivisions and larger scale developments/redevelopments.
 - c. Enacting a Municipal Housing Facilities By-law to enable the County to enter into agreements with suitable private and non-profit partners for the provision of affordable housing.
 - d. Providing targeted relief from development, planning, permit and other fees normally charged for developments that provide permanent affordable housing.
 - e. Coordinating initiatives and implementation tools with community and government partners in order to support the affordable housing policies of the Plan.
 - f. Supporting affordable independent living options that address the needs of an aging population and persons with disabilities
 - g. Leveraging available public lands for the development of affordable housing.
 - h. Supporting alternative residential development standards to facilitate an efficient use of infrastructure and a more compact development form.

Maintaining Existing Supply

Prince Edward County has an older housing stock, with a significant proportion being at least 60 years or older. Often an aging housing stock can result in higher maintenance costs due to lack of energy efficiency and deterioration. Such costs can create affordability challenges. Moreover, the County has experienced a net loss of rental housing due in large part to conversions, either to non-rental housing uses or non-residential uses. This loss in stock has been compounded by the lack of production of new apartment units, especially those at affordable levels. It is therefore important that County policies facilitate a diverse range of new affordable housing options while at the same time protecting the existing supply. Current Secondary Plan language speaks to conversion issues but more encompassing

language in the OP would help to underscore the County-wide intent regarding preservation of stock. It is suggested that OP policy language reflect the following:

4. To encourage the maintenance of the existing housing supply by:
 - a. Discouraging the conversion of rental housing to condominium or other uses where such conversion would result in a reduction of the available amount of comparable rental housing. Such conversion will only be considered if the annual CMHC vacancy rate is 3% or higher and the applicant meets conversion obligations as defined in the area Secondary Plan.
 - b. Discouraging the demolition of rental housing units unless replacement units are provided and the rents of the replacement units are at or below the average market rents at the time of the application.
 - c. Utilizing Community Improvement Plan authorities that maintain or enhance the existing housing stock while supporting affordable housing policies of this Plan.

Definitions

The Background Report from Phase 1 of this study also identified the need to update/modify definitions within the OP, recognizing that they would be useful to include to aid in policy interpretation. It is recommended that the following definitions be incorporated into the Plan:

- *Affordable Housing* – This term is not currently defined in the PEC Official Plan, although it was explored as part of the SAPAH exercise. It is recommended that the Provincial definition of affordable housing (per the PPS) be adopted for inclusion to help add clarity to the housing policies being adopted. (Source: Provincial Policy Statement, 2014)
- *Special Needs Housing* - housing, including dedicated facilities, in whole or in part, that is used by people who have specific needs beyond economic needs, including but not limited to, needs such as mobility requirements or support functions required for daily living (Source: Provincial Policy Statement, 2014).
- *Secondary Suite* (also referred to as an accessory suite or dwelling) - self-contained residential unit with kitchen and bathroom facilities within a dwelling or within a structure accessory to a dwelling (Source: MMAH, 2012)
- *Garden Suites* (also known as granny flats) - one-unit detached residential structures containing bathroom and kitchen facilities that are ancillary to existing residential structures and that are designed to be portable. (Source: Planning Act)

Implementation Measures

The work completed as part of the SAPAH and subsequent work as part of the OPR process have identified areas where current OP housing policy would benefit from refinement. The recommendations of this section set out a new direction for housing policy by establishing a Housing Statement, supporting objectives and policy language that should be incorporated as final OP language is drafted through the OPR process. This framework will address county-wide goals and objectives for housing and will also establish the context within which Secondary Plan housing policies for Picton, Wellington and Rossmore can be interpreted and refined over time. Because of the OP's primacy in

municipal planning and development, the inclusion of an empowering policy framework for housing is a pre-requisite for the implementation measures detailed in the following sections.

3.2 Secondary Plans

Secondary Plans put forward policies that address the challenges and opportunities that are specific to a defined area within the municipality. They are also meant to align with the overarching policies of the Official Plan as appropriate.

3.2.1 Existing Housing Policies

OPA 62 and OPA 63 represent Secondary Plans for the Wellington and Picton Urban Centres respectively. These plans “*set out detailed land use policies to guide growth and development*”. In general, both Plans take a similar direction towards managing growth and many of the policies guiding development, including housing policies, take on the same tone and language (see Appendix A for a summary of key policies).

Both Plans outline a number of policies aimed at supporting more affordable housing including setting an affordable housing target of 33% of new housing to be development that is affordable (based on the provincial definition of affordable housing). The Plans also include policies to provide relief from municipal charges and fees on a case-by-case basis to encourage the development of affordable housing.

Other policies include the consideration of bonusing, permitting secondary suites as-of-right, supporting increased residential densities in appropriate locations and promoting a full range of housing types including semi, duplex, triplex, townhouse and apartments. The Secondary Plans also outline policies related to Community Improvement Plans, conversion and demolition, alternative development standards and surplus lands.

One of the primary challenges is that development of the OP and Secondary Plans has happened at different time intervals. In many instances, Secondary Plan language is more directive and progressive than current OP language. That said, there is a need for consistency and alignment in these policies to reflect a cohesive policy hierarchy. Certain of these issues will be addressed via formalization of the new OP in accordance with the suggested recommendations of the previous section. However, subsequent adjustments to Secondary Plans will also be required to ensure alignment and consistency with the adopted language for the new OP.

3.2.2 Secondary Plan Adjustments to Support OP Direction

Secondary Plan adjustments will be required to align with the new overarching OP framework for housing once final language had been formally adopted and approved. Given the more recent vintage of the Secondary Plans and the language already embedded in them, the adjustments required should be relatively modest. This of course is wholly dependent on the final language adopted for the new OP. At such time as new Secondary Plans are established for other areas in the County, regard to both the new OP and the amended Secondary Plans will be required to ensure a similar level of consistency.

Implementation Measures

Upon adoption and approval of the new OP, the stage would be set to proceed with required Secondary Plan adjustments. A detailed comparative review of adopted OP language versus Secondary Plan language would need to be undertaken to identify required changes. These would be facilitated via individual OP amendments for each Secondary Plan and rationalized on the basis of conformity/consistency with the new OP. While new OP policy is not yet adopted, it is anticipated that Secondary Plan amendments would be required to:

1. *Harmonize Secondary Plan definitions* – Ensuring consistency in housing definitions of the Secondary Plans with the new OP and Zoning By-law (e.g. affordable housing, secondary suites, etc.)
2. *Streamline Secondary Plan policies* – Ensuring consistency and alignment with new OP directions, providing clarity with respect to:
 - a. Targets supporting mix and affordability policies
 - b. Provision of incentives
 - c. Language regarding secondary suites
 - d. Demolition and conversion policies
 - e. CIP provisions

Adoption of necessary Secondary Plan amendments would help to ensure consistency and alignment of overarching Official Plan policies with the area-specific policies advanced by the current Secondary Plans.

3.3 Zoning By-laws

Zoning By-laws are aimed at implementing the objectives and policies of Official Plans, and Secondary Plans, through the regulation and control of development. They are distinct from other policy vehicles in that they provide a legal mechanism for managing land use and future development. It is important that Zoning By-laws not only provide the regulatory framework for supporting the policies and direction of the Official Plan but that they do not contain barriers to such policies.

3.3.1 Existing Housing Provisions

The County's Comprehensive Zoning By-law provides a primary implementation vehicle for the policies of the County's Official Plan. The provisions of the by-law are extensive, setting out development parameters, permitted uses and general conditions. For convenience, a summary overview of the Comprehensive Zoning By-law (Office Consolidation 2010) is provided in Appendix A.

One of the challenges associated with the current Zoning By-law is that it does not address the implementation aspects of existing housing policies, particularly those described within the Secondary Plans. With the introduction of new directions for housing, policy changes in both the OP and Secondary Plans will trigger the need for further adjustments in the zoning by-law to ensure consistency, alignment and effective implementation of policies.

While the specific amendments required cannot be determined until new OP and amended Secondary Plan language is confirmed, it is clear from review that the current zoning by-law will require adjustments in a number of areas. These include:

- Harmonizing and expanding definitions
- Implementation of updated housing policies
- Allowing a more permissive range of uses
- Aligning second suites language with current legislation
- Fostering consistency in conversion/demolition, bonusing and alternative standards language

3.3.2 Zoning Adjustments to Support OP Direction

A comprehensive Zoning By-law amendment will be required to fully update provisions and ensure consistency with updated OP and Secondary Plan policies. This process can take a significant amount of time to complete, given the legal ramifications of the changes. In certain instances, discrete policy areas can be segregated and marshalled through the amendment process individually, as the need dictates. During this transitional phase between when OP and Secondary Plan policies are approved and before implementing zoning policies can be adopted, applications for zoning amendments should be adjudicated with regard for approved policy, notwithstanding that implementing zoning by-law language for these policies may not yet be in place. This will help to ensure some level of continuity as zoning provisions are being implemented.

Implementation Measures

In advance of undertaking a comprehensive zoning amendment, it may be prudent to complete a housing scan to confirm the changes necessary based on the shift in policy language at the OP and Secondary Plan level. This determination cannot be made until those policies are in place. However, initial scanning suggests that changes will be required to the zoning by-law in the following areas, regardless:

1. *Harmonize Zoning Definitions* - Aligning zoning definitions with OP and Secondary Plan definitions to ensure consistency (e.g. affordable housing, secondary suites, etc.)
2. *Amending Zoning Regulations* – Modifying provisions in the zoning by-law to align and support key policies area within the OP and Secondary Plans, including:
 - a. Provisions to support ‘as-of-right’ secondary suite policy and guidelines for other planning features (i.e. entrances, setback, size)
 - b. Establishing guidelines for demolition and conversion of rental housing
 - c. Provisions to support full mix of housing types (including singles, semis, duplex, triplex, townhouses, apartments, special needs housing, second suites and other innovative housing forms such as co-housing), in particular:
 - i. Provisions to encourage higher density housing forms where appropriate
 - ii. Provisions to encourage affordable housing in proximity to community facilities and transportation as appropriate
 - iii. Provisions to support conversion of single-detached dwellings into multiple-residential

- d. Provisions to support alternative residential development standards to facilitate affordable housing and more compact development forms, including
 - i. Provisions to reduce parking standards for projects that provide affordable housing
- e. Provisions to support inclusion of affordable units within subdivisions and larger scale developments/redevelopments

Ideally, zoning amendments would be brought through in a comprehensive and complete way, thereby avoiding anomalies that are created through patchwork implementation. Where discrete ‘packets’ of zoning adjustments can be marshalled through the amendment process, this also would be helpful, recognizing the time and effort necessary to implement comprehensive changes. However, until implementing zoning is in place for housing provisions, it may not be possible to realize the policy benefits that have been advanced through changes made to the OP or Secondary Plans.

4 Implementation Tools

The preceding section outlined changes required to the land use policy framework in order to advance new housing directions in Prince Edward County. Fundamentally, these changes create a more conducive regulatory environment to help foster housing objectives. However, these changes alone do not always spur intended results. The use of other tools and mechanisms that serve to support these policy changes can enhance housing outcomes.



