

Equitable Access to Housing

Issues and Options Report

How can Our Orillia Official Plan Review support equitable access to housing?

Equitable Access to Housing is characterised by the availability of safe and affordable housing options for all age groups and physical and mental capabilities across all neighbourhoods. Choice of tenure (i.e., being able to rent or own) is another important characteristic. Equitable access to housing also contemplates location of housing in complete communities where access to community services, recreation options, retail and commercial uses, and sustainable transportation options, including transit and cycling, exist.

Orillia's current Council has made it a priority to look at ways to help our most vulnerable, such as those facing homelessness, mental health and the opioid crisis through increased annual contributions to the affordable housing reserve and creating a Housing Coordinator position. To support Council's focus on improved housing outcomes, this report examines challenges and opportunities to support equitable access to housing throughout the community.

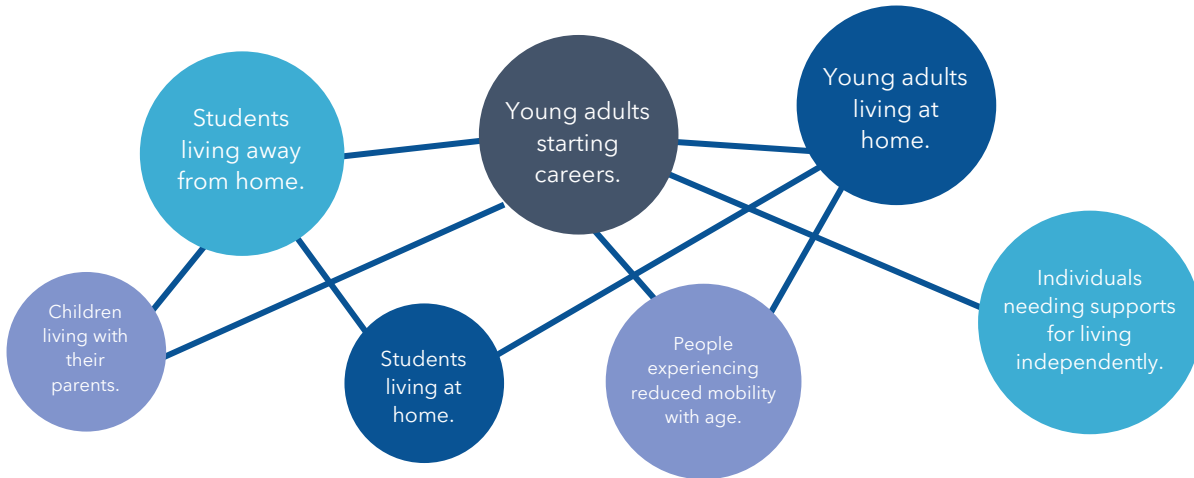
Current gaps in Orillia's housing options were identified through a Housing Needs Assessment undertaken by N. Barry Lyon (NBLC) Consultants in September 2023 and supplemented with community consultation as part of the Our Orillia Official Plan Review. Many Orillia residents must choose between being over-housed (i.e., living in a larger home with multiple bedrooms) and paying more for their housing, or choosing to have roommates or tenants. Having a mix of units that better aligns with household sizes will improve both choice and affordability for many households.

Age-friendly housing often is associated with meeting the housing needs of seniors. However, there is significant overlap between the housing needs of seniors, young adults, students, and those that need supportive housing. For these household types, a standard detached house is often not the best fit for their needs. Youth and students are likely to have low incomes and need low-cost rental options. Seniors and those that need supportive housing are often best housed in a barrier-free building, typically in the form of an apartment. Examples of successful supportive housing and student housing includes shared living arrangements, co-housing, or smaller units in a multi-unit building. A 'shared living arrangement' can take different forms and currently, a dwelling can be shared by four individual renters and the landlord.

What are considerations in Equitable Access to Housing?

