

**SCHEDULE A:  
2023 ORILLIA  
AFFORDABLE HOUSING  
ACTION PLAN**

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# **2023 Affordable Housing Action Plan**

## **Introduction**

Housing is the foundation of our neighbourhoods and plays a key role in maintaining a sense of well-being and health. It can provide a sense of stability, belonging, and identity. The City of Orillia is working to ensure that residents' housing needs are met to deliver on our community vision of a City that is inclusive and affordable.

The population growth is increasing at a fast pace. Orillia needs to increase and diversify housing options so people can find homes that meet their lifestyle, budget, and neighbourhood preferences. It is the responsibility of all levels of government to cooperate and partner in a fashion that ensures the local housing supply meets the needs and demands of the current and future residents.

As part of the City's efforts to plan for the population growth, a Housing Needs Assessment was updated in 2023. An overview of the updated data from the Housing Needs Assessment is provided in this report. The data guided the recommendations and actions in the 2023 Affordable Housing Action Plan. This updated plan recommends a range of actions and strategies to address Orillia's immediate, medium, and long-term affordable housing needs. A summary of 30 recommendations is provided in this report. The tactics provided can increase the supply of affordable housing.

By June 2023, in response to one of the key recommendations in the 2010 Affordable Housing Action Plan, the City created a Housing Coordinator role as a 2-year contract position to increase the supply of affordable housing in Orillia. This Affordable Housing Action Plan serves as a workplan for the Housing Coordinator to implement.

## Orillia 2023 Housing Needs Assessment Summary

A Housing Needs Assessment was completed by N. Barry Lyon Consultants in June 2023, with the goal of providing unbiased updated housing data to identify the current housing needs and affordability challenges in the City of Orillia. The 2023 Housing Needs Assessment enables the creation of a data-driven Affordable Housing Action Plan, with strategies and tactics.

The following are key findings from the Housing Needs Assessment:

- The Orillia population growth between the 2006 to 2021 Census Periods increased by 3,152 (10% increase)
- The number of Orillia households increased by 18% between 2006 to 2021.
- The City of Orillia is projected to grow and change from a population of 33,411 in 2021 to 49,000 (47%) by 2051.

### Homeownership Affordability

- The average household income of homeowners is \$88,275 (2016) and the average household income for renters is \$42,357 (2016).
- Homeownership affordability threshold in Orillia for moderate income earners (\$64,942 to \$93,879) is \$214,902-\$310,657.
- As of May 2023, the average resale price of a home in Orillia, is \$669,983.
- There are no housing types with average prices that are affordable to households below the 9<sup>th</sup> income decile (\$176,713 gross annual income).
- The supply of ownership housing is not meeting the demand, particularly for low and moderate-income households.

### Average Income (Before Taxes)-Simcoe County and Orillia

Table 12

Average Household Income Before Taxes, Simcoe County & Orillia								
Year	Midland	Penetanguishene	Bradford West-Gwillimbury	New Tecumseth	Innisfil	Collingwood	Orillia	County
Owner Households								
2006	\$66,793	\$70,673	\$95,518	\$90,540	\$77,571	\$80,225	\$69,139	\$78,637
2011	\$73,865	\$79,245	\$99,710	\$94,186	\$84,547	\$83,120	\$78,619	\$84,756
2016	\$84,356	\$96,097	\$113,503	\$106,438	\$106,513	\$94,314	\$88,275	\$98,499
2006-2016 Change	26%	36%	19%	18%	37%	18%	28%	25%
	\$17,563	\$25,424	\$17,985	\$15,898	\$28,942	\$14,089	\$19,136	\$19,862
Renter Households								
2006	\$31,116	\$34,168	\$51,836	\$49,387	\$51,125	\$38,242	\$34,787	\$41,523
2011	\$37,317	\$38,297	\$54,047	\$49,576	\$53,927	\$41,280	\$38,505	\$44,707
2016	\$39,151	\$41,611	\$65,607	\$56,363	\$59,965	\$48,271	\$42,357	\$50,475
2006-2016 Change	26%	22%	27%	14%	17%	26%	22%	22%
	\$8,035	\$7,443	\$13,771	\$6,976	\$8,840	\$10,029	\$7,570	\$8,952

Source: CMHC.

## Affordability Threshold-Simcoe County and Orillia

Table 18

Ownership Affordability Thresholds, County Subregions													
Income Group	Decile	NORTH All HH Income	NORTH Affordable Price	EAST All HH Income	EAST Affordable Price	SOUTH All HH Income	SOUTH Affordable Price	WEST All HH Income	WEST Affordable Price	CENTRAL All HH Income	CENTRAL Affordable Price	ORILLIA All HH Income	ORILLIA Affordable Price
Low Income	1st	\$28,716	\$95,252	\$39,319	\$134,682	\$44,620	\$154,911	\$31,808	\$106,595	\$41,528	\$144,161	\$27,611	\$91,370
	2nd	\$43,295	\$143,610	\$57,432	\$196,727	\$66,709	\$231,600	\$47,712	\$159,893	\$62,733	\$217,775	\$39,760	\$131,572
	3rd	\$56,990	\$189,038	\$74,551	\$255,367	\$84,491	\$293,334	\$60,524	\$202,827	\$81,730	\$283,721	\$52,572	\$173,368
Moderate Income	4th	\$71,237	\$236,297	\$92,774	\$317,790	\$102,714	\$356,602	\$75,103	\$251,683	\$100,505	\$348,900	\$64,942	\$214,902
	5th	\$84,491	\$280,259	\$111,550	\$382,104	\$121,490	\$421,787	\$90,565	\$303,500	\$118,177	\$410,246	\$77,312	\$255,835
	6th	\$100,505	\$333,380	\$131,430	\$450,202	\$140,266	\$486,337	\$107,132	\$359,018	\$139,161	\$483,093	\$93,879	\$310,657
High Income	7th	\$120,386	\$399,324	\$157,937	\$542,971	\$162,355	\$566,766	\$129,221	\$433,043	\$161,251	\$562,690	\$112,654	\$372,789
	8th	\$147,997	\$490,489	\$189,966	\$657,961	\$189,966	\$667,303	\$157,937	\$530,650	\$192,175	\$675,280	\$133,639	\$439,550
	9th	\$187,757	\$628,509	\$247,398	\$864,149	\$234,145	\$828,162	\$205,429	\$697,283	\$245,189	\$868,291	\$176,713	\$588,698

Notes: Affordable purchase price assumes housing costs do not exceed 30% of gross household income. Housing costs include mortgage (25 years, minimum 5% downpayment), property tax payment based on blended average of municipalities within subregion, 4% of loan amount for CMHC mortgage insurance, five-year fixed mortgage rate of 6.7%. Mortgage rate is based on BoC posted rate as of June 2023. Incomes based on 2021 Census from Statistics Canada Custom Tabulation, inflated by CPI (Canada).