Based on the work undertaken in the SAPAH, seven key implementation areas were identified for further review and examined in closer detail as part of this study, including:

- *Secondary suites* – promoting the addition of housing stock through creation of ancillary units in or adjacent to existing housing stock
- *Inducements/incentives* – leveraging municipal financial benefits in exchange for affordable housing
- *CIP policies* – supporting community improvement planning objectives to retain, enhance and increase housing options
- *Conversion/Demolition* – protecting and promoting existing rental stock through regulatory and incentive tools
- *Inclusionary Planning* – increasing the supply and integration of affordable housing acquired through private development
- *Surplus Lands* – leveraging public land holdings to increasing the supply of affordable housing
- *Approvals Processes & Development Standards* – streamlining approvals and standards in an effort to support housing affordability

The following sections review specific tools and options associated with each of these areas, focusing on those aspects most appropriate for the context in which the County operates. Implementation measures are also identified for those options deemed most plausible. For select implementation areas, policy approaches used in other jurisdictions and how these may be integrated to enhance the local

policy framework for Prince Edward County are identified. For reference purposes, summaries of the practices used in other jurisdiction are contained in Appendix B.

4.1 Secondary suites

4.1.1 Secondary Suites as a Tool for Addressing Housing Needs

Secondary suites are private, self-contained units with kitchen and bathroom facilities within dwellings, or within structures accessory to dwellings. They can take a number of forms such as basement suites and apartments above garages, and be labelled in a number of ways such as granny flats, coach houses and garden cottages.

Secondary suites can provide a number of benefits to communities. Secondary suites are a form of affordable housing that can help meet the needs of many individuals and families. In addition, secondary suites provide rental income to homeowners and flexibility to offset costs of home ownership or home maintenance. For example, secondary suites can provide first time homebuyers the basis to afford their mortgages, can allow seniors to remain in their homes longer by having someone to help with maintenance or can provide additional income to persons and families on fixed incomes. Overall, secondary suites contribute towards a greater mix of housing.

In some communities, secondary suites also provide an opportunity to add to the affordable housing stock by using existing housing rather than building new, since achieving affordability for new units can be challenging in these markets. Secondary suites can also contribute to neighbourhood revitalization by increasing demands for amenities and services and contributing to social diversity in neighbourhoods which may have experienced a decline in population.

Given the recent changes to the Ontario Planning Act which specifically require municipalities to establish policies allowing second suites in new and existing developments (i.e., in singles, semis, row houses as well as in ancillary structures), many municipalities are currently reviewing their secondary suite policies.

A scan of other jurisdictions indicated that:

- Secondary suites are permitted in a range of housing forms
- They are intended to be ancillary to the main structure and have limitations to that effect
- Unit size provisions are used to reinforce the ancillary nature of secondary suites
- Some jurisdictions specify servicing as a primary requirement
- Parking obligations vary but generally oblige 1 space per secondary unit when required
- Limits on modification to exterior facades are common for front yards and in some instances on 2nd storey external entryways
- Licensing fees are applied in some jurisdictions but they are nominal
- Registration is used by some jurisdictions to track/monitor suites whereas in other areas, licensing and permit requirements are preferred, primarily to ensure health & safety issues are addressed
- Incentives are typically not provided, especially in Ontario, but where they are, the incentives tend to be linked to promoting the permitting and inspection processes

A more complete summary of secondary suite polices in other jurisdictions is provided in Appendix B. It should be noted that since the completion of the scanning in 2013-14, many municipalities have been evaluating their options in light of new Planning Act requirements. In some instances, jurisdictions may have adjusted their final approach since the scanning was completed.

4.1.2 Existing Conditions

The County's current Official Plan only allows as-of-right secondary suites in residential zones in Picton and Wellington. Secondary Plans for these areas do include more progressive language which permits secondary suites within existing and proposed single-detached, semi-detached, and townhouse units and accessory unit as appropriate. Secondary Plans further permit garden suites on residential lots containing single-detached dwellings in Town Residential Area and Heights Development Area. However, the County's Zoning By-law does not currently include regulations or guidelines around secondary suites³.

SAPAH recommendations encouraged the County to broaden opportunities for permitting and promoting secondary suites (accessory apartments, garden suites). New OP policy directions have adopted the approach used in the area Secondary Plans by supporting the permission of secondary suites as-of-right in detached, semi-detached and row houses as well as in ancillary structures subject to appropriate zoning standards and sewer and water services. New OP policy directions also support garden suites on residential lots containing single residential dwellings subject to appropriate zoning standards as well as sewer and water servicing.

4.1.3 Options for Supporting Secondary Suite Policies

New OP policy directions clearly support the permission of secondary suites as-of-right in a variety of housing forms subject to appropriate zoning standards and sewer and water servicing. Garden suites are also supported on lots containing single residential dwellings, subject to similar standards and servicing requirements. While these policies create the opportunity for more secondary suites and garden suites, additional implementation measures are warranted to encourage actual development.

Implementation Measures:

It is recommended that the County consider the following implementation tools to support Secondary Suite policies:

1. *Zoning Provisions* – To implement policy objectives, appropriate provisions to allow secondary suites must be provided within the Comprehensive Zoning By-law, setting out clear standards with regard to setbacks, entrances, parking, servicing, etc. This is a fundamental requirement in order to move secondary suite policies forward.
2. *Community Education* – With necessary regulatory standards in place, generating greater awareness and interest among potential homeowners would be an important next step in promoting secondary suites. Developing a community education program can help build awareness and encourage engagement in the planning and implementation process to ensure that health and safety issues related to secondary suites can be managed. As part of this

³ While current zoning is not in place, it is understood that an amendment package supporting implementation of Secondary Suite zoning provisions is being brought forward for Council consideration in spring 2015.

program, specific resources for residents and landlords could also be developed (i.e. landlord 'how-to' kit, pamphlets on what is permitted/what is not permitted, tips and resources for tenants of secondary suites). As part of the broader campaign, neighbourhood focus groups could also be held to promote greater understanding of the issues in areas where resident concerns were more prominent.

3. *Monitoring* – As development of secondary suites becomes more prevalent, having meaningful feedback to measure the impacts of secondary suites is useful for both public education and planning purposes. As part of a broader annual monitoring report on development and housing, activity related to secondary suites could be tracked. Follow-up interviews with applicants could also be held in an effort to gauge how 'user friendly' the resources and approvals process are. Over time, this monitoring would also support assessment of the impacts of secondary suite policies, especially as they relates to rental housing supply and impact on infrastructure.
4. *Assistance Program* – As a progression in the implementation process, where the production of secondary suites was not meeting expectations based on monitoring results, incentives in the form of an assistance program could be provided to further stimulate activity. Providing one-time incentives to homeowners to create secondary suites would be one way to promote housing additions and could also enable the attachment of conditions to support tenant affordability and/or health and safety. A similar program could be used to encourage landlords to come forward to legalize existing secondary suites to ensure they met health and safety standards.

As identified, establishing zoning standards is a critical first step in implementation. Expanding awareness and promoting homeowner participation through community education would help to further advance policy objectives. Depending on the take-up in development and building permit applications, the use of monitoring and extending assistance programs could be additional steps taken by the County to encourage the development of new secondary suites or the legalization of existing suites.

4.2 Inducements/incentives

4.2.1 Inducements/incentives as a Tool for Addressing Housing Needs

One approach used by municipalities to encourage the development of affordable housing is to provide relief from development charges and other fees levied on developers to offset infrastructure and development costs on local municipalities. These fees may include development charges, building permit fees, planning application fees or parkland dedication fees. The Development Charges Act gives municipalities the authority to provide full or partial exemption from the payment of development charges. Some municipalities provide relief from fees as-of-right for affordable housing projects while some focus on incenting development through targeting incentives to particular areas, such as downtowns, in order to encourage intensification.

In addition to providing fee relief, municipalities currently have the authority through Section 110 of the Municipal Act, to offer incentives to the private sector through the enactment of a Municipal Housing Facilities By-law. A Municipal Facilities By-law allows municipalities to provide specific incentives for designated capital facilities like housing. The by-law defines obligations and the suite of incentives that can be provided to help achieve these obligations. Individual agreements executed under the by-law set out project-specific incentives and the terms for receiving them. This policy tool gives municipalities the ability to extend a range of incentives to private developers in return for the provision of affordable

housing. In the context of affordable housing, the individual agreements are referred to as Municipal Housing Project Facilities Agreements. Incentives may include exemptions or reductions to local taxes and development charges, financial assistance (including giving or lending money), and giving, lending, leasing or selling property at below market rates.

4.2.2 Existing Conditions

The current County OP does not include policies related to the use of financial incentives as a tool for the development of affordable housing. The Secondary Plans for Picton-Hallowell and Wellington Urban Centre do include the following policy:

- Providing on a case-by-case basis, relief from development, planning, permit and other fees normally charged for projects that provide affordable housing as defined by the County (4.3.6j))
- Equalizing tax ratio for new multi-unit residential buildings in accordance with Provincial affordable housing guidelines (4.3.6k))

New OP policy directions encourage the use of incentives to help achieve affordable housing objectives like those espoused in current Secondary Plan language. However, targeting incentives in exchange for affordability is seen as the most effective way to focus the County's finite resources and for that reason, allowing case-by-case consideration of incentives is seen as preferable compared with blanket relief for taxation of all multi-residential buildings.

4.2.3 Options for Supporting Inducements/Incentives

To effectively leverage municipal inducements/incentives, new OP policy directions encourage the development of new affordable housing by:

- Enacting a Municipal Housing Facilities By-law to enable the County to enter into agreements with suitable private and non-profit partners for the provision of affordable housing
- Providing targeted relief from development, planning, permit and other fees normally charged for development that provide permanent affordable housing

These adjustments will help to establish a policy basis for encouraging affordable housing through the use of incentives. However, implementation measures will be required to help translate policy objectives into tangible housing results.

Implementation Measures:

It is recommended that the County consider the following implementation tools to support policy objectives for municipal inducements/incentives:

1. *Municipal Housing Facilities By-law* - Enacting a Municipal Housing Facilities By-law would establish the local authority for the County to enter into agreements with suitable private and non-profit partners for the provision of affordable housing. For some senior government housing programs, this by-law is a prerequisite to proponents securing funding. A number of municipalities have enacted such by-laws and examples are therefore readily available to work from. However, in drafting the by-law, consideration will need to be given to the incentives and affordability levels that the County wishes to stipulate. Incentives can vary from full/partial property tax relief to DC relief, development fee relief, granting of lands, etc.

2. *Fees and Charges* - Providing relief on a case-by-case basis from development, planning, permit and other development fees can also induce developers to proceed with residential construction. However, there are limitations on who can receive these benefits and how, depending on the legislation they fall under (i.e. the Municipal Act, the Development Charges Act, etc.). Depending on the relief being provided, it may not always be possible to oblige conditions in the same way capital facilities do. As the amount of relief provided increases, there would be more public benefit to attaching conditions, where possible to do so.
3. *Community Education* - Informing development proponents and the broader community about available incentives, fee relief, grants and programs is another way to encourage creation of affordable housing. Having established local incentives, the County can encourage take-up by increasing awareness about what is available and how it benefits the development proponent. This can also include providing information about other programs or incentives offered by the local service manager or senior levels of government. Expanding awareness of these resources can help to encourage affordable housing with only modest required effort.
4. *Grants and Subsidies* – While making information available regarding grants and subsidies is helpful, the capacity of local development proponents may be limited. In other instances, there are programs available only to municipalities which could help to facilitate the development of housing (i.e. FCM green fund, Rural Infrastructure grants, etc.). The County can play an active role in seeking out these opportunities as a way to secure external resources not otherwise available while at the same time supporting housing outcomes via local proponents. It is recognized however, that County capacity to undertake such initiatives is also finite, and as such, pursuing these opportunities would need to be done in a judicious manner.
5. *Tax Structure* – As a broader-based initiative, the Province established legislation more than a decade ago that allowed for the creation of a new multi-residential tax class. In many jurisdictions, multi-residential units can be taxed at 2.0 to 2.5 times the rate of regular residential. Where municipalities establish the new class, it allows for a lower rate of taxation for any new multi-residential rental development, equivalent to the residential class for a period of 35 years. This incentive provides substantial operating savings to new rental development owners and thus provides an incentive to build new units. While it certainly encourages new rental development, the creation of the class does not allow for targeting of relief. As a result, any owner under this class receives the full benefit of the tax reduction, regardless of the rents they charge. So while this tool encourages rental development, it does not necessarily promote affordability and for that reason, is considered less attractive than more targeted incentives which have a clearer link between public benefit achieved (i.e. affordability) versus public cost incurred (i.e. the value of the incentive provided).