- Affordable Housing
- Rental Housing
- Age-Friendly Housing

Age-friendly neighbourhoods contain the appropriate housing options for households and individuals in all stages of life including:



Overall, more variety in housing built forms and tenure in all neighbourhoods will improve how age-friendly Orillia becomes in the future. Increasing the variety of housing forms and mix of unit sizes across neighbourhoods improves housing affordability, increases the attainability of ownership housing, and aligns well with the specific needs for enabling supportive housing, age-friendly housing and student housing.

Policy Issues and Options

The policy issues and options outlined below are organized by the elements of the **Equitable Access to Housing** City Move and build on the input received from the community during Phase 1 engagement activities and City Moves Report. These issues and options provide the basis for community and stakeholder consultation in Phase 2 of Our Orillia Official Plan Review and will inform a subsequent Policy Directions Report which will recommend specific actions to implement the Official Plan.

Do you want to know how the Guiding Principles are being considered in the Official Plan?

Each of the issues outlined in the Report are ‘tagged’ with one or more icons that show how each issue aligns with the Guiding Principles for Our Orillia Official Plan Review.



Complete Community



Strong & Diverse Economy



Integrated Mobility



Sustainability & Stewardship



Safe & Affordable Housing



Wellness & Creativity

Affordable Housing

What does the current Orillia Official Plan say?

Orillia’s Official Plan sets out policies that encourage the development of housing that is affordable for low- and moderate-income households. Specifically, the Official Plan targets that 25% of new residential development be affordable within the Central Core Intensification Area, Intensification Area, and Stable Neighbourhood designations. This can be achieved by promoting higher density housing forms, building smaller units, seeking grants and subsidies, and encouraging the development of additional dwelling units.

The Official Plan defines affordable housing in two contexts: for ownership and for rental housing.

In the case of **ownership** housing:

Affordable Housing means...

“Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate income households or housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area”

Low and Moderate Income Households are...

“Households with incomes in the lowest 60% of the income distribution for the regional market area”

In the case of **rental** housing:

Affordable Housing means...

“A unit for which the rent does not exceed 30% of gross annual income for low and moderate income households or a unit for which the rent is at or below the average market rent of a unit in the regional market area”

Low and Moderate Income Households are...

“Households with incomes in the lowest 60% of the income distribution for renter households for the regional market area.”

These definitions are consistent with the PPS, 2020. The draft update to the PPS released in April 2024 changes the area where prices are collected across “regional market area” to “municipality”.

To achieve these outcomes, additional housing types are needed in the existing ‘Stable Neighbourhood’ areas.

In Section 3.3.4 Stable Neighbourhood Designation, the combination of permitted (Section 3.3.4.2) and prohibited uses (Section 3.3.4.3) excludes a common, higher density built-form, negatively impacting housing affordability and housing choice. Multiple-unit buildings and townhouses are permitted, but apartment buildings are not. The number of potential residents, and demand for community infrastructure, is the same for a given number of units in either of these building types. An apartment built-form, particularly for smaller 3-4 storey buildings, is predominantly rental tenure. The opposite is

true for 3-4 storey multiple unit buildings (such as stacked townhouses), where the predominate tenure is ownership. Currently, there are many detached houses and detached houses that have been converted to multi-unit houses in the Stable Neighbourhood areas that are operating as rental. Supporting additional small-scale rental housing throughout the neighbourhood areas can be achieved through **gentle density** or **missing middle** built forms such as small apartment, row houses, and stacked townhouse buildings.

Apartment:

Means a building containing five or more dwelling units that share external access through a common vestibule and a common corridor. Source: Orillia Zoning By-law 2014-44.

What does Provincial policy or legislation require us to do?

The Growth Plan is a long-term plan for the Greater Golden Horseshoe (GGH) designed to promote economic prosperity, environmental protection, and a high quality of life for people of all ages. The Growth Plan seeks to foster complete communities by directing growth to designated settlement areas.