Table 19

Renter Affordability Thresholds, County Subregions													
Income Group	Decile	NORTH Renter HH Income	NORTH Affordable Rent	EAST Renter HH Income	EAST Affordable Rent	SOUTH Renter HH Income	SOUTH Affordable Rent	WEST Renter HH Income	WEST Affordable Rent	CENTRAL Renter HH Income	CENTRAL Affordable Rent	ORILLIA Renter HH Income	ORILLIA Affordable Rent
Low Income	1st	\$20,322	\$508	\$25,182	\$630	\$27,391	\$685	\$23,414	\$585	\$28,053	\$701	\$24,077	\$602
	2nd	\$26,065	\$652	\$35,784	\$895	\$38,435	\$961	\$30,041	\$751	\$43,736	\$1,093	\$28,274	\$707
	3rd	\$32,250	\$806	\$45,062	\$1,127	\$50,805	\$1,270	\$40,202	\$1,005	\$57,873	\$1,447	\$35,784	\$895
Moderate Income	4th	\$41,086	\$1,027	\$56,106	\$1,403	\$63,617	\$1,590	\$49,480	\$1,237	\$72,894	\$1,822	\$44,620	\$1,116
	5th	\$49,038	\$1,226	\$65,826	\$1,646	\$75,103	\$1,878	\$60,082	\$1,502	\$86,148	\$2,154	\$53,456	\$1,336
	6th	\$60,082	\$1,502	\$79,521	\$1,988	\$89,461	\$2,237	\$72,342	\$1,809	\$101,610	\$2,540	\$63,175	\$1,579
High Income	7th	\$73,999	\$1,850	\$94,983	\$2,375	\$108,237	\$2,706	\$85,043	\$2,126	\$118,177	\$2,954	\$75,655	\$1,891
	8th	\$90,565	\$2,264	\$112,654	\$2,816	\$131,430	\$3,286	\$102,714	\$2,568	\$139,161	\$3,479	\$93,879	\$2,347
	9th	\$111,550	\$2,789	\$157,937	\$3,948	\$166,773	\$4,169	\$135,848	\$3,396	\$171,191	\$4,280	\$118,177	\$2,954

Notes: Affordable rent thresholds assume housing costs do not exceed 30% of gross household income. Incomes based on 2021 Census from Statistics Canada Custom Tabulation, inflated by CPI (Canada).

Red box identifies the households who make approximately 80-120% of the County's Median Income and the pricing that is considered attainable to these groups based on the County's definition of attainable housing.

### Rental Affordability

- Rental affordability thresholds in Orillia for moderate income earners (\$44,620-\$63,175) is \$1,116-\$1,579.
- The average prices for rental units in Orillia are only affordable to households within the 7<sup>th</sup>-9<sup>th</sup> income deciles (\$75,655-\$118,177 gross annual income).
- There are no rentals available that are affordable to renter households below the 7<sup>th</sup> income decile (\$75,655 gross annual income).
- The average rent of a privately leased single-detached homes in Orillia between January 2022 to May 2023 is \$2,567 per month.
- The average rent of a privately leased townhomes in Orillia between January 2022 to May 2023 is \$2,399 per month.
- The average price for a privately leased condominium apartment is \$1,904 per month.
- The average price for a secondary unit or unit in a multiplex is \$1,838-\$1,978 per month, between January 2022 and May 2023.
- Available 1 bedroom rental units were rented for over \$1,850 per month which is well above the average market rent of \$1,119 per month for a 1 bedroom.

### Affordability Gap Analysis

- According to CMHC, a household is considered to be in Core Housing Need if it meets one or more of the following standards:

- **Affordability:** Household is spending more than 30% of their gross income on shelter costs.
- **Adequacy:** Home requires major repairs.
- **Suitability:** Household lives in a home not suitable for its household size and composition (i.e., home is crowded)
- 8.5% of homeowners in Orillia and 40.8% of renters are in Core Housing Need
- Since 2007, just under half of all housing completions in Orillia have been single and semi-detached homes (48%), followed by townhouses (30%) and apartments (22%).
- There is a significant lack of options affordable to moderate-income groups in both the ownership and rental markets in Orillia.
- The tables below summarize what is and is not affordable to different income.

### Orillia Housing Affordability Gap Analysis

Table 65

Ownership Housing Affordability Gap Analysis, Orillia Subregion, Simcoe County										
Income Decile		1	2	3	4	5	6	7	8	9
All HH Income		\$27,611	\$39,760	\$52,572	\$64,942	\$77,312	\$93,879	\$112,654	\$133,639	\$176,713
Affordability Threshold		\$91,370	\$131,572	\$173,968	\$214,902	\$255,835	\$310,657	\$372,789	\$439,550	\$588,698
Housing Type	Purchase Price									
<b>Resale</b>										
Condominium	\$609,691									
Apartment										
Townhouse	\$635,560									
Semi-Detached	\$655,600									
Single-Detached	\$703,178									
<b>New Sale</b>										
Townhouse	\$748,650									
Single-Detached	\$1,210,812									