These inducements/incentives provide a spectrum of potential benefits which can be used to help retain existing housing stock or spur the creation of new affordable housing. It should also be noted that other possible incentives are available under other implementation tools (i.e. secondary suites, CIP and inclusionary zoning) and are more appropriately discussed within those sections of this report.

Establishing local capital facility authorities and providing relief from local development fees are two implementation options that are easily undertaken and help to target housing affordability. Expanding awareness of incentives, whether local or otherwise, is also recommended to encourage take-up which results in actual development. Pursuing grants and subsidies, and creating a new multi-residential tax class are also options which can be pursued by the County, although it is advisable that these options be measured against the benefits they are likely to accrue before pursuing them. As a smaller jurisdiction,

Prince Edward County has limited capacity and resources to extend incentives but does have the ability to leverage housing outcomes through strategic use of these tools.

4.3 Community Improvement Plan (CIP) policies

4.3.1 CIP as a Tool for Addressing Housing Needs

Under Section 28 of the Planning Act, municipalities can designate community improvement areas within their municipality by by-law. Under this designation, community improvement plans (CIP) can be developed to guide regeneration of designated areas through efforts such as facade improvements, building renovation, streetscaping, parking improvements, etc. Authorities under community improvement plans allow municipalities to purchase, lease or sell land for the purpose of advancing these community improvements. Municipalities are also empowered to provide grants and loans to registered owners, assessed owners and tenants of lands and buildings within the designated CIP area. These grants and loans are intended to help owners offset or pay for costs associated with community improvements.

Amendments made to the Act in 2006 explicitly identified affordable housing as an eligible community improvement. This provides municipalities with another tool to promote community housing outcomes within designated CIP areas, including renovation or improvement to existing stock as well as the creation of new housing stock. So like capital facility authorities, municipalities can extend targeted CIP incentives in order to achieve public benefits - in this instance the improvement or creation of affordable housing.

4.3.2 Existing Conditions

The Prince Edward County Official Plan provides policy language related to the use of Community Improvement Plans as a means of maintaining/improving building stock. It also designates the following areas within the County as Community Improvement Areas:

- a) Picton Urban Centre
- b) Village of Rossmore
- c) Hamlet of Rednersville
- d) Hamlet of Ameliasburgh
- e) Hamlet of Consecon
- f) Hamlet of Hillier
- g) Hamlet of Demorestville
- h) Hamlet of Cherry Valley

Secondary Plans for the Picton and Wellington Urban Centre include more specific policies that consider a range of potential benefits to the community in the preparation of Community Improvement Plans (4.5.2.1) including:

- encouraging maintenance of existing housing stock and promoting the rehabilitation, renovation, and adaptive reuse of older buildings or buildings of cultural heritage value
- supporting infill development and redevelopment on existing residential lots

- encouraging a range of housing types to meet the changing needs of residents and affordable housing

Secondary Plan policies also include the consideration of County-level funding such as grants, loans and other financial instruments to implement CIP policies (4.5.2.3c).

The County did adopt a Community Improvement Plan in 2012, geared towards promoting the creative rural economy. The Plan sets out goals and objectives as well as key activities in eight theme areas which were identified in support of CIP objectives. The plan also identified the suite of potential incentives that could be offered by the County under CIP provisions, including:

- Building and Planning Fee Rebate Program
- Development Charge Rebate Program
- Property Tax Increment Equivalent Grant Program
- Design Studies Program
- Project Feasibility Studies Program
- Façade Improvement Program

As part of the implementation section of the CIP, policy adjustments to the OP were also identified in order to better frame the objectives of the CIP.

4.3.3 Options for Supporting CIP

To address consistency issues between the OP, Secondary Plans and the existing CIP, new OP policy directions will encourage the maintenance of the existing housing supply by utilizing Community Improvement Plan authorities that maintain or enhance the existing housing stock while supporting affordable housing policies in the Plan.

One of the issues noted in the prior SAPAH study was the exclusion of affordable housing objectives within the CIP itself. Having these objectives included would support maintaining or enhancing housing options within targeted CIP areas. These target areas tend to correlate with older, higher density housing stock in built up areas of the County and as such, are prime locations for affordable housing. By expanding CIP authorities, the County can further encourage the maintenance and enhancement of existing housing stock while promoting affordability policies of the OP.

Implementation Measures:

It is recommended that the County consider the following implementation tools to support policy objectives through Community Improvement Plans:

1. *Expanding Community Improvement Plan eligibility* - Broadening the use of the CIP in designated areas is highly beneficial to encourage maintenance of existing housing stock and encouraging housing affordability. It also supports policy objectives aimed at utilizing available infrastructure, encouraging a range of housing types and protecting rental stock. To do this, the current CIP would need to be amended to incorporate housing objectives. However, care would need to be exercised in balancing the housing provisions within the broader creative rural

economy objectives of the CIP. Consideration would also need to be given to re-examining the boundaries of the CIP areas, given the nuance in objectives between residential and non-residential land uses.

2. *Application of CIP Incentives/Programs* – The current CIP utilizes a number of common incentives that may be otherwise available to housing proponents (e.g. fee waivers for permits, development applications or development charges). In other instances, the CIP incentives include provisions that are NOT otherwise available (i.e., tax increment grants, design or feasibility studies and façade improvements). In determining the appropriate application of CIP incentives for housing and in setting out broader housing incentives discussed elsewhere in this report (i.e. capital facilities, tax waivers, etc.), the County will need to consider the desirability/effect of segregating incentives versus stacking incentives with regard for specific housing objectives. Targeting specific CIP programs to specific housing outcomes can help to ensure maximum leveraging of available resources.
3. *Community Awareness* - Promoting awareness of CIP incentive programs among development interests and the broader community is one way to help encourage development activity that supports OP housing policies. Building awareness of related programs aimed at renovation and rehabilitation of existing housing stock (i.e. Ontario Renovates) can also support CIP efforts in this regard⁴.

4.4 Rental conversion/demolition

4.4.1 Conversion/demolition as a Tool for Addressing Housing Needs

The protection of residential housing stock can be a significant issue where the loss of stock is having a detrimental effect on the ability to meet local housing demands. This issue can be further compounded where there is limited development of new rental stock to make up for losses. For that reason, jurisdictions may choose to institute protections, especially related to rental stock, that help to preserve the supply of housing. In doing so, jurisdictions must consider both the desire to preserve stock while at the same time considering the public interest in doing so where building conditions are less than favourable.

Under the Municipal Act, municipalities have the power to enact a by-law to:

- prohibit the demolition of residential rental properties without a permit
- prohibit the conversion of residential rental properties to a purpose other than the purpose of a residential rental property without a permit
- impose conditions as a requirement of obtaining a permit

Municipalities tend to utilize these demolition/conversion authorities with regard for local market and housing conditions. A scan of other jurisdictions indicated that:

- Most jurisdictions discourage demolition or conversion to non-rental uses in order to help encourage a full range of housing types, tenures and forms
- Many jurisdictions use the 3%+ CMHC vacancy ‘rule’ as a standard means for determining when restrictions will apply

⁴ PELASS is the designated local program administrator for the Ontario Renovates program but currently does not have allocated funds available for the program at this time.

- Most also oblige that the 3%+ CMHC vacancy condition has to be in effect for three consecutive years before demolitions or conversions are permitted
- Notwithstanding the 3% rule, some municipalities allow demolitions or conversions as long as an equivalent number of replacement units are provided and are guaranteed at the same or lower rent levels
- Some municipalities also have permissive language related to building conditions, allowing demolitions where clear health and safety issues prevail

Municipalities also use incentive programs and convert-to-rent policies to help encourage the retention and use of existing housing stock. A scan of other jurisdictions indicated that:

- The limited examples of convert-to-rent policies that do exist are generally tied to policies which support residential intensification, especially in terms of adaptive reuse and conversions from non-residential to residential uses
- Other examples are tied to the creation of units by subdividing larger, low density homes
- Incentive programs that do exist are typically geared to designated areas within a jurisdiction to address specific housing needs and tend to target:
 - Non-residential to residential conversions which create additional units
 - Renovation of existing dwellings for improved accessibility
 - Development of new units through infill or intensification
- Incentives are typically capped, interest-free loans of up to 5 years duration
- In exchange for incentives, owners are expected to make annual payments and fully repay the loan amount but in one instance, the loan is made forgivable if affordability of the created unit(s) is extended beyond the loan period

A summary overview of demolition and conversion policies as well as incentives and rent-to-own programs in other jurisdictions is provided in Appendix B.

4.4.2 Existing Conditions

While historically there has not been much activity in the County with regards to conversion to condominium or demolition, there have been a few notable losses of rental stock through redevelopment. There has also been a net loss in the number of rental dwellings over time and limited production of new purpose-built rental housing. With sustained demand for rental units as seen in vacancy rates and with the continued aging and diversity of households, preservation of current rental stock is a concern.

The County's current OP does not include specific policies regarding the demolition and conversion of rental housing. However, the area Secondary Plans do contain a comprehensive set of policies to discourage the conversion of rental housing. Establishing policy consistency between the OP and Secondary Plans is essential to promote policies for protecting rental housing stock.

4.4.3 Options for Supporting Conversion/Demolition Control

New OP policy directions discourage the conversion of rental housing to condominium or other uses where such conversion would result in a reduction of the available amount of comparable rental housing. Policy directions also discourage the demolition of rental housing unless replacement units are provided.

To support this policy framework, a number of implementation measures are recommended which enforce policy objectives and encourage the retention of affordable rental housing.

Implementation Measures:

It is recommended that the County consider the following implementation tools to support policy objectives for conversion and demolition control:

1. *Demolition Control By-law* – Establishing a demolition control by-law would clearly define conditions under which the County would permit demolitions. The conditions would reflect when and where demolitions would be appropriate, having regard for new OP policy directions in terms of sustaining supply, building condition and replacement units. For ease of implementation, the County could model its by-law after an existing example in another jurisdiction.
2. *Guidelines for Demolition and Conversion of Rental Housing* – To assist development proponents and the broader community, guidelines that outline the expectations of the municipality with regard to demolition and conversion could be established. Ideally, the guidelines would underscore the basis for allowing demolitions/conversions and the associated requirements for meeting these tests. The guidelines should also speak to factors such as rental market conditions (i.e. vacancy rates, rent levels, general supply of rental housing market), building conditions, targeted locations/settlement areas, the process for providing replacement units and practices related to relocation of tenants.
3. *Convert-to-Rent Incentives* – To achieve rental housing protection objectives in specific circumstances, the County may wish to utilize customized incentives. In many instances, capital facility authorities or CIP incentives could be used to achieve these goals, depending on the location and nature of the development. In other instances, the County may wish to be more pro-active in encouraging landlords and owners to convert non-residential properties or portions thereof into affordable housing at specific locations. This could include providing forgivable loans in exchange for deeper levels of affordability (see City of Hamilton and City of London incentive programs in Appendix B).

