



ARNPRIOR

Town of Arnprior

Housing Needs Assessment

August 2023

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- Ken Foulds, Principal – Re/fact Consulting
- Matt Pipe, Senior Housing Policy and Research Analyst - SHS Consulting



Executive Summary

The Town of Arnprior is a dynamic and growing municipality that has experienced substantive development over the last 10 years. The location of the Town, immediately adjacent to the City of Ottawa and as the southern gateway to the County of Renfrew, has sustained this growth and made it a popular destination for those moving out of larger urban centres, either to retire or to find more affordable accommodation. Managing this growth comes with challenges and to better understand local housing needs today and looking forward, the Town commissioned Re/fact Consulting to undertake a Housing Needs Assessment.

The Housing Needs Assessment involved a detailed analysis of housing needs, housing supply, and housing affordability in order to determine local issues and gaps in the housing market. The study also included a review of the local housing policy environment to better understand current policies and practices in relation to addressing housing needs. During the course of the study, a series of consultations were undertaken with a cross-section of local stakeholders to explore perspectives on housing needs, priorities and ideas for addressing these needs in the community.

As a result of the analysis undertaken and the feedback gathered through the stakeholder consultations there were a number of key findings that emerged. These can be summarized as follows:

Housing needs

- There continues to be an above average growth rate due to in-migration and there is a general aging of population with an increasing proportion of seniors
- Households continue to diversify, trending towards smaller households, especially single persons
- There is a high proportion of rental tenure but consistent growth in both owner and renter households over time
- There is a shifting labour force with more service economy jobs and less manufacturing jobs, and there have been changes in commuting patterns due primarily to Covid
- Local household incomes have continued to grow but still lag behind County averages, and there are signs of income polarization between renters and owners

Housing supply

- The majority of existing dwellings in Arnprior are single detached homes but more multi-residential forms are being brought on-line
- There has been strong growth in recent additions to the housing stock and a minor loss of older units but the supply of non-market housing remains modest
- While new production still favours lower density housing, units in the development pipeline are more mixed in terms of mid and higher density housing forms

- Continued demand and low vacancy rates signal a tighter primary rental market which translates into higher rents and greater reliance on an active secondary rental market
- Limited inventory and higher costs have meant higher house prices, resulting in a tighter ownership market and while there are signs this may be moderating, interest rate increases are adding additional cost pressures for purchasers

Housing affordability

- Affordability continues to be a challenge, particularly for renters as compared to owners
- Single person and lone parent households are especially prone to affordability issues
- For households seeking new ownership housing, affordable options are very limited and accessible only to higher income households (\$115,000+)
- Renters with lower incomes (less than \$40,000) have considerable difficulty accessing options that are available in the primary rental market
- Moderate income renters may be able to afford market-level rents but may not be able to find available accommodation

A comprehensive review of the local housing policy framework was also undertaken as part of the study. The intent of this review was to better understand how existing policies, practices, and initiatives are being used to guide housing development and address local needs. Based on this review, it is evident that there are a number of progressive policies in place to help facilitate housing development. That said, there are also a number of policy challenges and opportunities that could be pursued in order to better address local housing gaps. These include:

- Implementing recommended policy actions through the Town's Official Plan, zoning bylaw, site plan control bylaw and development approval practices
- Aligning planning efforts with the County of Renfrew and RCHC (housing corp.)
- Streamlining development approvals processes
- Phasing of servicing to help lead growth requirements
- Pre-zoning lands to support affordable housing development

Based on the assessment of needs and the associated policy review, three key housing themes emerged which Arnprior will need to have regard for as it continues to grow and diversify.

Accommodating continued growth

- Growth in the Town of Arnprior is expected to continue for the foreseeable future, especially in light of its position immediately adjacent to the City of Ottawa and on a major transportation route
- There is a continued need to accommodate this growth over time in response to local needs, especially for seniors and smaller households while still maintaining family options

Diversifying stock

- There is a need to broaden the range of housing options available in the market to provide more choice and affordability

- There is continuing need for more purpose-built rental to provide greater stability in the local rental market
- Sustained production of higher density units will need to be realized, moving them from the development approvals pipeline to actually being built

Improving affordability

- Facilitating the delivery of more affordable rental housing for rental households with incomes under \$40,000 per year is needed to address the needs of low and moderate income households
- Fostering more affordability in the middle market segment will also be important, both in terms of purpose-built rental accommodation and affordable ownership options that are geared to moderate income households
- Seeking out ways to help the private market expand ownership options and reduce costs for housing would be beneficial for those in the 60th to 80th income percentile range

To address these theme areas, several strategic directions were identified during the study to help guide future actions, focusing on the need to:

- Build on the policy and regulatory framework already established
- Incorporate actions that promote readiness and agility in response to market changes
- Develop an integrated and actionable plan to help guide and align the efforts of local housing stakeholders

A series of 15 recommendations were also developed to help focus action in those areas where policies, practices and initiatives could assist in addressing better housing outcomes for the community. These recommendations support several strategic objectives, including:

- Improving affordability, especially where there are gaps in the local market
- Diversifying housing options to better address emerging needs
- Creating a more conducive and streamlined regulatory environment
- Providing and leveraging incentives for affordable housing
- Accommodating growth in part through the use of existing stock and intensification
- Fostering partnerships and collaboration among stakeholders, while working to align the efforts of government partners
- Facilitating the necessary infrastructure to support projected growth

The recommendations are intended to assist the Town in taking the next step in this process, namely the development of an Affordable Housing Strategy. As part of that process, it will be important to evaluate policy options and determine the preferred course of action for addressing the issue areas that have been identified. To be successful, the Affordable Housing Strategy will also need to incorporate goals, targets, alignment, and monitoring actions.