*Source: Simcoe County Realtor, NBLC.*

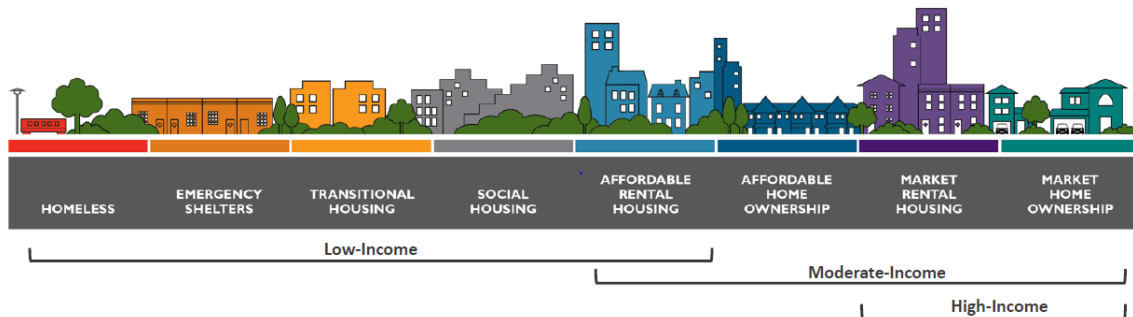
Table 66

Rental Housing Affordability Gap Analysis, Orillia Subregion, Simcoe County										
Income Decile		1	2	3	4	5	6	7	8	9
Renter HH Income		\$24,077	\$28,274	\$35,784	\$44,620	\$53,456	\$63,175	\$75,655	\$93,879	\$118,177
Affordability Threshold		\$602	\$707	\$895	\$1,116	\$1,336	\$1,579	\$1,891	\$2,347	\$2,954
Housing Type	Rental Rate									
<b>Purpose-Built Rental Units</b>										
Old Apartments	\$1,854									
<b>Privately Leased Units</b>										
Condominium	\$1,904									
Apartment										
Multiplex	\$1,978									
Townhouse	\$2,399									
Single-Detached	\$2,567									

*Source: Simcoe County Realtor, NBLC.*

Unaffordable
  Affordable

## HOUSING CONTINUUM



Affordable housing is getting harder to find for people in our community. The housing continuum helps us better understand the challenges we are facing.

The housing continuum is, at its simplest, the range of housing types available in a community, from emergency shelters on one end, to private homeownership on the other end. In between lies an assortment of housing options and types, each critically important for different people at various times in their life.

The 2023 Affordable Housing Action Plan is focused on affordable rental housing and affordable home ownership. To avoid duplication of County-led housing services (homelessness supports, emergency shelters, transitional and social housing) the City of Orillia 2023 Affordable Housing Action Plan is focused on providing and increasing the housing options for the people who cannot afford current market rentals and/or home sale prices but they do not qualify for the County services.

## **HOUSING ACCELERATOR FUND INITIATIVES**

On July 8, 2023, a Federal grant opportunity for municipalities was announced. The grant is intended to accelerate housing supply. If the City is successful it could receive up to \$15 million to assist with increasing the supply of affordable housing in the City. The grant was submitted on August 15, 2023 with Council endorsement. The result of this grant application will be known by late Fall 2023.

The grant application required a commitment of a minimum of seven initiatives which builds out to create a housing action plan. The City of Orillia submitted nine initiatives related to increasing housing supply for the City of Orillia.

### **9 HOUSING ACCELERATOR FUND INITIATIVES (Less than 2 years)**

<b>IMMEDIATE ACTIONS</b>	<b>BUDGET IMPLICATIONS</b>	<b>DESIRED OUTCOMES</b>
1) Accessory Dwelling Unit (ADU) Program Guide	Staff Time	Increase the # of rental units
2) Policy Development-Supporting Affordable Housing Uses for City-owned Land	Staff Time	Increase the # of affordable units
3) Zoning By-law Amendment for Parking Requirements	Staff Time	Increase the # of affordable units
4) Policy Amendment-Incentives for Affordable Housing	Staff Time	Increase the # of affordable units
5) Implementation of E-Permitting Software	Staff Time	Increase the speed of permit process
6) Climate Adaptability Housing Toolkit and Workshop	Staff Time	Increase the # of climate resilient affordable housing units
7) Implementation of Accelerated Planning System	Staff Time	Increase the speed of the planning process



8) Housing Attainable Supply Action Plan (Housing ASAP)	Staff Time	Increase the # of attainable housing units
9) Downtown Vision - Land Acquisition Strategy	Staff Time	Increase the # of available parcels of land for affordable housing in the Downtown

**9 Housing Accelerator Fund Descriptions**

**1) Accessory Dwelling Unit (ADU) Program and Guide**

In 2021, the City passed a By-law allowing property owners to build 3 ADUs per lot versus 2 ADUs per lot in low-density residential zones provided the regulations can be met. The low-density residential area comprises approximately 60% of the area across the City. In 2024, staff will create a step-by-step guide to help local homeowners navigate the steps for establishing ADUs. The guide will incorporate the County of Simcoe’s ADU financial incentive program. Staff will also host Public Information Sessions to help property owners navigate through the ADU process. Staff will provide personalized assistance to guide property owners through the planning and building permit process.

**2) Policy Development - Supporting Affordable Housing Uses for City-owned Land**

The City staff will create a policy for Council consideration regarding supporting mixed-use redevelopment for affordable housing on City-owned land to integrate municipal uses with affordable housing. The policy will outline the process for pursuing partnerships with affordable housing providers for land to be retained by the City for municipal purposes.

An example of a potential mixed-use of City-owned property is the future City-owned transit terminal at 66 Peter Street South, 53 and 59 Colborne Street East. This project could support approximately 100-200 affordable housing units above or adjacent to the ground floor transit terminal. When future fire stations, recreation facilities and administration buildings are being built, the City would have a Policy with a transparent process for pursuing partnerships with affordable housing providers.

**3) Zoning By-law Amendment for Parking Requirements**

This initiative aims to revise and reduce parking requirements for new affordable housing developments provided by non-profit and government organizations. The initiative

involves implementing changes to the Zoning By-law that would reduce the number of parking spaces by 100% in the Downtown Area and 50% in all other areas of the City “as of right” for non-profit and government affordable housing developments. By reducing the number of parking spaces required, the cost of the rent can be reduced to the tenant because the development costs will be less. Parking requirements can be a major factor in determining the affordability of a real estate development project. The required parking space often occupies land that could otherwise be used to add more affordable housing units.