Establishing a demolition control by-law and associated guidelines for both conversion and demolition of rental housing would serve to provide key planning tools that enforce new OP policy directions. While these tools may only have to be used infrequently, having them in place is important to help sustain a supply of rental housing in the community. Where possible, capital facility and CIP incentives (once in place) should be used to support rental protection efforts. In unique situations, customized incentives may be required to support preservation objectives.

4.5 Inclusionary planning

4.5.1 Inclusion as a Tool for Addressing Housing Needs

Inclusionary planning typically requires or encourages private developers to construct some proportion of new residential development for affordable housing. Inclusionary planning can be either mandatory or incentive-based. In mandatory programs, developers are required to contribute a certain proportion of affordable housing or land as a condition of development approval. In exchange, the municipality will provide some form of development benefit such as density bonusing, fee waivers, fast-tracked approvals and/or reduced development standards. Under incentive-based programs, developers are offered density bonuses and other incentives as inducements to contribute affordable housing on a

voluntary basis. Research shows incentive-based programs produce significantly less affordable housing than mandatory ones, primarily because they are discretionary. When extending bonusing or inducements, especially to the private sector, municipalities must have regard for provisions of the Municipal Act and the Planning Act.

It should be noted that inclusionary planning initiatives depend on a buoyant housing market to create new affordable housing units. Given varying market cycles and changing regional conditions, the effective application of the policies can be challenging. The key goal is to balance the public objectives of inclusion and affordability with the rights and incentives for land owners and developers to realize a fair profit. Where obligations are perceived as imposing a “tax” on development or are causing development to be unattractive or financially unviable, inclusionary practices can act as a barrier.

In Ontario, there are no specific authorities under the Planning Act enabling municipalities to oblige inclusionary zoning (i.e. no mandatory provisions)⁵. Instead, municipalities currently utilize an incentive-based approach to promoting inclusion. The most common vehicle for doing this is Section 37 of the Planning Act which permits municipalities to grant height or density bonuses on properties in exchange for community benefits. These benefits can include affordable housing. In other instances, municipalities may negotiate with developers through the subdivision process to include a wider mix of unit types or to provide units which are more affordable.

Municipalities tend to utilize inclusionary planning as a means of ensuring a more diverse mix of housing types and affordability. While experience with inclusionary zoning is more extensive in the United States, three cities across Canada have formally enacted inclusionary zoning policies: Toronto, Montreal and Vancouver. Inclusionary Housing Canada has documented a high-level review of Canadian initiatives as well as typical US programs. A brief summary of these initiatives is provided in Appendix B for reference purposes but the main elements from the summary indicate that:

- Inclusionary obligations are triggered by situations where private developers are changing to residential uses or require substantive planning changes
- Obligations are typically geared to larger projects/developments (i.e., based on number of units or overall size of development)
- Municipalities in Canada can require 20%-30% of the total units be set aside to meet obligations
- Developer ‘contributions’ are typically conveyed in the form of a land donation or fees in lieu
- ‘Contributions’ are utilized to facilitate social housing, rental housing and housing at the low end of the ownership market

4.5.2 Existing Conditions

Prince Edward County does not currently have inclusionary planning policies and/or tools in place. As part of the SAPAH study, it was recommended that the County explore the viability of creating incentive-based inclusionary zoning policies.

In Prince Edward County, inclusionary planning as a broad policy direction may not achieve the desired objectives for the municipality and it may be more appropriate for the County to consider applying

⁵ There is currently a private member’s bill before the legislature which seeks to provide municipalities with broader authorities in regards to mandating housing inclusion. Prior bills of a similar nature have not made it through the legislative process and it is unclear at this time whether the current bill will actually be enacted or not.

inclusionary zoning principles on a case-by-case basis. For example the City of Toronto “Large Sites Policy” (2006) is designed to make use of section 37 of the Ontario Planning Act – a section that enables municipalities to offer an increase in the permitted height and/or density for a site in return for provision of community benefits, including affordable housing. This form of inclusionary zoning may be a more appropriate tool for the County when considering larger development/redevelopment proposals.

4.5.3 Options for Supporting Inclusion

New OP directions for housing encourage the use of inclusionary practices to integrate affordable housing within subdivisions and larger developments/redevelopments. While there currently are limited tools to help support inclusion-oriented policies, the County does have discretion in advancing these principles through negotiations with developers.

Implementation Measures:

It is recommended that the County consider the following implementation tools to support policy objectives for inclusionary planning practices:

1. *Inclusionary Planning Guidelines* – To help implement the OP policy on the inclusion of affordable housing in subdivisions and/or larger development proposals, guidelines should be developed that help define when the policy applies, the negotiating process, municipal expectations and developer obligations. Having a transparent document will help to provide clear guidance for development proponents in advance of them seeking required municipal approvals. It will also help to frame ‘rules of engagement’ for the negotiation process, ensuring that Section 37 obligations are met.
2. *Community Education* – As a relatively new implementation tool, inclusionary planning practices are not well understood. While guidelines will assist in implementing OP policies, developing resources to build general awareness among developers and the broader community about inclusionary practices would serve to build community support for these practices. Providing an overview of relevant OP policies, the use of Section 37 provisions and the concept of affordable housing as a ‘community benefit’ could be highlighted as part of a brochure or fact sheet.

While the current scale and form of development in the County would not oblige the frequent use of these inclusionary provisions, they are nonetheless very important tools for helping to provide a full range of housing choices in the community.

4.6 Surplus land

4.6.1 Surplus property as a Tool for Addressing Housing Needs

One of the more common municipal tools used to support affordable housing objectives is surplus land, either in the form of lands owned by municipalities or those owned by public sector interests (including other levels of government). Some municipalities have adopted policies obliging that municipally-owned surplus lands be used for housing purposes on a priority basis. These municipalities have made such sites available in return for the provision of various forms of affordable housing using contribution agreements or other mechanisms.

Other public sector bodies have also been encouraged to make their surplus properties available for affordable housing on a 'right of first refusal' basis. For example, surplus school properties have been converted into affordable housing projects in a number of municipalities across Ontario. However, for these public bodies, there can be policy obligations regarding maximizing returns as a prudent fiscal practice. While this can impede land acquisition at less than market costs, it can also present the opportunity to effect land exchanges with municipalities which are mutually beneficial.

Municipal policies regarding disposal of surplus municipal property fall under the authority of Section 270 of the Municipal Act. Municipalities are obliged to maintain such policies which will typically set out authorities, conditions for disposal, process steps and notice requirements.

As part of the study process, a County land inventory from 2013-2014 was reviewed with the goal of identifying potential sites/buildings that might be suitable for housing development. Factors considered for suitability were the location, size, configuration and access to the parcels. Current zoning and potential development constraints were also factored into the review. Based on these factors, an overall rating was assigned for each parcel as good, moderate or poor.

Of the 82 properties listed, 13 had insufficient information on which to make an assessment. Of the remaining 69 parcels, 56 were rated as poor because they were in remote locations, had configuration issues, had limited access or had development constraints. Only 13 had a rating of moderate (7) or good (6) and many of these parcels tended to be located in or near Picton. While the majority of these were vacant parcels, 2 included existing buildings; the McFarland Memorial Home and the former Wellington Arena. In the case of the McFarland Home, the lands adjacent to the existing building were cited for potential while in the case of the Wellington Arena, both the building and adjacent lands were considered. As a result of this review, it is clear there is some potential to use municipal lands for housing purposes.

4.6.2 Existing Conditions

While current OP language is silent in regards to surplus lands for housing, Secondary Plans for Picton-Hallowell and Wellington Urban Centre recommend considering affordable housing as a priority use for surplus municipal land. The Secondary Plans also encourage working with other levels of government to make surplus lands available to providers of affordable housing at little or no cost. Current surplus disposal policies for the County do not speak to providing priority for housing or actively seeking mutually beneficial exchanges with other public sector bodies. Aligning OP and Secondary Plan policy directions on surplus land for housing and clarifying how these directions are to be implemented through County land disposal procedures would help to support affordable housing initiatives.

4.6.3 Options for Leveraging Surplus Land

New OP policy directions encourage leveraging available public lands for the development of affordable housing. These policies can be supported by making housing a priority in municipal procedures for surplus land. Maintaining an on-going inventory of properties that are suitable for housing development and may become available will further support affordable housing opportunities.

Implementation Measures:

It is recommended that the County consider the following implementation tools to support policy objectives through the use of surplus lands:

1. *Surplus Lands Policy* – The current County disposal policy should be amended to identify affordable housing as a priority use. This would help to ensure that lands suitable for housing development were given first consideration for use by the municipality or community partners who utilized the lands to develop affordable housing. The policy could also be extended to encourage coordination of surplus practices among local public sector agencies. This could help to advance housing objectives in the community while still accommodating the mutual needs of local partners through land exchanges.
2. *Potential Sites Inventory* - Maintaining an up-to-date inventory of potential sites, both municipal and in the broader public sector, that are suitable for housing development would be highly beneficial to community partners interested in developing affordable housing. As a facilitator, the County could use this inventory to help target prospective locations and utilize assets to help leverage development through community-based partners.

4.7 Approvals Processes and Development Standards

4.7.1 Processes & Standards as a Tool for Addressing Housing Needs

In Ontario, there are a variety of different land use approvals required to prepare for and undertake residential development. Each process involves a number of steps and will typically require a formal public meeting prior to decisions being made. Where process requirements are too stringent or complex, they become a disincentive to development. Under the Planning Act, rules governing how municipalities manage these processes have been established, from receiving applications and giving notice to decision-making functions and appeal provisions.

One of the key aspects of these rules are the maximum prescribed timelines which municipalities have for making decisions on submitted applications. These timelines are intended to ensure that applicants receive decisions within a reasonable period of time. While prescribed timelines exist, there are administrative practices and local processes which can serve to extend the approvals process. The complexity of some applications and the unfamiliarity of applicants with the local approvals policies or processes can further add to these issues.

Development standards describe the set of municipal criteria that guide the design and construction of communities. These standards are set to ensure that public and private elements across the community meet common minimum requirements. In the private realm, this can relate to minimum lot sizes and frontages and the orientation of houses on lots. In the public realm, this can relate to street pavement and right-of-way widths, the provisions of on-street and off-street parking and the location of sewer, water and utility lines.

Alternate development standards are flexible planning and engineering standards that provide a range of alternatives to the current standards used for the design and construction of communities. Alternative development standards encourage affordable housing by allowing the developer to build various components of a housing project to a lower acceptable standard, thereby creating cost savings to the project which can be reflected in affordability. Some standards which may be altered to

encourage affordable housing development include: reduced setbacks, narrower lot sizes, reduced road allowances, reduced parking standards, and on-street parking.

In the case of affordable housing, delays in approvals and excessive development standards can have cost impacts on projects. Having more predictable approvals processes and alternate development standards would assist in helping to advance affordable housing objectives.