The Growth Plan also establishes intensification and density targets, directing municipalities to prioritize intensification and higher densities in identified Strategic Growth Areas and settlement areas to make efficient use of land and infrastructure. In Orillia, Strategic Growth Areas may include opportunities through infill, redevelopment, brownfield sites, conversion of existing buildings, or greyfields. Lands along major roads, arterials, or other areas with existing or planned frequent transit service may also be identified as strategic growth areas.

The Growth Plan also provides direction that municipalities will consider the use of available tools to require that multi-unit residential developments incorporate a mix of unit sizes to accommodate a diverse range of household sizes and incomes (Section 2.2.6.3), to support the achievement of complete communities.

Policy Issues & Options

The following policy issues and options have been informed by input from the community, the requirements and directions of Provincial policy and legislation, and emerging practices in land use planning.



Issue 1. The City has a housing affordability issue which is increasingly making attaining housing out-of-reach for some households and individuals.

- **Recommendation 1.A – As identified in Action 8 of the 2023 Affordable Housing Action Plan, revise the Real Property Policy 1.7.1.1 to prioritize surplus government or municipally-owned land for development of new affordable housing.** There is an opportunity to create a policy within the Official Plan that prioritizes using surplus government or municipally-owned land for affordable housing, in addition to updating the Real Property Policy, to ensure that there is clear direction from Council for disposition of municipal land at below market prices. This policy would also require staff and Council to evaluate surplus lands and consider alternative uses, such as affordable housing, prior to sale.
- **Option 1.A – Permit Apartment Buildings in the Stable Neighbourhood designation, subject to height restrictions.** Along arterial and collector roads, a maximum of four storeys would be permitted. Along local roads, a maximum of three storeys would be permitted.

Purpose built rental:

Means privately owned buildings with at least three (3) rental units, which have been on the market for at least three (3) months. Source: CMHC Rental Market Report, January 2024

Issue 2. There is a disconnect between household sizes and the number of bedrooms in Orillia's dwellings. Almost two-thirds of households are one- or two-persons, yet only 7.6% of dwellings are bachelor or one-bedroom. The proportion of households with four or more people is 16.5% while 59.4% of dwellings have three or more bedrooms.

This disconnect between the household size and number of bedrooms in a dwelling is contributing to the demand for converting detached houses into multi-unit dwellings. There are many converted dwellings in Orillia that were originally detached houses that now house multiple households or are rental multi-tenant housing. Rental prices in converted houses, additional residential units, duplexes and triplexes are frequently less expensive than in large purpose-built rental buildings. Multi-tenant housing, or ‘Communal Housing’ as referred to by the Official Plan, can also be an affordable housing option for individuals. These higher-intensity residential uses in low density neighbourhoods are important for achieving a complete community and housing affordability, as they offer rental options, a range of living situations, and choice in unit sizes.

- **Recommendation 2.A – Continue to support creation of affordable rental options through supporting and regulating conversion of single-unit dwellings into multi-unit dwellings.**

Orillia has supported conversion of detached houses into rooming houses, with a focus on ensuring the converted houses are either used by four or fewer renters or are renovated to a higher building code standard. Continuing to increase the stock of multi-unit dwellings and rooming houses in neighbourhoods provides increased choice for renter households, that are usually at lower cost than if the unit was in a purpose built rental building or a unit in a new condominium development.

Rooming House:

Also known as a boarding house or multi-tenant building. Means a building in which lodging, with or without meals, is supplied for financial gain to more than four persons other than the lessee, tenant or owner. Source: Orillia Zoning By-law 2014-44

Rental Housing

What does the current Orillia Official Plan say?

The design policies for buildings (Section 3.3.7.4) includes a direction stating that an “appropriate range of housing types and tenures should be provided to make a variety of housing options available to the community”. The objectives of the Living Area section include direction, “to encourage and facilitate the production of an appropriate range of housing forms and tenures in all neighbourhoods.”

What does Provincial policy or legislation require us to do?