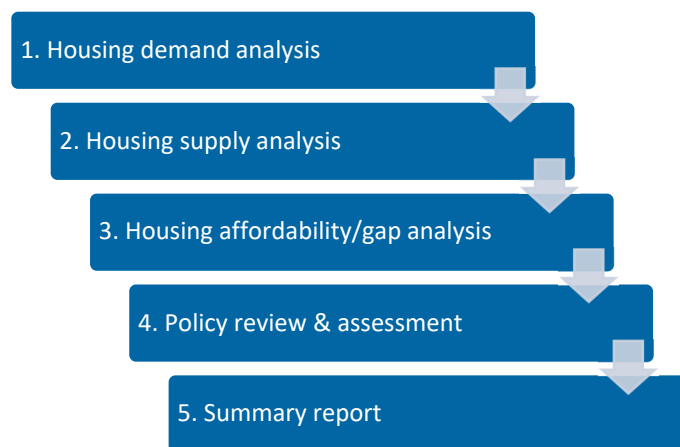
1.0 Introduction

The Town of Arnprior is situated in the southeast corner of the County of Renfrew, immediately adjacent to the City of Ottawa and straddling Highway 417. Given its immediate proximity to Ottawa and as the southern gateway to the County, the Town has seen a rapid and steady increase in growth over the last number of years. The impact of this growth has led to pressures in the housing market both for those who live in Arnprior and those seeking to find accommodation in the Town. These pressures have been further amplified by shifting conditions in the housing market that have been felt across Canada over the last three to four years. To better understand the current housing conditions and the factors that drive local trends, the Town retained Re/fact Consulting to undertake a comprehensive Housing Needs Assessment.

1.1 Purpose and Process

The study was designed to identify current and projected trends in the Town of Arnprior, having regard for housing needs across the entire housing continuum. Policy and practice recommendations are also made in response to the issues and gaps that have been identified in the local housing market. These are intended to support the Town’s goals of accessible, affordable, attainable, and appropriate housing for its residents. The study also provides an important foundation for a subsequent Affordable Housing Strategy that will set out actions for addressing issues and gaps.

The study was undertaken in five successive steps as illustrated below. An analysis of socio-economic indicators was first undertaken to understand current and projected housing needs based on population, household and related characteristics. An analysis of housing supply was also undertaken to determine the composition of the local housing stock, its condition and trends in production. From this, conclusions were drawn regarding issues and gaps in the local housing market, highlighting where supply is insufficient to meet current demand and looking forward. An additional assessment was also undertaken to determine housing affordability, both in the rental and ownership market.



Like other communities in Ontario, there is a land use policy regime in place which is intended to help guide, encourage and support the planning and delivery of housing at the local level. As a critical component of the study, a review of the local policy framework was undertaken to identify policy issues and highlight potential opportunities for better addressing local housing challenges. The study concludes by recommending policies and practices in support of a future Affordable Housing Strategy. Findings and the recommendations from the study have been captured in this summary report.

As part of the study process, engagement activities were undertaken with a cross-section of housing and community stakeholders. These consultations helped to validate findings, gather feedback on solutions and identify priorities for addressing housing issues and gaps. These consultations were held in two distinct phases:

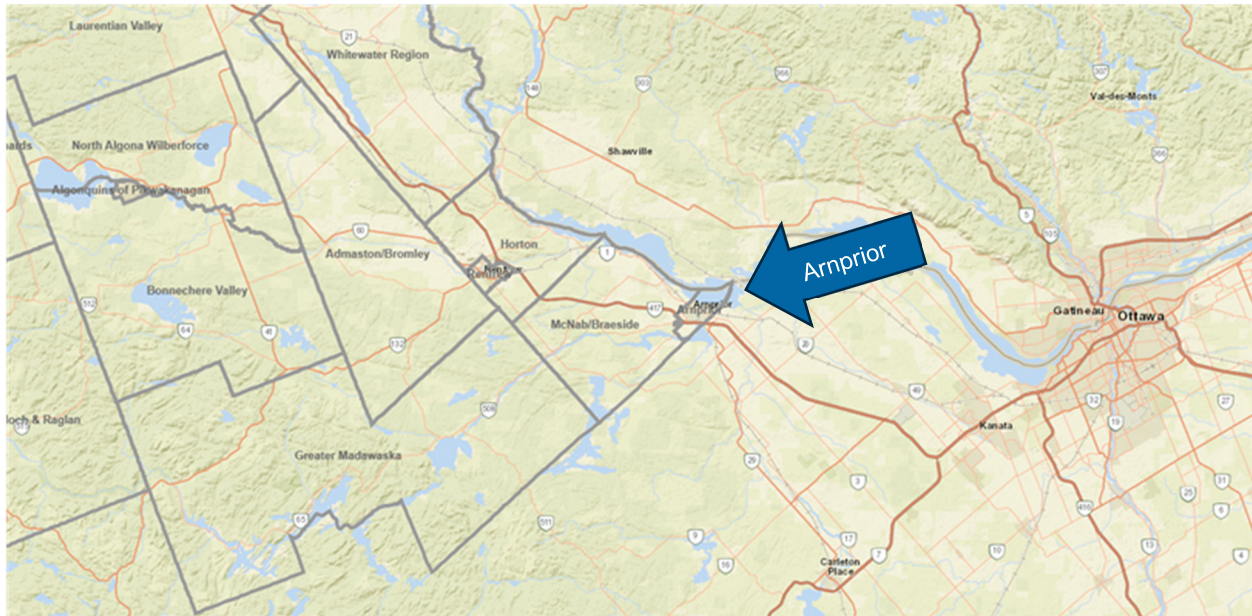
- **Town Hall #1 (April 2023)** – Review of initial need/demand findings and dialogue on key issues and gaps in two separate sessions
- **Town Hall #2 (June 2023)** – Review of initial policy findings and dialogue on potential solutions in a single omnibus session