4.7.2 Existing Conditions

The current Official Plan does not include policies specific to land use approvals and/or development standards. However, area Secondary Plans do recommend considering alternative development standards to facilitate affordable housing and a more compact development form.

While prescribed timelines dictate when approval decisions must be made, there are opportunities for the County to consider how the approvals process can be simplified, whether through clarity in policies and the approvals process to supplementary application requirements and the effectiveness of pre-consultation meetings. Likewise, there remain opportunities to apply alternative development standards to promote affordability.

4.7.3 Options for Supporting Streamlining of Approvals and Development Standards

New OP policy directions support alternative residential development standards to facilitate an efficient use of infrastructure and a more compact development form. Likewise, finding additional opportunities to streamline development application and approval processes would further support housing affordability policies of the OP.

Implementation Measures:

It is recommended that the County consider the following implementation tools to support policy objectives through streamlined development approvals and alternative development standards:

1. *Alternative Development Guidelines* – Where practical and prudent, reducing standards for affordable housing projects would help the County to facilitate development. Among other things, consideration should be given to reduced setbacks, narrower lot sizes and parking, especially in affordable multi-unit developments. Documenting these alternate standards in the form of guidelines would provide potential applicants with important design information.
2. *Application Process* – While approvals timelines are legislatively prescribed, regularly reviewing development application processes or practices to ensure they are streamlined is prudent from a customer service perspective. This is especially true for applications involving the provision of affordable and/or supportive housing options where delays in approval can have immediate financial consequences. For example, using a pre-consultation meeting to help triage prospective issues early in the application process can be highly beneficial to resolving development impediments.
3. *Community Education* - Creating resources (online and hard copy) that summarize policy and process information for developers and residents is another way to help support the approvals process. Providing clarity upfront on housing policies, tools, and incentives can help to minimize misinterpretations later in the approvals process. Resources could be developed in the form of fact sheets which could provide key information in a user-friendly format. Hosting in-person

information sessions and/or developing on-line tools may also help create improved clarity around the development process.

5 Summary

A primary purpose for undertaking this study was to implement SAPAH recommendations with regards to Official Plan policies, related policy vehicles and implementation measures. Recommendations have been provided to help establish a new direction for the local housing policy framework by shaping OP policies. Complementary policy adjustments for Secondary Plans and the Zoning by-law have also been suggested in an effort to foster consistency between the three primary policy vehicles. Options associated with implementation tools have also been examined and specific recommendations have been made in order to put policy directions into action.

5.1 Setting the housing foundation

A fundamental first step in setting new directions for housing is to formally establish the new Official Plan for the County, including a formal housing statement, supporting objectives and associated housing policies. Recognizing the OPR process is still underway, it is advisable that the recommendations of this report be used to inform the final language of the new Official Plan as it relates to housing.

As the primary policy vehicle that guides land use development in the County, approval of the new OP is an important prerequisite to necessary adjustments in current Secondary Plan language. Aligning policy language and approaches in these documents via formal amendment will help to ensure consistency which is an issue in the current policy framework.

Likewise, amendments to zoning provisions that implement the revised policies of the OP and Secondary Plans will be required once that policy language is in place. Ideally, these amendments would be undertaken as part of a comprehensive zoning by-law amendment. Recognizing the time that it typically takes to effect such an amendment, it may be appropriate to bring forward discrete policy-specific amendments to advance implementation in stages where necessary/desirable.

5.2 Progressive implementation

With the housing policy framework established and in place, it will be timely to advance the implementation measures that support these policies. Given the range of options at the County's disposal, consideration will have to be given to proceeding initially with those tools that offer the most compelling benefits while recognizing the County's capacity to undertake them. Consideration will also have to be given to staging, recognizing that some tools are discrete enough to enable implementation prior to others which are more rooted in policy adoption.

Having established the range of recommended implementation measures, it is suggested that the following tools be considered first for implementation:

- Establish second suite zoning provisions
- Define range and depth of municipal incentives to be offered
- Establish a capital facilities by-law
- Establish a demolition control by-law and associated guidelines
- Revise the County surplus lands policy
- Integrate affordable housing provisions within the CIP

- Establish inclusionary planning guidelines

Recognizing the extended time required to fully implement the policy framework and the associated implementation measures, it will be useful to use this report as a reference document for guiding progress towards completion.

5.3 Key success factors

To effectively achieve the implementation of the new housing policy directions, a stepwise approach will be required over time. This graduated method for implementation will need to:

- Initially create opportunities for affordable housing through the regulatory framework
- Build support and achievement of policy outcomes through education and awareness
- Induce participation through specific, targeted programs and incentives where required

Appendix A: Existing Local Policy Framework

Summary of Prince Edward County Official Plan Policies (1993)

Areas for Policy Development	Official Plan
Housing Policies	<ul style="list-style-type: none"> • The Plan recognizes that the mental and physical health of the County’s residents will be dependent on the delivery of (b) affordable housing (rental and ownership) for people of all ages and levels of independence (2.9.2) • Encourages a mix of housing types to meet the needs, incomes, preferences and lifestyles of all residents (4.3.1a)) • Requires monitoring of the housing market (4.3.1d)) • Requires working with non-profit, co-operative and private sectors as well as special needs groups (4.3.1e)) • Requires development of rental housing database (4.3.9d)) • Encourages mix of housing types and densities in new subdivisions (4.3.9h)) • Encourages maintenance and improvement of existing stock (4.2.2a)) • Encourages government assistance programs to restore and rehabilitate housing stock (4.2.3e))
Housing Policies (Affordable and Special Needs)	<ul style="list-style-type: none"> • Encourages integration of special needs housing (4.3.1b)) • Requires special needs housing that is licensed to be permitted in any designation providing for residential uses (4.3.2) • Encourages provision of affordable housing for low, moderate and middle income across the County, especially single-parent families (4.3.1c)) • Encourages an appropriate supply of rent supplement and rent geared-to-income units (4.3.9a)) • Encourages support services and alternative housing forms for seniors including temporary dwelling, addition to existing dwelling, conversion of a portion of dwelling into separate apartment (4.3.3) • Housing for seniors to be located primarily in urban centres and villages (4.3.5) • Use holding and bonusing provisions of Planning Act to facilitate affordable housing objectives related to density of development in urban serviced areas (4.3.9g)) • Seek funding from senior government in developing assisted and supplemented family housing (4.3.9f))
Secondary Suites	<ul style="list-style-type: none"> • Allow as-of-right accessory apartments in residential zones in Picton and Wellington • Encourages the conversion of a portion of an existing dwelling into one separate apartment within a dwelling for the purposes of seniors housing, where municipal water and sewage supply systems are available (4.3.3c))

Areas for Policy Development	Official Plan
Intensification and Infill	<ul style="list-style-type: none"> • Plan encourages growth to be accommodated in settlement areas • Subdivision development is encouraged in the Urban Centres and may be permitted in the Village, Hamlet and Shore Land designation • Requires a review of servicing programs to remove barriers to residential development (4.3.8a)) • Requires monitoring and preparing annual reports on residential development activity (4.3.8c)) • Encourages compact growth and infilling to reduce the energy needed for space heating and transportation (1.8.1a)) • Encourages reuse and re-development of existing buildings (1.8.1b) • Encourages mixed use developments where suitable (1.8.1c) • Encourages renovation and rehabilitation of residential uses above commercial uses in Picton, Wellington, and Bloomfield (4.3.9 b))
Approvals Processes	<ul style="list-style-type: none"> • Requires adopting a guideline outlining the timeframes and procedures at each stage of the planning and development approval process in order to facilitate timely planning approvals
Community Improvement Plans	<ul style="list-style-type: none"> • [Community Improvement Areas may be selected based on] the existence of building stock including housing showing signs of deterioration and requiring rehabilitation and upgrading (4.3.2e)) • Designated community improvement areas include (4.2.4) <ul style="list-style-type: none"> a) Picton Urban Centre b) Village of Rossmore c) Hamlet of Rednersville d) Hamlet of Ameliasburgh e) Hamlet of Consecon f) Hamlet of Hillier g) Hamlet of Demorestville h) Hamlet of Cherry Valley
Conversion and Demolition	<ul style="list-style-type: none"> • Encourages the renovation and rehabilitation of residential uses above commercial uses in Picton, Wellington and Bloomfield
Development Standards	<ul style="list-style-type: none"> • Ref. zoning provisions
Surplus Lands	<ul style="list-style-type: none"> • Ref. secondary plans

Summary of Secondary Plan Policies (Adopted 2014)

Areas for Policy Development	Secondary Plans for Picton and Wellington Urban Centres
Housing Policies	<ul style="list-style-type: none"> • Maintain ability to accommodate future residential growth for min. 10 years through intensification, redevelopment and land designated and available for residential development (4.3.1) • Maintain available servicing capacity to provide min. 3-year supply of residential units (4.3.2) • Monitor County’s ability to accommodate future growth and available servicing (4.3.3) • Work with PELASS to implement Strategic Action Plan (4.3.4) • Consider innovative housing models such as cohousing and life-lease housing (4.3.6m))
Housing Policies (Affordable and Special Needs)	<ul style="list-style-type: none"> • Work towards target of 33 percent of new housing to be developed is affordable to households within the lowest 60 % of local income distribution as determined by the Province from time to time(4.3.5) • Providing infrastructure in timely manner (for affordable housing) (4.3.6f)) • Negotiating agreements with the public and private sectors to providing affordable housing through the draft plan of subdivision, plan on condominium, rezoning and consent processes (4.3.6g)) • Enact Municipal Housing Facilities By-law to enable County to enter into agreements with private and non-profit partners for provision of affordable housing (4.3.6h)) • Providing on a case-by-case basis, relief from development, planning, permit and other fees normally charged for projects that provide affordable housing as defined by the County (4.3.6j)) • Equalizing tax ratio for new multi-unit residential buildings in accordance with Fed. Prov. affordable housing guidelines (4.3.6k)) • Encourage opportunities for affordable housing to be provided in the Downtown Core Area as a means of supporting mixed use development (4.3.8) and older established neighbourhoods as a means of maintaining and improving older housing stock (4.3.9) • Encourage development of low income housing geared toward seniors to allow seniors to stay in home longer (4.3.10) • Work with local groups to assess need for special needs housing and support groups interested in provision of special needs housing (4.3.12) • Considerations in review of special needs housing include traffic, compatibility of use, and approved funding (4.3.13)
Bonusing Policies	<ul style="list-style-type: none"> • Consider including provisions in updated Zoning By-law to permit the use of bonusing (5.1.1.4.1) • Recognize that facilities, services or matters of community benefit include a) provision of affordable, rental, special needs, assisted, or other forms of special housing (5.1.1.4.2) <ul style="list-style-type: none"> • Ensure that any bonusing provisions in the updated Zoning By-law establish a nexus such that the facilities, services, or matters of community benefit provided are commensurate with the increased height and density permitted and are not already a requirement of this Plan (5.1.1.4.3)