#### **4) Policy Amendment - Incentives for Affordable Housing**

This initiative aims to amend the City’s Affordable Housing Incentives Policy. The Affordable Housing Incentive Policy was originally adopted in 2020 and amended in 2023 with the following amendments:

1. Removing the \$25,000 cap on the Planning, Building and Engineering Review Fees.
2. Offering a grant for cash-in-lieu for parking.
3. Offer a cash grant per affordable housing unit of \$10,000.00
4. Offer grant opportunities for one application per build, up to a maximum limit of 50% of the Affordable Housing Reserve balance at the time of Council approval.

#### **5) Implementation of E-Permitting Software**

This initiative will aim to implement a new E-Permitting software system. In June 2023 the City started to explore implementing an electronic permitting software by Fall of 2023. The City intends to work with AECO on the One Ontario project to provide a digital portal for the submission of development applications. The purpose of the software implementation is to streamline and speed up the permit approvals which will increase housing supply. Research has shown that between 50-70% of Ontario Building Code clauses can be automatically checked using this software. This provides a much faster review and allows reviewers to focus on more subjective clauses. Additionally, this review tool offers numerous opportunities for collaboration, allowing for reviewers to simultaneously conduct their reviews and collaboratively resolve issues.

#### **6) Climate Adaptability Housing Toolkit & Workshops**

This initiative intends to create a Climate Adaptability Housing Toolkit and Workshops for developers and homeowners.

The City is aiming to update the Official Plan to incorporate the implementation of the City’s Climate Change Action Plan which was adopted by Council in 2022. The City recently hired a Climate Change Coordinator. The Housing Coordinator and Climate Change Coordinator will align the Housing Action Plan and the Climate Change Action Plan to address climate change risks in new housing developments and recommend energy efficient systems within the new development. A City of Orillia Toolkit and Workshops will be created and made available to developers and homeowners to utilize.

It is expected the Toolkit and Workshops will be utilized by 30% of the new housing developments.

## **7) Implementation of Accelerated Planning System**

This initiative intends to implement a new accelerated planning system for new housing developments. It will also evaluate the strengths and weaknesses of the new Policy and By-law to ensure the system is working faster and is responsive.

Orillia changed the following planning policies to address Bill 109:

- Official Plan
- City's Policy Manual
- Site Plan Control By-law
- Planning Application Fees

The Policy changes were approved by Council at a meeting on October 3, 2022. The application forms and information on the City's website was completed January 1, 2023.

A County of Simcoe Bill 109 Working Group was formed in the early stages of Bill 109. The working group continues to meet approximately six times per year. The information and resource sharing within this working group can be applied broadly across the municipalities they represent. The intent is to accelerate the planning application approval time and meet or exceed the Provincial standard timelines to speed up the approval of development applications.

## **8) Housing Attainable Supply Action Plan (Housing ASAP)**

This initiative aims to create a 5-year strategy to increase attainable housing supply in Orillia. The action items in the strategy will be linked to increasing the number of permitted units and will have long-term impacts in Orillia.

In partnership with the County of Simcoe and the City of Orillia included hiring an external expert consultant Spring 2023. The goal is to identify tactics and strategies that can be implemented by the upper and/or lower-tier municipality in the next 5 years to increase attainable housing supply provided by the private market to address affordability in moderate-income households.

1. What is attainable in Orillia?
2. What is missing in Orillia?
3. What actions are required/recommended?

The Housing ASAP Action Plan will recommend the municipal (local or regional) process, policy, and/or bylaw changes and any other identified tools that need to be used to facilitate an attainable housing supply in Orillia. Immediate and short-term action items should be itemized and prioritized, including the anticipated resources required for

successful implementation, the timeframes associated with each, and the costs of investment. The Action Plan will also provide education and awareness frameworks, templates and/or programs for the public to encourage a shift in cultural preferences. In addition, understanding the role of the developer/building industry and other stakeholders to support the deliverables will be a component of the Action Plan. Other strategic actions requiring additional study, work, or detailed analysis may also be itemized including the lead municipality, organization, or sector that is anticipated to lead each item towards implementation.

### **9) Downtown Vision - Land Acquisition Strategy**

The City is currently in the process of developing a 20-year plan for the Downtown Area which may include a strategic initiative for the City to consider purchasing land in the Downtown Area for the purpose of future affordable housing development.

The implementation of this initiative will speed up the process and create more supply of affordable housing. When non-profit developers have a mission and strategy to build affordable housing, they often need available land in strategic areas of the City where public transportation and jobs are near housing. An Affordable Housing Land Acquisition Strategy will:

- Addresses a key barrier in affordable housing projects
- Acts as a catalyst to encourage investments from the non-profit sector
- Supports those in core and extreme core housing need

# CITY OF ORILLIA 2023 AFFORDABLE HOUSING ACTION PLAN SUMMARY

- 1) GRANTS AND INCENTIVES
- 2) POLICY, PROCESS AND BEST PRACTICES DEVELOPMENT
- 3) PROPERTY AND SITE DEVELOPMENT
- 4) CAPACITY BUILDING AND COLLABORATION

The following legend has been provided to estimate the budget implications of the proposed Affordable Housing Action Plan recommended below.