These sessions provided helpful insights into the local housing market through stakeholder perspectives and priorities. The consultations also provided an opportunity to dialogue with stakeholder on key issues, the factors influencing them and ideas regarding potential solutions.

1.2 Background

The Town of Arnprior has a population of 9,629 (2021) and covers some 13 km² in area. It is uniquely situated at the southern gateway to the County of Renfrew, spanning the Madawaska River and abutting the Ottawa River on its eastern flank. The Town also straddles Highway 417, the Trans-Canada Highway, and primary transportation corridor from Eastern Ontario to Northern Ontario. Immediately abutting the northern edge of the Town is the Township of McNab/Braeside which has a population of 7,591 (2021) and an area of 255 km². Arnprior is also part of the County of Renfrew and like McNab/Braeside, is a lower tier municipality within the County structure. While Arnprior has a slightly higher population than McNab/Braeside and accounts for 9.1% of the County population, it is much more urban and compact in nature than its rural neighbour.

Arnprior is also located immediately adjacent to the northwestern boundary of the City of Ottawa which has a growing population currently in excess of 1 million residents. Like other municipalities on the boundary with Ottawa, growth in Arnprior is directly influenced by this large urban centre, especially where major transportation corridors are present.



Source: County of Renfrew GIS system (extracted)

Given its unique geographic location and its relatively modest size, Arnprior faces some unique challenges as a municipality. While the growth that comes with this position can be an economic boon, it also creates pressures for the community, especially with regards to housing and affordability. Managing this growth and the shifting demographics that come with it is no small challenge. This is further complicated by the recent shifts in the overall housing market and the policy framework in which the Town operates. Balancing these challenges is an on-going issue for the Town's Council and has implications for both established resident and for those seeking to make Arnprior their home. Despite this growth, the Town is still relatively small in scale and as a result, has limited capacity and resources with which to address housing issues that are imposed to a significant degree by the much larger regional housing market.

1.3 Approach and Report Format

This summary report captures the results of analysis undertaken as part of the Housing Needs Assessment as well as the recommendations that flow from those findings. While the report is not intended to set out a strategy for affordable housing, it does identify strategic directions that should be considered in development of that future strategy. In that regard, the report is structured in three main parts. The first part of the report speaks to an assessment of housing needs and highlights findings with regards to demand, supply and affordability issues as well as market gaps. The second part of the report captures findings of the policy review, articulating the policy framework, situating Arnprior's role in it, and reflecting on possible actions that speak to the identified gaps. The third and final part of the report sets out a number of strategic housing directions which reflect priorities, recommendations, and considerations for implementation. This last part will provide a tangible jumping off point for the Affordable Housing Strategy that is contemplated as a crucial next step by the Town.

A series of appendices are also provided with this report to capture relevant but supplementary material, including:

- A glossary of applicable terms that are referenced throughout the report (Note: Where appropriate, glossary definitions have been provided as footnotes for ease of access)
- A synopsis of the stakeholder consultation sessions that were held
- A list of programs and initiatives that can be used to support housing objectives

1.4 Sources of Information

The assessment undertaken involved an analysis of several available data sources. As an established and reliable source of time series data, Census data from Statistics Canada was used to help develop a social-economic profile of housing. These robust statistics are gathered every 5 years and provide a wealth of information. However, given the frequency of data collection and the lag that occurs in reporting out on this data, challenges can arise in securing current data. In the case of this study, the most recent Census year was 2021 and for some indicators and cross tabulated information, data has yet to be released.

Housing statistics from CMHC have also been used extensively to help inform the assessment, due in large part to their reliability and reporting frequency. Most statistics from CMHC are reported no less than annually and there is typically only a modest lag in publishing of this reported information after the data collection year. As a result, these data sets tend to be more current and more reflective of market conditions. To help round out the analysis, Census and CMHC data sets have been augmented by data from several other sources, including Town of Arnprior documentation, County of Renfrew strategies and data, County of Renfrew Real Estate Board reports and other like datasets.