Areas for Policy Development	Secondary Plans for Picton and Wellington Urban Centres
	<ul style="list-style-type: none"> • Ensure facilities, services or matters of community benefit provided in exchanged for increased height and density are directly linked or associated with the development proposed and are located onsite or in close proximity (5.1.1.4.5) • Permit bonusing only in cases where the increased height and density complies with all other applicable Zoning By-law regulations, conforms to the intent of the Secondary Plan, is compatible with adjacent existing or proposed development, and is in line with priorities and interests of the County (5.1.1.4.4) • Discourage the transfer of bonus height and density from one site to another or from one project to another (5.1.1.4.6) • Require an agreement between County and landowner as a condition of the application to be registered on title (5.1.1.4.7) • Establish Countywide guidelines for negotiating community benefits (5.1.1.4.8)
Secondary Suites	<ul style="list-style-type: none"> • Permit second units within existing and proposed single-detached, semi-detached, and townhouse units and accessory units as appropriate (4.3.6b)) • Inform community of government grants available to encourage the creation of second units, converted units, and accessory units (4.3.6e)) • Permit garden suites on residential lots containing single-detached dwellings in Town Residential Area and Heights Development Area (4.3.14) • Consideration in review of garden suites include justified need, connection to full municipal services, compatibility of exterior design, impact on light, view and privacy of adjacent properties, financial security, and time limit (4.3.15) • Intensification policies for Urban Centres - Town Residential Area (Picton-Hallowell) and Village Residential Area (Wellington) (2.4.1-2.4.3)) <ul style="list-style-type: none"> a) Secondary units and accessory units provided no more than two units exist on one lot shall also be permitted.
Intensification and Infill	<ul style="list-style-type: none"> • Support increased residential densities in appropriate locations and promoting a full range of housing types including semi, duplex, triplex, townhouse and apartments (4.3.6a)) • Intensification policies for Urban Centres - Town Residential Area (Picton-Hallowell) and Village Residential Area (Wellington) (2.4.1-2.4.3)) <ul style="list-style-type: none"> a) Permit a mix of residential unit types in existing neighbourhoods including single, semi, duplex, triplex, townhouse and apartment. Converted dwellings resulting in no more than three units shall also be permitted. b) Permit a mix of neighbourhood-scale non family residential uses in existing neighbourhoods as appropriate (assisted living, seniors, special needs, nursing homes) c) [Picton-Hallowell]Requires min. residential density of 17.3 units/net hectare in new neighbourhood development with a preferred target of 25 units/net hectare. Permit residential density of 37 units/per hectare in new neighbourhoods as appropriate

Areas for Policy Development	Secondary Plans for Picton and Wellington Urban Centres
	<ul style="list-style-type: none"> d) [Wellington] Requires min. residential density of 14.5 units/net hectare in new neighbourhood development with a preferred target of 25 units/net hectare. Permit residential density of 37 units/per hectare in new neighbourhoods as appropriate • Encourage intensification in the Town Residential Area/Village Residential Area as a means of creating complete neighbourhoods that...encourage provision of affordable housing (2.4.3, 2.4.3.1) • Focus higher density in [mixed use areas] as a means of supporting long term viability of local businesses and strengthening live/work relationship (2.5.1.5) • Permit mix of higher density residential unit types in [mixed use areas] (2.5.1.6) • [Wellington only] Focus for residential intensification will be in the Village Residential Area first and the Neighbourhood Development Area second (2.4.2.1)
Approvals Processes	<ul style="list-style-type: none"> • Streamlining the development approvals process for projects that provide affordable housing as defined by the County (4.3.6i))
Community Improvement Plans	<ul style="list-style-type: none"> • Consider a range of potential benefits to the community in the preparation of a Community Improvement Plan including (4.5.2.1) <ul style="list-style-type: none"> c) encouraging maintenance of existing housing stock and promoting the rehabilitation, renovation, and adaptive reuse of older buildings or buildings of cultural heritage value d) supporting infill development and redevelopment on existing residential lots e) encourage range of housing types to meet the changing needs of residents and affordable housing • Base designation of CIP area on c) expansion of the housing stock (4.5.2.2) • Consider provision of County-level funding such as grants, loans and other financial instruments to implement CIP (4.5.2.3c)) • Consider application for financial assistance from other levels of government to implement CIP (4.5.2.3d))
Conversion and Demolition	<ul style="list-style-type: none"> • Permit the conversion of single detached residential dwellings into not more than 3 separate dwelling units and the conversion of semi-detached and townhouse dwelling into not more than two separate dwelling units (4.3.6c)) • Permit the conversion of non-residential buildings to residential use preferably to include affordable housing (4.3.6d)) • Discourage conversion of rental housing to condominium if conversion results in a reduction in the amount of comparable rental housing available less than 3 % as established by CMHC. (4.3.16) May be considered if <ul style="list-style-type: none"> a) 75% of tenants sign agreement giving them first right to purchase at price no higher than offered to public b) proposed development is inspected and report describing building condition is provided

Areas for Policy Development	Secondary Plans for Picton and Wellington Urban Centres
	<ul style="list-style-type: none"> c) applicant provides assistance to each tenant who must relocate in finding comparable and mutually agreed upon alternate accommodation in P-H and the payment of moving costs d) parkland dedication is provided
Alternative Development Standards	<ul style="list-style-type: none"> • Consider alternative residential development standards to facilitate affordable housing and a more compact development form (4.3.6l)) • Consideration of alternative development standards for provision of affordable housing also recognized under Transportation Policies (3.1.2.3)
Surplus Lands	<ul style="list-style-type: none"> • Consider affordable housing as a priority use for surplus municipal land in Picton-Hallowell and work with other levels of government to make surplus lands available to providers of affordable housing at little or no cost (4.3.11)

Summary of Prince Edward County Comprehensive Zoning By-law (2010)

Areas for Policy Development	Zoning Policies
Housing Policies	<ul style="list-style-type: none"> • Zoning by-law does not address implementation aspects of existing housing policies • Restrictions to ‘group homes’ – only permitted in singles and in specific zones (most zones not R3)). Defined as 3-10 persons, licensed, and states reason for living together (i.e. emotional, mental, social, physical well-being). Rooming houses defined as no more than six rooms and proprietor resides in the dwelling (defined separately from group home and dwelling unit) • Retirement home defined as 55+ with common dining/living/recreational • Senior Citizens’ Housing Complex defined as separate dwelling units with common dining area and sponsored/administered by a <u>funded</u> (government or public funding) organization • Home business provisions and restrictions (Section 4.11 & 4.12) • Parking standards for residential uses (5.1.1) can be restrictive (in particular for group homes, rooming houses, apartments) • Rural Zones generally only permit single detached dwellings and group homes as dwelling types as well as home businesses, bed and breakfasts, day cares • Mixed dwelling types generally only permitted in R2 (semi, duplex, retirement), R3 (semi, town, apartments, retirement, seniors homes)
Secondary Suites	<ul style="list-style-type: none"> • Zoning by-law does not address current housing policies regarding permission of secondary suites
Intensification and Infill	<ul style="list-style-type: none"> • Core commercial zones permit residential uses (one or more units) in a portion of a commercial building • General and Local commercial zones permit residential uses (one or more units) in a portion of a commercial building and single detached dwellings
Approvals Processes	<ul style="list-style-type: none"> • n/a
Community Improvement Plans	<ul style="list-style-type: none"> • n/a
Conversion and Demolition	<ul style="list-style-type: none"> • Zoning by-law includes definition of converted dwelling “....single detached dwelling which has been subsequently altered or converted as to provide additional dwelling units...” • Converted dwellings (max 2 dwelling units) permitted in Urban Residential (R1) Zone
Development Standards	<ul style="list-style-type: none"> • n/a
Surplus Lands	<ul style="list-style-type: none"> • n/a

Appendix B: Examples from other Jurisdictions

Examples of Secondary Suite Policies

Jurisdiction	Area	Dwelling/ Lot	Parking	External Appearance	Licensing Fees	Registration/ Licensing	Incentives
Mississauga <i>Policy developed, implementation strategy underway</i>	City wide	<ul style="list-style-type: none"> • Single, semi, townhouse (max 1 additional unit) • Distinguishes between ‘owner occupied’ and ‘investment’ dwellings • Min and Max GFA to be established • Min setback of 1.2m for new entrances • Second unit cannot change existing use of dwelling • Not permitted in lodging or group homes 	<ul style="list-style-type: none"> • 1 on-site space for second unit in addition to required parking for dwelling • Only 1 driveway/lot 	<ul style="list-style-type: none"> • Prohibit new entrances facing street • Prohibit exterior entrance above first floor • Prohibit stairs, stairwells for entrances below grade facing a street 	<ul style="list-style-type: none"> • \$500 (owner occupied) • \$1000 (investment) 	<ul style="list-style-type: none"> • Yes – owner occupied and investment unit licensing • Investment license would require minor variance • Ongoing compliance with property standards, building and fire codes 	<ul style="list-style-type: none"> • No (un-known)
Brampton <i>Proposed</i>	City wide	<ul style="list-style-type: none"> • Single, semi, townhouses except in ‘Executive Housing’ areas and dwellings on private services • Max 2 units per lot • Min setback of 1.2m for new entrances • Second unit is smaller in size than the main dwelling • Not within existing – not to exceed 40% GFA of primary 	<ul style="list-style-type: none"> • One on-site parking space for second unit • Only 1 driveway/lot 	<ul style="list-style-type: none"> • Exterior changes to the dwelling shall be minimal and compatible with the character of the immediate area • Require access for rear yard or alternatively side yard • Prohibit new entrances facing street • Prohibit exterior entrance above first floor 	<ul style="list-style-type: none"> • \$200 (existing and new), requires proof of insurance 	<ul style="list-style-type: none"> • Legal non-confirming will (also) be required to register • Must comply with Building and Fire Code • Property standards inspections based on complaints 	<ul style="list-style-type: none"> •

Jurisdiction	Area	Dwelling/ Lot	Parking	External Appearance	Licensing Fees	Registration/ Licensing	Incentives
		<ul style="list-style-type: none"> • Accessory buildings (above garages, granny flats etc.) • Not permitted in lodging or group homes • Second suite cannot change use of dwelling 		<ul style="list-style-type: none"> • Prohibit stairs, stairwells for entrances below grade facing a street • Access may be permitted through common vestibule 			
Petawawa <i>Draft</i>	Town wide	<ul style="list-style-type: none"> • Detached, semi, row, accessory structure • Min. standards for unit area and servicing may be identified in Zoning Bylaw 	<ul style="list-style-type: none"> • Parking standards for unit area may be identified in Zoning Bylaw 	<ul style="list-style-type: none"> • Not yet determined, may be considered as part of Zoning Bylaw review/update 	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • Must comply with Building Code, Fire Code 	<ul style="list-style-type: none"> • No
Markham <i>proposed – did not get approved</i>	As of right	<ul style="list-style-type: none"> • Singles and Semis • Must be secondary to primary dwelling • No more than 2 units/lot • Max GFA: second unit not to exceed 45% of floor area of primary unit (as existed before second suite) • Min GFA: 35m2 	<ul style="list-style-type: none"> • No additional spaces required • Subject to property standards 	<ul style="list-style-type: none"> • Not be conspicuous from the street or change appearance of dwelling • No entrance through garage door 	<ul style="list-style-type: none"> • \$150 • + \$300 (fire) 	<ul style="list-style-type: none"> • Inspection and Registration every 3 years 	<ul style="list-style-type: none"> • No
Newmarket <i>Active</i>	City wide	<ul style="list-style-type: none"> • Single family or two family zone (single, Link, semi) • Only one/lot • Located within main dwelling • Primary dwelling must be serviced by full municipal water and sewer • Max GFA: not exceed 40% of total GFA located above grade 	<ul style="list-style-type: none"> • 2 exterior spaces per accessory dwelling unit 	<ul style="list-style-type: none"> • Front facade shall not be altered 	<ul style="list-style-type: none"> • Application fee \$110 	<ul style="list-style-type: none"> • Yes – Accessory Dwelling Unit (ADU) application • Building Permit 	<ul style="list-style-type: none"> • No/unsure