\$ = under \$100,000  
 \$\$ = \$100,000-\$1,000,000  
 \$\$\$ = \$1,000,000 or more  
 Staff Time = Housing Coordinator

## IMMEDIATE-TERM ACTIONS (Less than 2 years)

IMMEDIATE ACTIONS	BUDGET IMPLICATIONS	DESIRED OUTCOMES
1) Investigate the establishment of a Rent Subsidy Investment Fund for residents of Orillia. This would include: <ul style="list-style-type: none"> <li>• Exploring with the County of Simcoe the possibility of administering a Rent Subsidy Investment Fund for residents of Orillia.</li> <li>• Seeking Council approval to fund the Rent Subsidy Investment Fund on an annual basis</li> <li>• Establishing a Council-approved policy for eligibility.</li> </ul>	\$ Annually	Increase the # of affordable units in Orillia
2) Increase awareness of all affordable housing funding opportunities available to non-profit and for-profit developers such as CMHC funding opportunities, the County of Simcoe housing programs, etc.	Staff Time	Increase the # financial investments in affordable housing units
3) Promote the City's Affordable Housing Incentive Program to Non-Profit Housing Providers.	Staff Time	Increase the # of providers who are aware of the fund
4) Develop a City policy to allow qualifying affordable housing developers to post Surety Bonds, instead of Letters of Credit, to	Staff Time	Increase # of financial

alleviate the financial burden to help incentivize the construction of affordable housing.		investments in affordable housing
5) Review the Surplus Policy 4.1.3.2 and Reserve and Reserve Fund Policy 4.4.1.1, in its totality, with a lens to investigate whether a portion of a surplus could be allocated to the City's Affordable Housing Reserve Fund.	Staff Time	Increase the # of affordable units in Orillia
6) When the municipality seeks an affordable housing partnership on municipally-owned properties, develop a Council-approved policy to allow a tax exemption through a Municipal Capital Facilities By-law and Agreement.	Staff Time	Increase the # of investments in affordable housing developments and units
7) Initiate a Zoning By-law Amendment to rezone properties in Orillia with existing Places of Worship to also allow housing.	Staff Time	Increase the # of investments in affordable housing
8) Revise the Real Property Policy 1.7.1.1 to have staff and Council consider using land deemed to be surplus to municipal needs to be dedicated to affordable housing.	Staff Time	Increase # of available parcels of land for affordable housing
9) Launch an 18-month Pilot Project in conjunction with the Business Development, Modernization and Tourism Division to offer grant writing workshops/forums to non-profit housing providers who intend to build affordable housing in Orillia.	Staff Time	Increase # of grant applications  Increase # of successful grant applications
10) Working in partnership with the County of Simcoe, staff will foster and facilitate a multi-agency approach with youth serving organizations to explore the start-up of a youth transition home in Orillia.	Staff Time	Create an inventory of youth dedicated transition beds

## MEDIUM-TERM ACTION PLANS (2-5 YEARS)

<b>MEDIUM TERM ACTION PLAN</b>	<b>BUDGET IMPLICATIONS</b>	<b>DESIRED OUTCOME</b>
11) Create and promote a Community Endowment and Developer Contribution (on a voluntary basis) Fundraising Campaign to raise money for the Affordable Housing Reserve Fund.	Staff Time	Increase amount of funds available in AH reserve to increase the # of affordable units in Orillia
12) Create opportunities to increase awareness and promotion of innovative and non-traditional housing models such as tiny homes and consider alternative development strategies, which make home ownership more affordable such as cohousing, communal housing, life-lease options, and leased land communities.	Staff Time	Increase supply and # of affordable units
13) Coordinate with affordable housing groups such as youth housing, family housing, Indigenous, recent immigrants, faith-based organizations, and senior housing on an as needed basis.	Staff Time	Increase # of affordable units
14) Develop a "Rental Replacement By-Law" to prohibit the demolition or conversion of rental apartment buildings to other uses unless replacement units are provided and the rents of the replacement units are at, or below, the average market rents in the municipality at the time of the application.	Staff Time	Decrease # of affordable units being converted to unaffordable units
15) Cultivate collaborative relationships with private landlords and host meetings on a regular basis to encourage communication and collaboration to proactively address issues as they arise.	Staff Time	Increase # of affordable units
16) Direct staff to investigate and report back to Council on the potential opportunity of "upzoning" the City's municipal parking lots to allow for housing, while retaining the municipal parking spaces at grade.	Staff Time	Increase # of available parcels of land for affordable housing
17) Collaborate with Georgian College and Lakehead University to evaluate the potential for a coordinated approach to a post-secondary off campus affordable housing development in Orillia.	Staff Time	Increase # of student housing units

18) Develop a Council-approved policy to pilot a Concierge Housing Service for qualifying affordable housing developments with the goal of streamlining and assisting eligible housing providers through the municipal approvals process from start to finish at an accelerated pace.	Staff Time	Increase the speed of permit process for eligible projects
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**LONG-TERM ACTION PLANS (5-10 YEARS)**

<b>LONG-TERM ACTION ITEM</b>	<b>BUDGET IMPLICATIONS</b>	<b>DESIRED OUTCOME</b>
19) Research and explore options for redevelopment of the current location of Orillia Soldiers Memorial Hospital (OSMH) for the purpose of affordable housing once replacement hospital is in operation.	Staff Time	Increase the # of affordable units
20) Discuss with the Province the possibility of portions of the former Huronia Regional Centre (HRC) property be allocated for affordable housing.	Staff Time	Increase the # of affordable units
21) Explore strategic purchases of land for the purpose of developing affordable housing.	\$\$\$	Increase # of available parcels of land for affordable housing



## **IMMEDIATE-TERM ACTIONS (Less than 2 years)**

### **1) Investigate the Establishment of a Rent Subsidy Investment Fund for Residents of Orillia**

A Rent Subsidy Investment Fund is paid directly to the landlord on behalf of the tenant. Rent subsidies vary in amount.

The County of Simcoe currently has a Rent Subsidy Program for all residents in Simcoe County. The Orillia Rent Subsidy initiative will be designed to complement the County program and ensure that an increased number of Orillia residents directly benefit from this partnership. This partnership with the County of Simcoe would require the City exploring the following items:

- Exploring with the County of Simcoe the possibility of administering a Rent Subsidy Investment Fund for residents of Orillia.
- Seeking Council approval to fund the Rent Subsidy Investment Fund during the 2025 budget process.
- Establishing a Council-approved Policy for eligibility.
- Consider other sources of funding if Council does not approve funding in 2025 due to budget limitations.

**Cost:** \$ annually

**Timelines:** Immediate-Term

**Desired Outcomes:** Increase the # of affordable units in Orillia

### **2) Increase Awareness of the Advantages of Federal, Provincial and County Funding**

There are several funding sources and financing programs that can be utilized to increase the supply of affordable housing. The City staff can play a role by promoting the funding opportunities to increase the awareness and knowledge about all the potential opportunities for non-profit and for-profit developers who intend to invest in affordable housing.