2.0 Housing Needs Assessment

This section provides an overview of the population and household characteristics which affect the need for housing in the Town of Arnprior.

To help better understand current conditions in Arnprior, the housing needs of the community were assessed through a multi-faceted analysis that looked at housing demand, housing supply and housing affordability. Census data, CMHC data and other like sources were reviewed in order to develop a comprehensive profile of the community. This was augmented with other reports, statistics, and documentation about the Town. Analysis was further augmented through input from stakeholders based on their observations and priorities. Collectively, this information provided a picture of housing needs today and looking forward.

The Housing Continuum

It's important to note that this analysis looked at the entire housing market. This is critical as all parts of the housing system are connected and have an influence on one another. So while affordable housing is a clear concern, one must consider needs across the whole market in order to have a complete picture of housing demand in the community. A key concept for illustrating the range of housing needs in a community is the housing continuum. As shown below, the housing continuum arranges households along an economic continuum and identifies supply options within that system. Generally speaking, the higher income a household has, the more housing choice they have to access housing options in the community. This of course is reliant on having a supply of housing choices that are available to access.



Source: CMHC National Housing Strategy

The concept of the housing continuum illustrates housing choices based on a household's economic capacity. Those who may not have permanent housing or face difficulties securing suitable housing will find themselves on the left hand side of the continuum where they may access emergency shelters or supports. At the other end of the spectrum are households that have significant options based on their economic status and these households can afford many forms of market rental or ownership housing. In between these points on the continuum are a range of options that households could access, including those requiring supports or income assistance, or those requiring below market alternatives to address their housing needs. It is worth noting that households do not remain in a static position and their needs can change over time. Ultimately this means that households can move in either direction on the housing continuum, depending on their changing circumstances.

This housing framework is a useful way to consider the range of housing options suited to the needs and economic means of the entire community. The following discussion helps to situate housing needs in Arnprior along the continuum and help identify where supply issues and gaps may exist.

2.1 Housing Demand

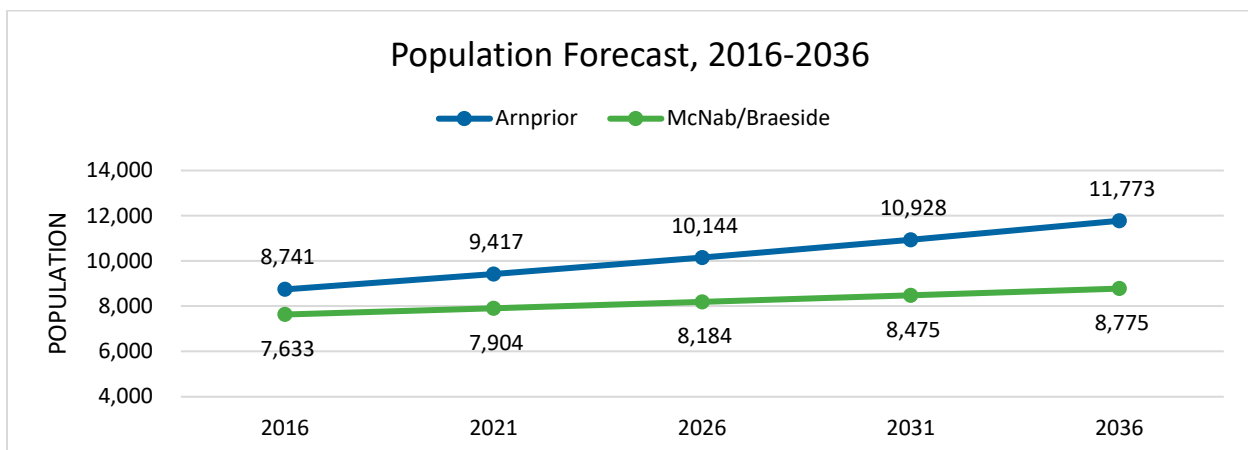
This section describes the demographic and economic characteristics that shape housing need in the Town of Arnprior, with consideration for trends throughout rest of the County of Renfrew. The municipality of McNab/Braeside was used as a comparable municipality due to proximity in order to add context to some trends. Population and household characteristics, including age, demographics, mobility, income trends, and economic conditions, are important indicators of housing needs in a community.

2.1.1 Population Trends and Projections

The population of the Town of Arnprior was 9,629 in 2021, an increase of +9.5% from 2016 levels. This increase was higher than the overall increase in County of Renfrew (+3.9%) and McNab/Braeside (+5.7%)., In fact, Arnprior was the fastest growing municipality in the County of Renfrew when considering all other municipalities in the County with a population of at least 3,000.

The County of Renfrew Official Plan contains population projections to 2036 for all municipalities within the County which was compiled using 2011 population data as a base point. According to the high population forecasts, Arnprior was projected to experience an increase in population from 9,417 in 2021 to 11,773 in 2036 (Figure 1). This increase of 2,356 people represents an increase of +25.0%. Arnprior was projected to assume 18.0% of the population growth for the County during this period.