Jurisdiction	Area	Dwelling/ Lot	Parking	External Appearance	Licensing Fees	Registration/ Licensing	Incentives
		<ul style="list-style-type: none"> Daycare not permitted in Accessory Dwelling Unit 					
Richmond Hill	City wide	<ul style="list-style-type: none"> Detached and semi detached Max GFA 265 m2 Min frontage 9m Min lot area 30% 	<ul style="list-style-type: none"> 1 additional space Only 1 driveway apron shall be permitted to a lot with a frontage of less than 18m Driveway max – depends on lot size Max hard surface – 55% 	<ul style="list-style-type: none"> Any exterior changes to the existing dwelling will be in keeping with the character of the street 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> License permit 	<ul style="list-style-type: none"> No
Pickering		<ul style="list-style-type: none"> Singles and semis Second suite must be smaller than primary Max GFA: 100m2 No home-based business 	<ul style="list-style-type: none"> 3 on site spaces per total dwelling 	<ul style="list-style-type: none"> Not specified, subject to approval through building permit 	<ul style="list-style-type: none"> \$500 	<ul style="list-style-type: none"> Building Permit Registration required Demonstrate compliance under Ontario Fire Code 	<ul style="list-style-type: none"> No
Toronto	City wide	<ul style="list-style-type: none"> Singles/semis Must be at least 5 years old No less than 55 m2 Must be secondary in size to principle unit 	<ul style="list-style-type: none"> 1 space/unit Where 2 spots required, 1 may be used for second suite 	<ul style="list-style-type: none"> No additional or substantial alteration to exterior appearance of front or side of unit facing street 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> Not required 	<ul style="list-style-type: none"> No
Ottawa	City wide (except	<ul style="list-style-type: none"> Singles/semis/ duplex 	<ul style="list-style-type: none"> Not required – where provided must 	<ul style="list-style-type: none"> No change in streetscape Must have separate access that cannot be 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> No
<i>Active</i>							
<i>Active</i>							

Jurisdiction	Area	Dwelling/ Lot	Parking	External Appearance	Licensing Fees	Registration/ Licensing	Incentives
	Rockcliffe Park)	<ul style="list-style-type: none"> • Max GFA⁶ – 40% of dwelling, if located in bsmt may occupy all of bsmt 	<ul style="list-style-type: none"> • not be in front yard, can be in tandem driveway • Driveway max – 50% (yard) 	<ul style="list-style-type: none"> • located in an exterior wall facing the front 			
Hamilton	Ward specific	<ul style="list-style-type: none"> • Singles and semis, varies by ward • Can be appropriately serviced 	<ul style="list-style-type: none"> • Min 2 on-site parking spaces must be provided (for dwelling) 	<ul style="list-style-type: none"> • No alteration to external appearance • Must preserve streetscape character • No impact on surrounding neighbourhood 	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • Unknown 	<ul style="list-style-type: none"> • No
Burlington	City wide	<ul style="list-style-type: none"> • Singles • Min GFA – 42m² • Max GFA – 30% of dwelling • Minimum frontage 15m • Minimum rear yard 135 m² 	<ul style="list-style-type: none"> • 1 space/ accessory unit (2 are required in some instances) • Driveway max – 7.35m on 15m lots • Max hard surface – 50% • No parking in rear yard 	<ul style="list-style-type: none"> • Separate exterior entrance required • Prohibited on front elevation 	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • No
Guelph	City wide	<ul style="list-style-type: none"> • Singles/semis • Not greater than 45% of total floor area • Max GFA – 80 m² • Max 2 bedrooms • Double driveway 	<ul style="list-style-type: none"> • Principle dwelling must have 2 spaces • 1 additional space for secondary suite • Max 1 driveway 	<ul style="list-style-type: none"> • Preserve front facade • Maintain single entry (i.e. rear yards not to be divided) 	<ul style="list-style-type: none"> • \$100 • 5-year period without fee to encourage existing units to be legalized 	<ul style="list-style-type: none"> • Mandatory 	<ul style="list-style-type: none"> • No

⁶ Gross Floor Area.

Jurisdiction	Area	Dwelling/ Lot	Parking	External Appearance	Licensing Fees	Registration/ Licensing	Incentives
London	City Wide (zones)	<ul style="list-style-type: none"> • Single, semi, row • Min. frontage 12m • Min. lot area 450m² 	<ul style="list-style-type: none"> • Min. 1 additional onsite space 	<ul style="list-style-type: none"> • Min. 30% landscaping • Shall not alter the neighbourhood character 	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • No
Waterloo	City Wide (zones)	<ul style="list-style-type: none"> • Single, semi, row, converted dwelling, triplex • Max. GFA 600m² • Min. frontage 15m • Min. lot area 360m² 	<ul style="list-style-type: none"> • 1 space every lodger plus 1 per proprietor 	<ul style="list-style-type: none"> • As per property standards Bylaw, lot maintenance Bylaw • Maintain physical appearance (no structural changes) 	<ul style="list-style-type: none"> • Depends on class of rental unit • Admin/annual renewal fee 	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • No
Caledon	Rural service centres, villages, hamlets and defined areas	<ul style="list-style-type: none"> • Singles, semi, duplex, links • Min. GFA 32.5 m² • Max. GFA 100 m², not greater than 40% of total floor area 	<ul style="list-style-type: none"> • 1 per each 70m², max of 2 additional parking required • Max. 2 driveways 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • \$119 	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • No
Oakville <i>Under development – part of Livable Oakville Plan</i>	Town wide (currently only specific zones permit suites)	<ul style="list-style-type: none"> • Detached and semi-detached • Max 1 accessory dwelling per dwelling • Max GFA 30% of floor area 	<ul style="list-style-type: none"> • 1 per accessory dwelling 	<ul style="list-style-type: none"> • No separate entrance along the main wall of the dwelling that is oriented toward the front lot line 	<ul style="list-style-type: none"> • Yes \$300 (may change with new zoning by-law) 	<ul style="list-style-type: none"> • Yes (may change with new zoning by-law) 	<ul style="list-style-type: none"> • No
Victoria <i>Active</i>	Town wide	<ul style="list-style-type: none"> • Minimum total floors pace of dwelling - 150m² • Max GFA – 90m² or 40% of total floor space 	<ul style="list-style-type: none"> • No additional parking required 	<ul style="list-style-type: none"> • Cannot greatly alter house and neighbourhood character • Following exterior changes to building must not have been made five years before or five years after the date of the secondary suite: 	<ul style="list-style-type: none"> • No 	<ul style="list-style-type: none"> • Building permit • Occupancy permit 	<ul style="list-style-type: none"> • Yes – 25% of construction cost to max \$5,000

Jurisdiction	Area	Dwelling/ Lot	Parking	External Appearance	Licensing Fees	Registration/ Licensing	Incentives
				<ul style="list-style-type: none"> a) Extension creating more than 20m² of floor area b) Raising height of building more than 0.6m c) Addition of steps/ entrance more than 1.5m in height • Second suite design guidelines 			
Edmonton <i>Active</i>	Low density zones	<ul style="list-style-type: none"> • Singles • Other dwellings (i.e. row housing) is discretionary and requires approval from Development Authority • Max 1 suite/dwelling • Min site area 360m² • Min GFA – 30m² • Max GFA – not more than total floor area of first story (if bsmt) or 40% or 70m² of principle dwelling whichever is less (if suite on or above first floor) 	<ul style="list-style-type: none"> • Min 3 spaces for suite and primary dwelling 	<ul style="list-style-type: none"> • Not specified 	<ul style="list-style-type: none"> • Yes – development permit, building permit, and safety code fee 	<ul style="list-style-type: none"> • Development and Building permit • Occupancy agreement (for grant) 	<ul style="list-style-type: none"> • Yes – up to \$20,000⁷ • Unit must be affordable to households earning less than median income

⁷ Funding is based on first-come-first-serve basis up to \$500,000. Requires 5-year operating agreement and must be owner-occupied.

Examples of Demolition and Conversion Policies

Jurisdiction	Policy
UPPER TIER MUNICIPALITY	
York Region Official Plan (June 2013)	<ul style="list-style-type: none"> Requires local municipalities to adopt official plan policies that protect rental housing from both demolition and conversion to condominium or non-residential use, including provisions that would prohibit demolitions or conversions resulting in a rental vacancy rate of less than 3% in the local municipality
Peel Region Official Plan (Office Consolidation November 2008) <i>OP Review commenced May 2013</i>	<ul style="list-style-type: none"> Has an objective to ensure an adequate supply of rental housing stock to meet the existing and projected needs of all households in Peel Encourages the local municipalities to develop policies with criteria to regulate the conversion of residential rental to ownership units Encourages the local municipalities to develop official plan policies with criteria to prohibit the demolition of existing residential rental units without replacement of the same or higher number of residential rental units.
Region of Waterloo Official Plan (December 2010 – under appeal)	<ul style="list-style-type: none"> requires area municipalities to plan to provide an appropriate range of housing in terms of form, tenure, density and affordability Allows for the conversion of rental affordable housing to condominium ownership only where the rental vacancy rate has been at or above 3% for the preceding three years, the conversion will address and result in the creation of affordable housing for affordable home ownership, or the conversion will rectify existing health and safety issues and the owner/ applicant submits a detailed inspection report on the physical condition of the property
LOWER TIER MUNICIPALITY	
City of Toronto Official Plan (Consolidated December 2010)	<ul style="list-style-type: none"> Encourages GTA municipalities to provide a full range of housing types in terms of form, tenure and affordability, and particularly encourages the construction of rental housing in all communities Prohibits the conversion of buildings with six or more rental housing units unless the units have rents that exceed mid-range rents at the time of application or the current supply of rental housing is adequate as shown through an overall vacancy rate at or above 3% for the preceding four years as reported by CMHC and the proposal will not negatively affect the supply of rental housing that is affordable, suitable for families or vulnerable populations. Contains policies that prevent the demolition of six or more rental housing units unless the current units have rents that exceed the mid-range rents at the time of the application or these units are