Some of the current programs that could be promoted include:

- National Housing Co-Investment Fund (Federal)
- Rental Construction Financing Initiative (Federal)
- Affordable Housing Innovation Fund (Federal)
- Rapid Housing Initiative (Federal)
- Ontario Renovates Program (Provincial)
- Affordable Homeownership Program (County of Simcoe Down Payment Assistance)

- Secondary Suites Program (Simcoe County)
- Canada-Ontario Housing Benefit (Federal-Provincial)

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Increase the # of financial investments in affordable housing units

### **3) Ongoing Promotion of the City of Orillia Affordable Housing Incentive Program**

When a non-profit housing developer has a mission and vision to build affordable housing, they often need multiple sources of financial support for the high costs associated. A non-profit agency does not have a mandate to make a profit on the housing service, but they often struggle to secure the necessary financing or grants to support building a housing project. The City of Orillia Affordable Housing Incentive Program can subsidize new development directly and indirectly. The creation of a marketing plan to raise awareness of the incentive program could include no cost marketing methods to ensure the non-profit sector is aware of the program.

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Increase the # of providers who are aware of the fund

### **4) Require the City of Orillia to Provide the Option of Pay on Demand Surety Bonds instead of Letters of Credit by Developing a New Policy.**

When new development is “secured” in Orillia, the developer must either deposit a certified cheque or post a Letter or Credit with the municipality to ensure the development is implemented in accordance with the approved plans. As stated in the 2022 Ontario Affordability Task Force Report, municipalities only began requiring Letters of Credit since the 1980s. Prior to that, municipalities would accept surety bonds as financial security for new developments. The affordable housing development industry has expressed that a major barrier to creating more housing stems from the municipality’s requirement to post Letters of Credit. To fully implement this action item, the creation of a new Policy needs to be developed to ensure only qualifying affordable housing developments are provided with the option to provide a surety bond instead of requiring Letters of Credit. Providing Letters of Credit can be a challenge for members of the affordable housing development community because banks often impose additional terms and collateral requirements on Letters of Credit – terms which can be challenging for affordable housing developers to fulfil. Instead, surety bonds provide more flexible terms and can be manageable for the developer while still protecting the City’s interests to ensure the development is implemented in accordance with the approved plans.

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Increase # of financial investments in affordable housing

## **5) Recommend Allocating a Portion of a Surplus to the Affordable Housing Reserve Fund**

In 2022, amendments were made to the City's Surplus Policy 4.1.3.2 and Reserve and Reserve Fund Policy 4.4.1.1. Since that time, the City has been negatively affected by Provincial legislative changes stemming from Bill 23 with respect to the collection of Development Charges. It is appropriate to review these policies again, this time with a lens to exploring opportunities to supplement the Affordable Housing Reserve Fund by allocating a portion of a general City surplus to this Reserve.

**Cost:** Staff Time

**Timeline:** Immediate

**Desired Outcomes:** Increase the # of affordable housing units in Orillia

## **6) Develop a Council-Approved Policy to Allow a Tax Exemption Through a Municipal Capital Facilities By-law and Agreement (MCFA)**

When the municipality seeks an affordable housing partnership on municipally-owned properties a Municipal Capital Facilities By-law and Agreement can be used as a mechanism to encourage and incentivize affordable housing.

A Municipal Capital Facilities By-law and Agreement is enabled through Section 110 of the *Municipal Act*, which states that municipalities can enter into an agreement with non-profit and for-profit developers to provide incentives in exchange for affordable housing. If a Municipal Capital Facilities Agreement is approved, the incentive could include a tax exemption for the developer who builds affordable housing.

To initiate this process, Council would need to approve a Municipal Capital Facility By-law (MCFB). The City must define affordable housing, define the eligibility requirements, include references to current acts and legislation, include a summary of the provisions and agreements, and other language as required by the Act.

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Increase the # of investments in affordable housing developments and units

## **7) Initiate a Zoning By-law Amendment to Rezone Properties in Orillia with Existing Places of Worship to Permit Housing**

Initiating this amendment to the Zoning By-law will enable Places of Worship within the City of Orillia to build affordable housing on the land they currently own and manage. The initiative aims to add new land to the inventory that would not otherwise be available for

affordable housing. There is a shortage of City-owned land; if this initiative is approved it will provide a significant opportunity, as there are very few available land options within the City of Orillia upon which to develop affordable housing. The opportunity to access land held for Places of Worship is a great opportunity for a partnership between a charitable organization (Church) and affordable housing developers.

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Increase the # of investments in affordable housing

### **8) Review the Real Property Policy 1.7.1.1. with a Lens for Assisting in the Provision of Land for Affordable Housing**

The purpose of the Real Property Policy is to provide a clear understanding of the City's real estate property (i.e. municipally-owned lands). The Policy guides the acquisition, disposal, and inventory of all real property interests.

Having available land for the purpose of building affordable housing within a municipality is important in a City in need of more affordable housing. Numerous international reports have identified the use of government or municipally-owned land for non-profit affordable housing as one of the most effective means for meeting goals to increase the supply of affordable housing. Council could direct staff to do a comprehensive review of the current Real Property Policy 1.7.1.1 to analyze if there are opportunities within this policy to revise and amend sections of the policy to help support the increase in supply of affordable housing in the City. A review could look at how lands that have been deemed to be surplus to municipal needs (such as not being required fire stations, operations centres, salt domes, administration buildings, arenas, community centres, etc.) could be utilized for affordable housing before making such land available for purchase from the private sector. The review could evaluate what specific sections of the current Real Property Policy could be a suggested amendment to Council with the lens of supporting the objective of increasing the supply of affordable housing in the City. This initiative would be undertaken collaboratively among staff in the Planning and Housing Division of Development Services and Engineering together with the Real Estate Division in Corporate Services-with the Assistant City Solicitor — Real Estate and Contract Law in the Corporate Services Department Real Estate Division.