Figure 1: Population forecast for selected geographies, 2016-2036



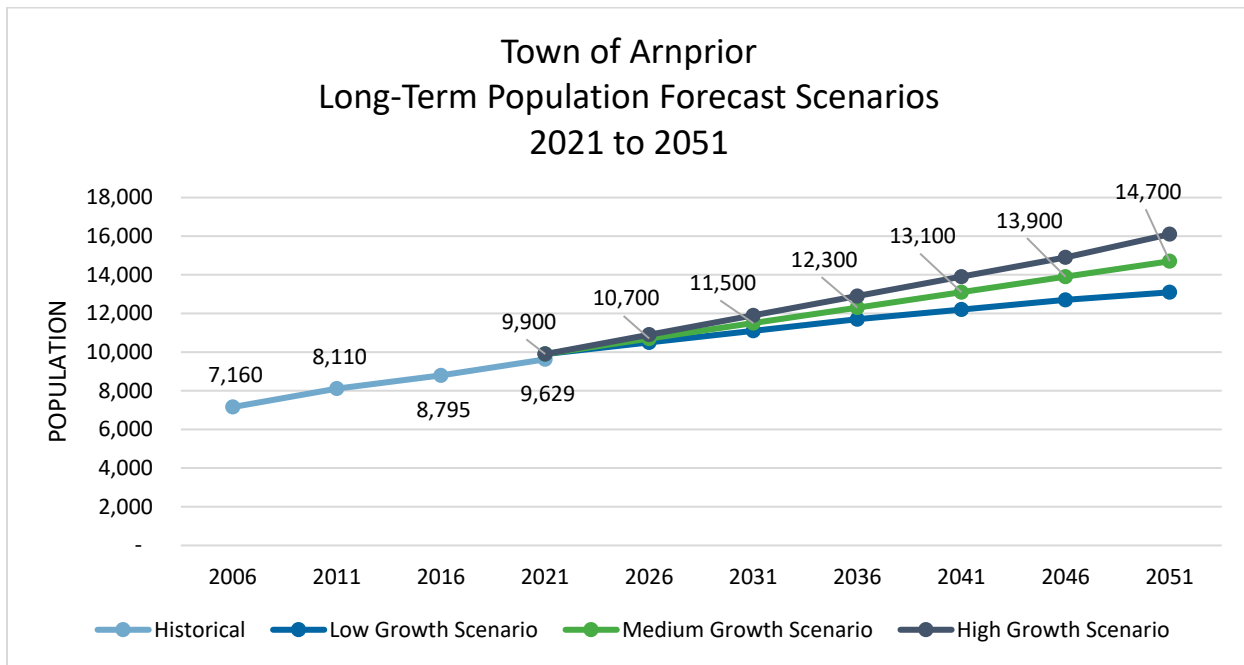
Source: County of Renfrew Official Plan, 2020

Comparing the population growth forecasts to the actual 2021 Census figures, Arnprior has outpaced even the high end of the projected population growth. As such, the municipality is growing at a pace that is quicker than anticipated and planning for new housing must

accommodate this growing population. This growth is due to a variety of factors, especially given the Town’s proximity to the nation’s capital, Ottawa. The Town acts as southern gateway to the County of Renfrew from this large metropolitan area.

In 2022, updated growth projections were developed as a part of the Town’s Official Plan review by Watson & Associates Economists Ltd. (Figure 2).¹ The Growth Management Strategy report outlines the medium growth strategy as the preferred and most likely growth scenario for the Town of Arnprior. Under this scenario, the Town would experience growth in population of approximately 4,800 people between 2021 and 2051.

Figure 2: Long-term population forecast; Town of Arnprior, 2021-2051



Source: Historical data from Statistics Canada. Forecast prepared by Watson & Associates Economists Ltd., 2021.

This most recent projection estimates higher population levels than the forecast set out in the County of Renfrew Official Plan. This updated projection assumes the Town will grow faster than earlier anticipated and is considered more appropriate for estimating the future needs in the Town.