Provincial land use legislation does not provide tools to require or strongly influence the tenure (rental or ownership) of new housing. To encourage new rental housing, or protect existing rental housing, Provincial legislation requires that there be direction in the Official Plan to pursue these policies.

Policy Issues & Options

Though the Provincial legislation does not provide direction on the balance between rental and ownership tenure in a community, sufficient rental housing is important for the economic and social health of a community. Rental housing is especially important for university and college students, newcomers and individuals entering the workforce. It is also important for providing the housing conditions needed to attract new employers and employees. In 2021, Orillia had **5595 renter households** (39%) and **8828 (61%) owner households**, but only **1772 purpose built rental units**. A significant portion of the renter households live in

converted houses, which are generally an affordable rental option but are not normally regulated by the *Rental Tenancies Act, 2006* making these units a substantially less reliable form of rental housing.



Issue 3. There is a need to support the supply of rental housing in the City. The number of purpose built rentals in Orillia has decreased between 1990 and 2022 by approximately 80 units, despite continued growth in the community.

- **Recommendation 3.A – Expand the scope of the rental replacement policy identified in the Affordable Housing Action Plan to include demolition control for existing rental housing, and an affordability requirement for the new units, in addition to requiring that rental units are redeveloped, at least as many rental units are provided in the new building.** Rental replacement policies can be implemented that require that when buildings with rental units are redeveloped, at least as many rental units are provided in the new building. Retaining existing rental units mitigates the upward rental price pressure of reduced supply. A rental replacement policy could also include a requirement for maintaining affordable rents in the new building for a period of time. To improve the enforcement of the rental replacement policy, a demolition control by-law can be passed that prohibits demolition of five or more units until a rental replacement agreement/contract is put in place. The threshold for demolition control must be five or more units because the *Municipal Act* prohibits use of demolition control for four or fewer units.

Age-Friendly Housing

What does the current Orillia Official Plan say?

The Vision of the current Official Plan includes direction to promote, “housing choices that meet the needs of all people throughout all stages of life” (Section 1.2 b) ii). Principle 2 of the Official Plan - promotes a complete community that supports a healthy, safe and diverse population. Principle 2 further describes that, “a *complete community* is designed for all stages of life...”. Both the Vision and Principle 2 suggest that there needs to be a variety of housing forms within all neighbourhoods to ensure that there is affordable and attainable housing for all types of households and households with members of all age groups.

Policy 3.3.3.8 provides that communal housing forms include seniors oriented and student housing options, such as nursing homes, long-term care facilities, retirement homes, boarding houses, as well as student residences. Additionally, communal housing policies in this section speak to this housing option being in the ‘Living Area’ designations subject to adequate buffering, parking and amenity areas being provided on-site and that the site be within 250 metres of existing or planned public transit routes.

During Phase 1 consultation, we heard that it is desirable for the new Official Plan to support, “more intensification around local businesses to keep stores open and have a thriving local economy.” We also heard that, “medium density is a priority.” The current Official Plan contains policies that permit

mixed-use buildings as well as design policies that contemplate compatibility to adjacent low-density areas. These should be enhanced to ensure that both existing and new neighbourhoods have the ability to include retail and commercial uses as well as residential uses.

What does Orillia’s Age-Friendly Orillia Community Action Plan say?

In 2022, the Age-Friendly Orillia Community Action Plan was created. Action 8, “Ensure municipal policies support a range of housing forms that meet the diverse and changing needs of residents,” has recommendations that should be considered through Our Orillia Official Plan Review. Three recommendations are particularly relevant:

- Ensure current and future planning policies encourage a mix of housing types and tenures and consider establishing targets for affordable, accessible, and supportive housing options. Housing types should consider various forms such as stacked townhouses, multiplexes, secondary suites, multi-residential as well as various ownership models such as life lease, co-operative, co-housing, and community land trusts.
- Ensure existing regulations do not restrict and/or create barriers to providing a range of housing options.
- Encourage affordable and supportive housing options in areas near amenities, services, recreational opportunities, and transportation to avoid social isolation and loss of independence.