In addition to reviewing the Real Property Policy to analyze if there are opportunities to revise and amend sections, the City staff could also explore the potential for Council establishing a policy that if City-owned land is donated for affordable housing then the value of the land be transferred from the Affordable Housing Reserve to the Land Acquisition Reserve.

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Increase the # of available parcels of land for affordable housing

## **9) Offer Grant Writing Workshops/Forums to the Non-Profit Housing Providers for 18-month Pilot Project**

This initiative aims to support the non-profit housing providers with grant writing tools and resources to successfully secure the necessary funding investments needed to hire housing staff, create housing support programs and/or build new affordable housing units. City staff could create and partner to offer grant writing workshops or forums for the non-profit sector. The goal of the sessions could be to leverage and strengthen the capacity of the organizations and provide support and encouragement to align their mission and vision to increase affordable housing and support services with viable funding opportunities. Staff resources from the Planning and Housing Division of the Development Services and Engineering Department intend to partner with staff resources in the Business Development, Tourism and Modernization Division of the Corporate Services Department to work collaboratively to offer the workshops/forums over the course of an 18-month term (from January 2024 to July 2025). The workshop sessions could be offered on a regular basis or as needed for time sensitive specific grants. The collaboration could include designing relevant and meaningful workshop content, coordinating invitations to the stakeholders, promoting future workshops, and co-facilitating the delivery of the workshop session.

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Increase # of grant applications  
Increase # of successful grant applications

## **10) Foster and Facilitate a Multi-Agency Approach with Youth Serving Organizations to Explore the Start-up of a Youth Transition Home in Orillia**

In partnership with the County of Simcoe, the staff could create the opportunity to foster and facilitate a multi-agency approach to explore the start-up of a youth transition home in Orillia. Multi-agency approaches can increase the likelihood of securing the necessary capital and ongoing operational funding. This approach can naturally bring different subject matter expertise's to a future youth program. Serving youth in a residential setting requires trained staff on site 24 hours 7 days a week to provide a stable and safe environment.

Multi-agency partnerships are effective when practitioners from more than one agency work together jointly with the common goal of providing a therapeutic intervention such as a youth transition home in Orillia.

**Cost:** Staff Time

**Timeline:** Immediate-Term

**Desired Outcomes:** Create an inventory of youth dedicated transition beds

## **MEDIUM-TERM ACTIONS (2-5 Years)**

### **11) Create and Promote a Community Endowment and Developer Contribution Fundraising Campaign to Raise Money for the AHRF**

As noted in the Immediate-Term actions above, the Affordable Housing Reserve Fund (AHRF) is currently dependant on the City providing an annual flat rate contribution of \$200,000 per year. The creation and promotion of a voluntary Community Endowment and Developer Contribution Fundraising Campaign could enable the AHRF to increase the level of funding and be available to non-profit developers when they are ready to build affordable housing in the City of Orillia. The campaign would be voluntary and open to everyone and would allow other sources of funding to contribute to the financial incentives offered by the City. Once implemented and in place this action item could be a revenue generator for the City's AHRF and could provide relief from the AHRF being reliant on a portion of the tax levy for the annual contribution.

**Cost:** Staff Time

**Timeline:** Medium-Term

**Desired Outcomes:** Increase amount of funds available in AH reserved to increase the # of affordable units in Orillia

### **12) Encourage and Create Opportunities to Increase Awareness and Promote Innovative and Non-Traditional Housing Models.**

Housing models and alternative development strategies are evolving and changing. The City could seek to research and create opportunities to increase the public awareness of different options for housing, such as tiny homes or micro homes. Sharing unique and innovated ideas related to construction techniques, housing types, and building designs could also be included in the plan. In addition, the City could consider supporting alternative development strategies, which make home ownership more affordable such as co-housing, communal housing, life-lease options, and leased land communities.

- **Tiny Home:** Tiny homes are between 100 and 400 square feet. There is not a set standard, but tiny homes rarely exceed 500 square feet.
- **Co-housing:** This model provides individuals with a self-contained private dwelling, plus community space such as shared dining areas, kitchens, and outdoor spaces.
- **Communal Housing:** Communal living refers to a situation where a group of people live together, sharing space, land, and other amenities.
- **Life-Lease Options:** In life lease housing, the buyer purchases an interest in that property which gives the buyer the right to occupy a unit for a long period of time, often for their lifetime. Like condo owners, the buyer pays a lump-sum purchase price, and then continues to pay property taxes and monthly fees for maintenance.
- **Land Leased Communities:** In a land lease, the dwelling is owned by the resident and the land on which the dwelling sits is leased. Life lease ownership

means holding an “interest in property”, providing the right to live in the unit; usually for the duration of the lease holder's life or until the lease holder decides to move.

**Cost:** Staff Time

**Timeline:** Medium-Term

**Desired Outcomes:** Increase the supply and # of affordable units

### **13) Coordinate with Affordable Housing Groups.**

The fulfillment of the Orillia Affordable Housing Action Plan requires the engagement, support, and commitment from special interest groups. These groups include youth, family, Indigenous, new Immigrants, Places of Worship, and senior groups.

Coordinating with community partnerships is an effective tool in addressing the broad range of housing needs faced by City of Orillia residents. This approach helps to eliminate competition for funding amongst service providers. When partnerships are encouraged and supported, there is greater probability that the partnership will generate an increased number of housing units. This success often increases funding levels, which enables deeper affordability for the tenant or homeowner.

**Cost:** Staff Time

**Timeline:** Medium-Term

**Desired Outcomes:** Increase # of affordable units

### **14) Establish a "Rental Replacement By-Law"**

The implementation of a Rental Replacement By-law could address the demolition/conversion of residential rental properties of six or more units and/or the new emerging trend called “renovictions”. A “renoviction” occurs when a landlord evicts a tenant by claiming they will complete major renovations. A Rental Replacement By-law would prohibit the demolition or conversion of rental apartment buildings to other uses unless replacement units are provided and the rents of the replacement units are at, or below, the average market rents in the municipality at the time of the demolition or renovation. With such a By-law in effect, it would make it more difficult for the developers to remove rental units from the market. Rental Replacement By-laws vary among municipalities and include requirements around number, size, type, and cost of rental units, as well as right of first refusal for existing tenants.