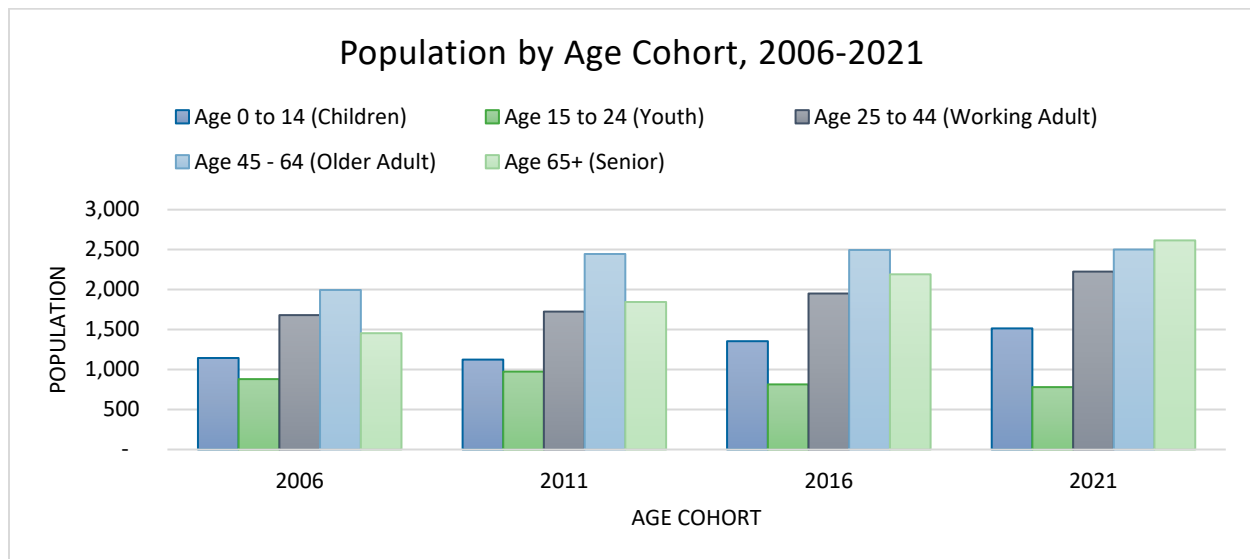
Population Age

In 2021, 27.0% of the population in Arnprior was senior (aged 65 and over), the highest proportion of any age cohort (Figure 3). This age cohort was also the fastest growing from 2016 to 2021, with the number of seniors increasing by +19.4% during this period. Additionally, the growth rates of children aged 0 to 14 (+11.8%), and working adults aged 45 to 64 (+14.1%),

¹ Watson & Associates Economists Ltd. (2022). *Growth Management Strategy – Final Draft*.

were higher in Arnprior than any other municipality within the County of Renfrew with a population over 3,000.

Figure 3: Town of Arnprior population by age cohort



Source: Statistics Canada Community Profiles, 2006-2021

The average and median ages in the Town were 46.0 and 48.0 years old, respectively. Both figures were higher than the County of Renfrew (44.1 and 45.2, respectively) and comparable to McNab/Braeside (44.5 and 48.0) in 2021. These trends, if continued, may lead to an increased need for housing that can accommodate seniors, whether in independent living environments or otherwise.

The County of Renfrew's Seniors Housing Strategy, completed in 2020, identified five strategic directions based on emerging issues. These included:

- Expanding suitable housing options for seniors
- Improving on support options that enable seniors to age in place appropriately
- Increasing the supply of higher-level care facilities within the County
- Creating the right environment to identify, facilitate, and capitalize on opportunities
- Making the seniors housing and supports system more responsive and intuitive

The County's seniors strategy underscores the need to address seniors housing as part of an overall housing strategy in Arnprior.

Indigenous Population

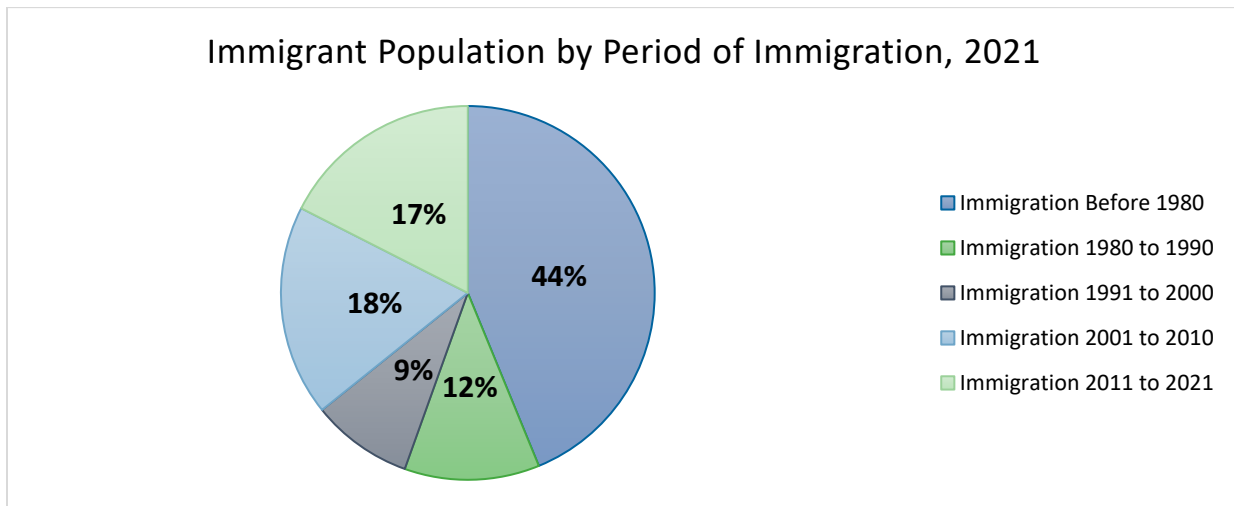
In 2021, 6.2% (580 people) of the Arnprior population identified as Indigenous. This was the lowest proportion of municipalities in the County of Renfrew that had a population of at least 3,000. The Indigenous population in Arnprior was split approximately in half between those who identify as members of First Nations (48.3%) and Métis (45.7%).

Trends in Immigration

In 2021, only 7.4% of the Town’s population identified as an immigrant². This was higher than the County-wide figure (5.5%) and represented an increase of +61.6% in the immigrant population between 2016 and 2021 in Arnprior. This growth trend was substantially higher than the County (+4.2%) and McNab/Braeside (+4.6%), as both jurisdictions saw more modest increases in this population during this period.