The Age-Friendly Orillia Community Action Plan reinforces the direction of the Official Plan’s vision and principles to ensure that there is a variety of housing built forms, tenure and accessibility throughout all neighbourhoods in Orillia.

One approach to improving equitable access to housing is providing households with more choices for units that are appropriately sized. For larger and multi-generational families, larger units in multi-unit buildings should be a viable option. Conversely, more purpose-built rental one-bedroom and bachelor suites are necessary for one- and two-person households.

What does Provincial policy or legislation require us to do?

The Provincial Policy Statement, 2020 (PPS 2020) and the draft Provincial Planning Statement, 2023 have similar language with respect to creating housing that is appropriate for people of all ages, including those with disabilities. The difference between the two documents is that the 2023 version removes references to affordable housing, and changes the language from “special needs housing” to “additional needs housing.”

From the draft Provincial Planning Statement, 2023: “planning authorities should support the achievement of complete communities by:

- a) accommodating an appropriate range and mix of land uses, housing options, transportation options with multimodal access, employment, public service facilities and other institutional uses (including, schools and associated child care facilities, long-term care facilities, places of worship and cemeteries), recreation, parks and open space, and other uses to meet long-term needs;

- b) improving accessibility for people of all ages and abilities by addressing land use barriers which restrict their full participation in society; and
- c) improving social equity and overall quality of life for people of all ages, abilities, and incomes, including equity-deserving groups.”

Section 2.2 of the draft Provincial Planning Statement includes direction that planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected needs of current and future residents of the regional market area by permitting and facilitating: all housing options required to meet the social, health, economic and well-being requirements of current and future residents, including additional needs housing and needs arising from demographic changes and employment opportunities.

The Provincial direction supports policy that will encourage age-friendly housing being built across all neighbourhoods in Orillia.

Policy Issues and Options

Age-friendly housing often is associated with meeting the housing needs of seniors, but there is significant overlap between the housing needs of seniors, young adults, students, and those that need supportive housing. Most of these demographics have a fixed income or low income, and greatly benefit from lower housing costs. Seniors and those that need supportive housing often find barrier-free dwellings with an elevator preferable as they often have mobility issues that makes using stairs difficult if not impossible. Students and young adults often prefer rental accommodations because they are likely to relocate following completion of their studies or as their career progresses and they pursue new jobs. Successful supportive housing and student housing are often shared living arrangements, co-housing or smaller units in a multi-unit building. For all of these demographics, living in multi-unit residential apartments is a good option. Conversely, a standard detached house is not often the best fit for their needs.

In Orillia, 26% of residents are aged 65 years or older and 14% of residents are under the age of 14. This represents a lower proportion of youth compared to other age cohorts and an increasing senior population. This suggests that there is more need for housing that specifically responds to the needs of seniors, such as smaller one bedroom units in barrier free buildings and ensuring that there will be options for them to continue to live in their neighbourhoods and communities as their housing choices change.

Issue 4. As Orillia has grown, the housing stock has not grown in proportion to the needs of today's residents.

The 2021 Census data, CMHC rental housing data, and average housing sales prices data, suggests that equitable access to housing has eroded over time.

The distribution of housing built form, with 55% of homes being single detached dwellings, results in a high proportion of homes with three or more bedrooms (in detached houses), while the fastest growing demand is for one-bedroom units for senior-led households with one to two people. In 2021, 69.2% of households in Orillia had either one or two people, which can be housed in a unit with one or two bedrooms.

The tendency for homes to be sized for larger households is also seen in the purpose built rental stock, with over 60% of the units having two or more bedrooms.

One approach to improving equitable access to housing is providing households with more choices for units that are appropriately sized. For larger and multi-generational families, larger units in multi-unit buildings should be a viable option. Conversely, more one-bedroom and bachelor suites are necessary for one- and two-person households.