Jurisdiction	Policy
	<p>replaced and rents for the replacement units are not increased more than the Provincial Rent Increase Guideline for at least ten years.</p>
<p>Town of Markham (Draft September 2012)</p>	<ul style="list-style-type: none"> • Prohibits the conversion of rental and shared housing units to condominium units unless the rental vacancy rate, as reported through CMHC Rental Market Survey, has been at or above 3 percent for the proceeding three-year reporting period and the application does not negatively affect the supply of rental housing that is affordable and suitable for families, seniors, or persons with special needs • Prohibits the demolition of rental and shared housing units unless replacement units are provided if the rental of the units proposed for demolition are at or below the average market rents at the time of the application
<p>Town of Richmond Hill Official Plan (July 2010) <i>Partially approved June 2013</i></p>	<ul style="list-style-type: none"> • Discourages the demolition or conversion of existing rental housing to ownership housing in order to maintain a balance between rental and ownership housing and to ensure that a range of housing options exists within the Town
<p>City of Vaughan Official Plan (September 2010)</p>	<ul style="list-style-type: none"> • Protect existing rental housing consisting of greater than six rental units from both demolition and conversion to condominium ownership or non-residential use by prohibiting such demolitions or conversions that would result in a rental vacancy rate of less than 3%
<p>City of Burlington Official Plan (December 2010)</p>	<ul style="list-style-type: none"> • Encourages the retention of existing rental housing and the construction of new rental housing • Prohibits the demolition or conversion of residential rental properties containing six or more units to freehold or condominium ownership unless the following are satisfied: <ul style="list-style-type: none"> ○ The rental vacancy rate reported through the CMHC Rental Market Survey has been at or above 3% for the preceding two-year reporting period ○ The building meets the requirements of the property standards by-law, the Ontario Building Code and any other applicable law ○ Replacement rental housing units are provided for those units that are demolished ○ That negative economic and other impacts upon tenants are minimized ○ That the requirements of any applicable Provincial legislation or regulation are met • Has a policy that requires City Council to establish guidelines and monitor the conversion of existing rental housing to other uses
<p>Town of Oakville Official Plan – Livable Oakville (May 2011)</p>	<ul style="list-style-type: none"> • Encourage an appropriate mix of housing types, densities, design and tenure and to discourage the conversion of existing rental properties to condominiums or to other forms of ownership in order to maintain an adequate supply of rental housing

Jurisdiction	Policy
City of Mississauga Official Plan (December 2010 Consolidation)	<ul style="list-style-type: none"> • Conversion of residential rental properties to another purpose or the demolition of residential rental properties exceeding six dwelling units will not be permitted if it adversely affects the supply of affordable rental housing as determined by affordable housing targets and rental vacancy rates
City of Brampton Official Plan (August 2012 consolidation)	<ul style="list-style-type: none"> • Applications for the conversion of rental tenure buildings to condominium tenure will be evaluated in the context of any relevant policies and standards of the City and in the context of any applicable Provincial legislation
City of Hamilton Official Plan – Urban Hamilton Official Plan (July 2009)⁸	<ul style="list-style-type: none"> • Supports the development of a full range of housing forms, both ownership and rental • Conversion of rental housing with six or more units to condominiums will be permitted if the rental vacancy rate is at or above 2% for the preceding 24 months, the proposed conversion does not reduce the rental vacancy rate to below 2%, and the existing market rent levels for the units proposed to be converted are not significantly (approximately 10%) below the average market rent. In addition, at least 75% of the current tenants should support the conversion or the subject building is a protected heritage property on the date of the application • Demolition of rental housing with six or more units to condominiums will be permitted if the rental vacancy rate is at or above 2% for the preceding 24 months, the proposed conversion does not reduce the rental vacancy rate to below 2%, and the existing market rent levels for the units proposed to be converted are not significantly (approximately 10%) below the average market rent or the building is determined to be structurally unsound
City of Brantford Official Plan – OPA 125 (December 2010)	<ul style="list-style-type: none"> • Discourages the conversion of rental housing units to condominiums unless the rental vacancy rate has been 3% or more for a minimum of three consecutive years. This policy does not apply to the conversion of rental units located in lands designated as Core Commercial in the City of Brantford’s downtown area • Prohibits the demolition of affordable rental housing units unless an equal number at similar rents are provided in a development or where the building is not habitable as deemed by the City’s Chief Building Official
City of Guelph Official Plan (December 2012 Consolidation)	<ul style="list-style-type: none"> • Regulates the conversion of existing rental properties to condominiums or other forms of ownership housing in order to maintain an adequate supply of rental housing • Discourages the conversion of rental units to condominium or co-ownership housing when the rental vacancy rate is below 3% and that prohibits such conversions when the vacancy rate is below 1.5% as defined by the latest two vacancy surveys conducted in Guelph by CMHC

⁸ The Ministry of Municipal Affairs and Housing issued a decision to approve and modify the Urban Hamilton Official Plan on March 16, 2011.

Jurisdiction	Policy
	<ul style="list-style-type: none"> • The policies in the City’s Municipal Housing Statement will be used to outline the general requirements for a conversion to condominium or co-ownership • States that when considering applications for a conversion to condominium or co-ownership, Council will have regard for the number of units included in the application, the number of rental units under construction at the time of application, and the impact of the conversion on the rental housing market (i.e. anticipated change in vacancy rates)
<p>City of Niagara Falls Official Plan (May 2011 Consolidation)</p>	<ul style="list-style-type: none"> • States that rental accommodation shall be protected throughout the municipality by such measures as the Rental Housing Protection Act and the City’s Condominium Conversion Policy, which discourages the conversion of rental accommodation when the vacancy rate is below 3%
<p>City of Waterloo Draft Official Plan (June 2011)⁹</p>	<ul style="list-style-type: none"> • Allows for the conversion of an affordable rental residential building to a condominium if the vacancy rate for rental accommodation is at or above 3% for the preceding three years, the conversion will address and result in the creation of affordable housing for affordable home ownership, or the conversion will rectify existing health and safety issues through the completion of building renovations / retrofits the cost of which would necessitate an increase in rent levels above the affordability threshold. • In addition, the site would have to conform to the zoning by-law, Urban Design Manual and all applicable easements. The owner/ applicant will also have to submit a detailed inspection report on the physical condition of the property and the building should meet the requirements of the Property Standards By-law, the Building Code, and Fire Code • The Plan states that where rental housing is not considered affordable, the City will generally discourage the conversion of existing rental units to condominium ownership housing when the vacancy rate for rental housing is below 3%. In addition, before supporting the proposed conversion, Council will have regard to: whether the proposed conversion will provide affordable ownership housing, whether the proposal conforms to the zoning by-law, Urban Design Manual, all applicable easements, meets the requirements of the Property Standards By-law, Building Code, Fire Code and other Provincial legislation. In addition, the owner / applicant has to submit a detailed inspection report on the physical condition of the property. Council also has to ensure that the proposal does not impact the ability to maintain a reasonable supply of residential rental units within the District

⁹ This is the second draft that was developed as part of an Official Plan Review process

Examples of Convert-to-Rent Policies and Related Incentive Programs

CONVERSION POLICIES	
Brantford	<ul style="list-style-type: none"> • Housing for senior citizens, and low-to-moderate-income groups can be provided through a number of means, including: the conversion of large single-detached dwellings into two or more units, the development of mixed-use developments incorporating both residential and non-residential uses, mobile home parks as well as traditional apartment and townhouse projects. • Intensification of existing low density residential areas may be permitted through the infilling of vacant lots, the redevelopment of a residential lot or lots to create two or more dwelling units beyond those which existed prior to the redevelopment, the conversion of existing buildings or structures to residential uses or the creation of additional residential units within an existing residential development. All intensification shall be subject to the availability of adequate water and sewage facilities.
Guelph	<ul style="list-style-type: none"> • The City will encourage the conversion of suitable non-residential structures to residential accommodation, provided other non-residential land uses in the vicinity would not pose an <i>adverse effect</i>. • The <i>conversion</i> of a residential building and the <i>conversion</i> or <i>redevelopment</i> of existing non-residential buildings for <i>multiple unit housing</i> will be encouraged, where appropriate.
INCENTIVE PROGRAMS	
Hamilton Downtown Residential Loan Program	<ul style="list-style-type: none"> • The Hamilton Downtown Residential Loan Program was developed to provide a financial incentive for residential development within the Downtown Hamilton Community Improvement Project Area. It provides loans to projects that convert existing commercial space into residential units, renovate existing residential units, or create new residential units. Loans are interest-free for a maximum of five years and the principal is repayable in annual amounts of ten percent of the original loan amount. Payments start a year after the completion of construction. The balance of the loan is paid by a balloon payment at the end of the five-year term.
Historic Drummondville Residential Loan Program (RLP)	<ul style="list-style-type: none"> • The municipality of Niagara Falls has implemented the Residential Loan Program, which provides a no-interest loan to promote the construction of residential units through the conversion of excess commercial and vacant space, residential intensification, and the infilling of vacant lots with residential units. This program is open to all owners of properties within the Historic Drummondville Community Improvement Project Area and the City provides a loan of \$20 per square foot of habitable space created up to a maximum of \$20,000 per unit and to a maximum of \$500,000 per property. The loan is interest-free for a five-year term. Fifteen percent of the loan

amount must be repaid each year starting one year after completion of the project with a balloon payment at the end of five years.

Convert-to-Rent/Rehabilitation Assistance Program, City of London

- The City of London’s Convert-to-Rent/Rehabilitation Assistance Program provides financial assistance for the conversion of non-residential properties into affordable self-contained rental housing units, for substantial rehabilitation of rental buildings that are vacant and uninhabitable, and to undertake accessibility work to modify dwellings intended for occupancy for persons with disabilities.
- The program is available in the Downtown Improvement Area, the Old East Village Improvement Area, and the properties between these two areas fronting on Dundas Street. The City provides a loan of up to \$24,000 per unit for a maximum of six units per property. This is a fully forgivable loan as long as certain conditions are met and the proceeds of the loan are advanced when the approved residential rental units are deemed to be substantially complete and are ready for occupancy. The City provides an additional \$5,000 per unit to modify an apartment for a person with a disability.
- As a condition of the loan, the applicant will enter into an agreement with the City of London for a period of 20 years, which includes a five-year phase-out period, where maximum rents will be enforced for the funded units and these rents will include utilities. Maximum income limits will also be imposed for tenants of the funded units and household incomes cannot exceed five times the monthly rent for that unit. The City also encourages applicants to apply to CMHC under RRAP for additional funding.

Examples of Inclusionary Zoning Policies

	Montreal <i>Inclusionary Housing Policy</i>	Vancouver <i>20% Core Housing Need Policy</i>	Toronto <i>Large Sites Policy</i>	Typical American Inclusionary Housing Program
Affected Developments	<ul style="list-style-type: none"> • Developments on private and public lands needing major changes to zoning or planning 	<ul style="list-style-type: none"> • Developments on private lands needing change of use to residential 	<ul style="list-style-type: none"> • Developments on private lands needing increase in density or height 	<ul style="list-style-type: none"> • All developments generally, including as-of-right developments
Size Threshold	<ul style="list-style-type: none"> • 200 units 	<ul style="list-style-type: none"> • 200 units 	<ul style="list-style-type: none"> • 5 hectares 	<ul style="list-style-type: none"> • 10 to 15 units but possibly down to 2
Set-Aside Obligations	<ul style="list-style-type: none"> • 30% but sometimes more 	<ul style="list-style-type: none"> • 20% 	<ul style="list-style-type: none"> • 20% 	<ul style="list-style-type: none"> • 10% to 25% generally
Main Form of Contributions	<ul style="list-style-type: none"> • Donation of land at reduce price 	<ul style="list-style-type: none"> • Donation of land at reduced price or payment of fees-in-lieu 	<ul style="list-style-type: none"> • Donation of land at reduced price or payment of fees-in-lieu 	<ul style="list-style-type: none"> • Construction of affordable housing, but possible also donation of land at no cost or payment of fees-in-lieu
Affordable Housing Provision	<ul style="list-style-type: none"> • Social housing and low end of market ownership housing 	<ul style="list-style-type: none"> • Social housing 	<ul style="list-style-type: none"> • Social housing and below market rental housing 	<ul style="list-style-type: none"> • Below market ownership, mainly, but also below market rental

Source: <http://www.inclusionaryhousing.ca/2010/01/case-studies-canadian-overview/>