Of all immigrants in Arnprior in 2021, 44.0% immigrated before 1980 (Figure 4). This was the most common in-migration period for immigrants, followed by 2001 to 2010 (18.0%). This clearly indicates a more recent and steady resurgence in population inflow to Arnprior.

Figure 4: Town of Arnprior immigrant population by immigration period



Source: Statistics Canada Community Profiles, 2021

Trends in Mobility

In 2021, 13.2% of Arnprior households identified that they had moved in the past year. This was consistent with the trend in 2016 (13.8%). Of the households that moved in the year prior to 2021, 56.3% moved from within Ontario, 7.3% moved from another province, and 2.0% moved from outside Canada. These figures aligned with County of Renfrew averages (48.0%, 10.4%, and 1.4%, respectively).

Looking on a longer-term scale, 44.4% of Arnprior households identified that they had moved in the past five years. Of these movers, 28.6% moved from within Ontario, 3.7% moved from another province, and 1.3% moved from outside Canada.

Based on data, there appears to be an increased inflow to Arnprior more recently, especially due to migration from other municipalities in Ontario. This could reflect households moving from larger urban centres, such as Ottawa, during the COVID-19 pandemic.

² Immigrants are persons who are, or who have ever been, landed immigrants or permanent residents. This includes Canadian citizens by naturalization.

2.1.2 Household Trends

The Town of Arnprior had 4,305 households in 2021, an increase of +390 or +10.0% from 2016 levels. While this growth is similar to the increase of the population during this time, the rate at which households are growing slightly outpaced the population growth in the Town (Figure 5). This implies there may be diversification of households into smaller household sizes, a trend evident in the County and many jurisdictions across Ontario.

Figure 5: Household and population totals and growth for selected geographies

Year	County of Renfrew		Arnprior		McNab / Braeside	
	Population	Households	Population	Households	Population	Households
2006	97,545	39,225	7,160	3,160	7,220	2,690
2011	101,330	41,760	8,110	3,640	7,370	2,820
%Δ 2006-2011	3.9%	6.5%	13.3%	15.2%	2.1%	4.8%
2016	102,395	42,780	8,795	3,915	7,180	2,885
%Δ 2011-2016	1.1%	2.4%	8.4%	7.6%	-2.6%	2.3%
2021	106,365	44,955	9,629	4,305	7,591	3,035
%Δ 2016-2021	3.9%	5.1%	9.5%	10.0%	5.7%	5.2%

Source: Statistics Canada Community Profiles, 2006-2021

Age of Household Maintainers

In 2021, 37.5% of primary household maintainers in Arnprior were seniors. This proportion was higher than the County of Renfrew level (30.4%). The total number of senior-led households (1,615) represented a +21.0% growth from the 2016 total. This growth was higher than the growth overall in the County (+15.5%) and in McNab/Braeside (+15.8%). The increase in this group of primary household maintainers indicates that there is an in-migration of these households. Accommodating senior-led households as they age in place will require the need for expanded housing options. The growth of senior household maintainers also indicates a need for more supports to assist seniors in the community in the future.

Household Tenure

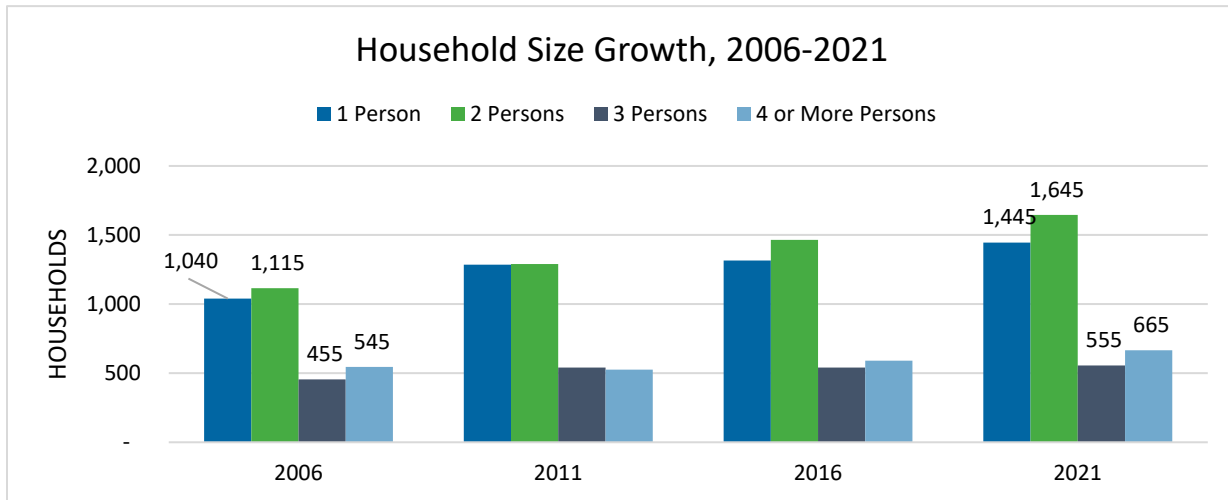
In 2021, 36.7% of all households in Arnprior were renters (1,580 households). This proportion was much higher than the County (25.1%) and McNab/Braeside (9.9%) levels. Among municipalities in the County of Renfrew with a population over 3,000, Arnprior had the second highest proportion of renter households in 2021. Between 2016 and 2021, renter households grew by +9.7% (+140 households) while owner households grew by +10.5% (260 households). Housing to accommodate both household tenures must be prioritized in future planning.