- **Option 4. – To enable and support smaller, alternative housing options, create policy that supports new residential zones with maximum unit sizes.** There are innovative housing forms such as tiny homes that can create new affordable housing options that would benefit from dedicated policy support, including through the Zoning By-law. The site area requirements and servicing requirements are substantially different than the current standard low density residential needs. Pre-zoning areas for intensive development of smaller units, such as under 900 square feet (or approximately 90 square metres), would address the engineering and land use issues with these innovative housing options before a development application is received, which would speed up the review process and reduce the cost of the development. The pre-zoning process would also evaluate how the parcel would be divided between the units such as through a condominium conversion of the land into privately owned (where the home is located) and communally owned portions such as parking, landscaped areas and servicing corridors.

Issue 5. The current official plan includes some policies that indirectly regulate how people are living in a dwelling, including buffering distances between communal housing buildings and prohibition of the apartment built-form (predominantly rental) where an equivalently sized townhouse (predominantly ownership) would be allowed.

Land use legislation in Ontario and across Canada has evolved in the past decade to avoid regulating the relationships between residents living in a dwelling, such as requiring that residents to have blood-relationships.

There are many converted dwellings in Orillia that were originally detached houses that now house multiple households or are rental multi-tenant housing. Multi-tenant housing, or ‘Communal Housing’ as referred to by the Official Plan, can also be an affordable housing option for individuals. These higher-intensity residential uses in low density neighbourhoods are important for achieving a complete community, as they provide affordable rental options, a range of living situations, and choices in unit size. The following recommendations have been established to support age-friendly housing, supportive housing, and student housing.

Communal housing or multi-tenant housing frequently create contentious debate about where and when they should be allowed and the potential impact on neighbourhoods due to parking needs, yard maintenance and potential for disruptive behaviour. Dwellings that have a higher intensity of use (more residents per gross floor area) provide more affordable housing options, but come with higher fire safety risks and potentially create more complicated situations for emergency services personnel when they are called to the location. The risks and impacts are similar whether the residents are tenants or members of an extended family.

- **Recommendation 5.A – Create policies to expand support and regulation of communal housing or multi-tenant housing.** Create policies that support and enable living arrangements

such as co-housing or multi-tenant housing, where the total number of residents would be similar to the potential in a detached house on the lot. This can be accomplished by putting in place requirements for licensing operators of multi-tenant housing to promote health and safety, and creating operating standards for supported housing in multi-tenant houses. This type of permissive but regulated policy and by-law framework reduces municipal oversight of the living arrangements of individuals, while continuing to promote the creation and operation of safe housing in the community.

Issue 6. The definition of *compatible* in the Official Plan is potentially too broad, suggesting that new developments must both enhance the existing community and not cause adverse effects on nearby properties. The intent and purpose of the Zoning By-law is to ensure that only compatible uses and built forms are allowed in a zone.

Official Plan Policy 4.2.9.4.3 directs that new development be compatible with adjacent and neighbouring development. The concept of compatibility is often used to prevent intensification of existing properties by setting the compatibility standard to the least intense use in the vicinity. The definition of *compatible* should be modified to be clear that adverse impacts should be mitigated, but if the proposed development typology is permitted in the zoning by-law it should not be prohibited due to compatibility concerns.

- **Recommendation 6.A – Revise the definition of *compatible* to more clearly explain how compatibility can be achieved.** Revise the definition to state, “Compatible development is development that may not necessarily be the same or similar to the existing buildings in the vicinity, but, nonetheless, can coexist with existing development *with potential adverse impacts to adjacent properties will be mitigated through setbacks, architectural choices and landscaping.*”

The primary goal of the Zoning By-law is to ensure that only compatible uses and built-forms are allowed in any given land use zone. This repositions the concept of *compatibility* as a path for negotiating additional rigour when unusual situations occur.