**Cost:** Staff Time

**Timeline:** Medium-Term

**Desired Outcomes:** Decrease # of affordable units being converted to unaffordable units

### **15) Cultivate Collaborative Relationships with Landlords**

Landlords can play a positive leadership role in the rental housing market and the availability and/or protection of affordable rental units. The cultivation of a collaborative

relationship between the City and landlords would aim to strengthen the network and provide education and awareness to landlords on relevant topics such as grants for making the units more energy efficient and new changes to landlord legislation. The topics would be unique and dependant on the identified current needs of the landlords. The formation of a group and the ongoing facilitated sessions could enable the group members to become community advocates with respect to creating a more effective rental system and experience for the tenant and landlord.

**Cost:** Staff Time

**Timeline:** Medium-Term

**Desired Outcomes:** Increase # of affordable units

### **16) Seek Council Consideration to Upzone Municipal Parking Lots for Housing**

This initiative seeks Council's consideration to upzone the current municipal parking lots in the downtown for affordable housing. This would include offering 'air-rights' partnerships with non-profit affordable housing providers on municipal parking lots, while retaining the parking spaces at grade. Upzoning is a term used to describe changes to a Zoning By-law made to increase the amount of development allowed in the future. The City is experiencing significant population growth projections, and utilizing all available lands within the City boundaries will help reduce the amount of the land required to expand the City boundaries, by making existing public land available for affordable housing development.

**Cost:** Staff Time

**Timeline:** Medium-Term

**Desired Outcomes:** Increase # of available parcels of land for affordable housing

### **17) Collaborate with Georgian College and Lakehead University to Address Off-Campus Affordable Housing**

With a significant projected population growth in Orillia, the opportunity to explore how Orillia's post-secondary institutions could evaluate the potential of a coordinated approach to post-secondary, off-campus, affordable housing development. Both Georgian College and Lakehead University have communicated plans to grow their student population. Many students do not have the option to live at home and commute to post-secondary education. They require affordable housing options, and post-secondary institutions do not have enough supply of on or off campus residences to accommodate the growing student population. A partnership to create a student village could provide the residents with a sense of belonging and a built in support network. The Orillia post-secondary educational campuses are in proximity of each other (5 km), and currently offer joint educational diplomas and degree programs. The exploration of a joint housing partnership could be a next step in this partnership. Available and affordable housing is an important factor to ensuring post-secondary programs are inclusive to all future students who want to learn, live, and work in Orillia.



**Cost:** Staff Time

**Timelines:** Medium-Term

**Desired Outcomes:** Increase # of student housing units

### **18) Develop an Affordable Housing Concierge Program**

A Concierge Program would dedicate staff resources to work with affordable housing developers to fast-track priority affordable housing developments. The staff resource would support and provide service to eligible housing organizations and developers through the pre-consultation and development review process. Prior to implementing a Concierge Program, the development of a Council approved Policy needs to be created to set out clear eligibility criteria for access to the services available in the Affordable Housing Concierge Program. After a new Policy is developed and approved, staff would use the eligibility criteria to determine when an affordable housing development is eligible for the Concierge Program. The development and creation of an Affordable Housing Concierge Program and Policy would aim to increase the speed of permits processed for eligible affordable housing projects.

**Cost:** Staff Time

**Timelines:** Medium-Term

**Desired Outcomes:** Increase the speed of permits processed for eligible projects

## **LONG-TERM ACTIONS (5-10 YEARS)**

### **19) Research and Explore Options for Redevelopment of the Downtown Hospital Property to Affordable Housing Options Once Replacement Hospital is Operating**

The City of Orillia is facing accelerating population growth, while Orillia Soldiers Memorial Hospital is exploring how they can replace the existing facility to build a new, larger hospital in a different location that will accommodate future population growth. The hospital leadership staff have facilitated town halls, and created a website called “Start Today, Serve Tomorrow”. The current location (170 Colborne St W, Orillia) of the hospital meets a lot of the criteria for an ideal location for affordable housing due to the location being in proximity of jobs, transit, social and health care services, education and training, childcare, parks, library, pharmacies, and a grocery store. The current building or portions of the building could be converted from a hospital into affordable housing. This could also include the potential for an onsite grocery store, community kitchen, common indoor and outdoor gathering space, and social and health services. Alternatively, the hospital owns several parking lots near the existing main building. These parking lots could be zoned for residential development to allow for affordable housing. It is recognized by the City staff that extensive consultation with OSMH will be required to understand what their vision is for the current site at 170 Colborne Street West.

**Cost:** Staff Time

**Timeline:** Long-Term

**Desired Outcomes:** Increase the # of affordable units

## **20) Discuss with the Province the Possibility of Portions of the Huronia Regional Property be Allocated for Affordable Housing**

The Province of Ontario owns a large parcel of land in the City of Orillia at 820 Memorial Avenue, formerly known as the Huronia Regional Centre (HRC), which closed its doors on March 31, 2009. The land is situated within the City, is on a transit route, and is adjacent to the rail trail (active transportation) system. This property is approximately 200 acres, however portions of this parcel can not be developed due to being environmentally protected. However, there are sections of this parcel of land that have the potential to be redeveloped. This development could include portions that are designated as affordable housing and could further integrate social amenities (grocery store, childcare, and parkland). By utilizing the land that is currently owned by the Province of Ontario, the City of Orillia and the Province of Ontario could partner to address the need to accommodate Provincial population growth within the City boundary.

**Cost:** Staff Time

**Timeline:** Long-Term

**Desired Outcomes:** Increase the # of affordable units

## **21) Explore Strategic Purchases of Land for the Purpose of Developing Affordable Housing for Council Consideration**

A City of Orillia Land Acquisition and Disposition Program could be explored to reduce capital costs associated with the development of new affordably priced housing within the City. If approved, a land acquisition program could allocate an annual budget to secure strategic sites within the City with the intent of dispositioning the properties for affordable housing redevelopment purposes.

**Cost:** \$\$\$ annually

**Timeline:** Long-term

**Desired Outcomes:** Increase # of available parcels of land for affordable housing