Household Size

In 2021, the average household size in Arnprior was 2.2 persons, lower than the County of Renfrew overall (2.3 persons). Of the 4,305 households in the Town, 33.4% were one-person households, 38.2% were two-person households, 12.9% were three-person households, and 15.4% were four- or more-person households (Figure 6). These figures indicate that 71.8% of

households would be considered as small households, higher than the County of Renfrew overall (68.3%) and McNab/Braeside (62.9%). From 2016 to 2021, small households grew by +11.2% in Arnprior. This growth rate was almost double the County rate (+6.5%) and the highest rate of any municipality in the County with a population of at least 3,000 people. As such, accommodating small households should be a priority in the community for future housing.

Figure 6: Town of Arnprior growth of households based on size



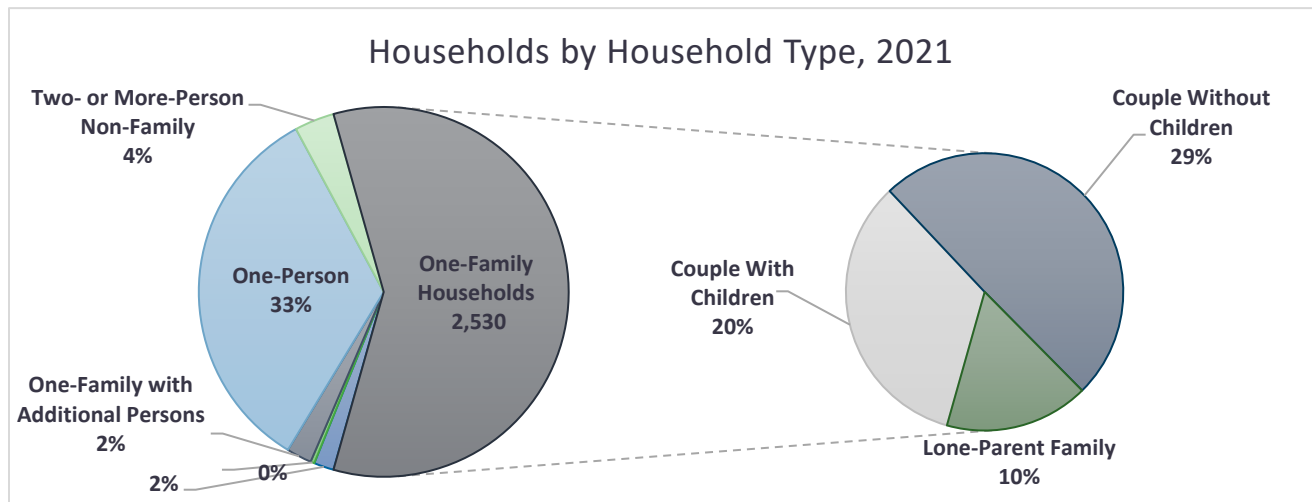
Source: Statistics Canada Community Profiles, 2006-2021

Household Type

In 2021, 58.8% of Arnprior households were one-family households (Figure 7). This group was comprised of couples without children (29.2% of all households), couples with children (19.7%), and lone parent households (9.9%). The number of households without children and the overall aging of the population suggest there is a high proportion of empty nesters. The most common type of household in the Town was one-person households (33.4% of all households). Relative to McNab/Braeside, Arnprior had a much lower proportion of one-family households (73.0% of McNab/Braeside households).

Trends in the Town are more aligned with trends in the County as a whole, as 62.7% of households in County of Renfrew were one-family households while 29.1% were one-person households. However, while the County has only experienced growth of +5.1% in households from 2016 to 2021, this has led to an actual decline in one-family households (-2.8%). At the same time, one-person households increased by +8.2% during this period. The Town of Arnprior, on the other hand, experienced household growth that was nearly double the County rate (+10.1%) during this period. This led to growth in both one-person households (+9.1%) and one-family households (+4.3%).

Figure 7: Households by household type, Town of Arnprior



Source: Statistics Canada Community Profiles, 2021

While planning for family-sized units is an important part of maintaining complete communities and there is continued growth in one family households, it is key to also plan for household types that tend to be smaller in size. These household types, which include non-family households, make up a greater proportion of households in Arnprior, relative to County of Renfrew as a whole, and are growing faster than one-family households.

2.1.3 Economic Context

Changing economic conditions can influence the demand for housing in a community in terms of the number of housing units required, the type and tenure of housing units, and the ability of households to afford housing. Employment and earnings can also influence household income, and thus the housing choices that are affordable to households.

Labour Force Participation and Unemployment

In 2021, Arnprior had a resident labour force population³ of 7,905 people. This represented a growth of +10.3%, or 740 persons, from 2016 levels. This growth rate was much higher than that of County of Renfrew (+4.8%) and McNab/Braeside (+5.5%) during this period. The Town had a 9.4% unemployment rate in 2021. This was slightly higher than the County-wide rate (9.1%) and slightly lower than the McNab/Braeside rate (9.5%).

Employment by Industry

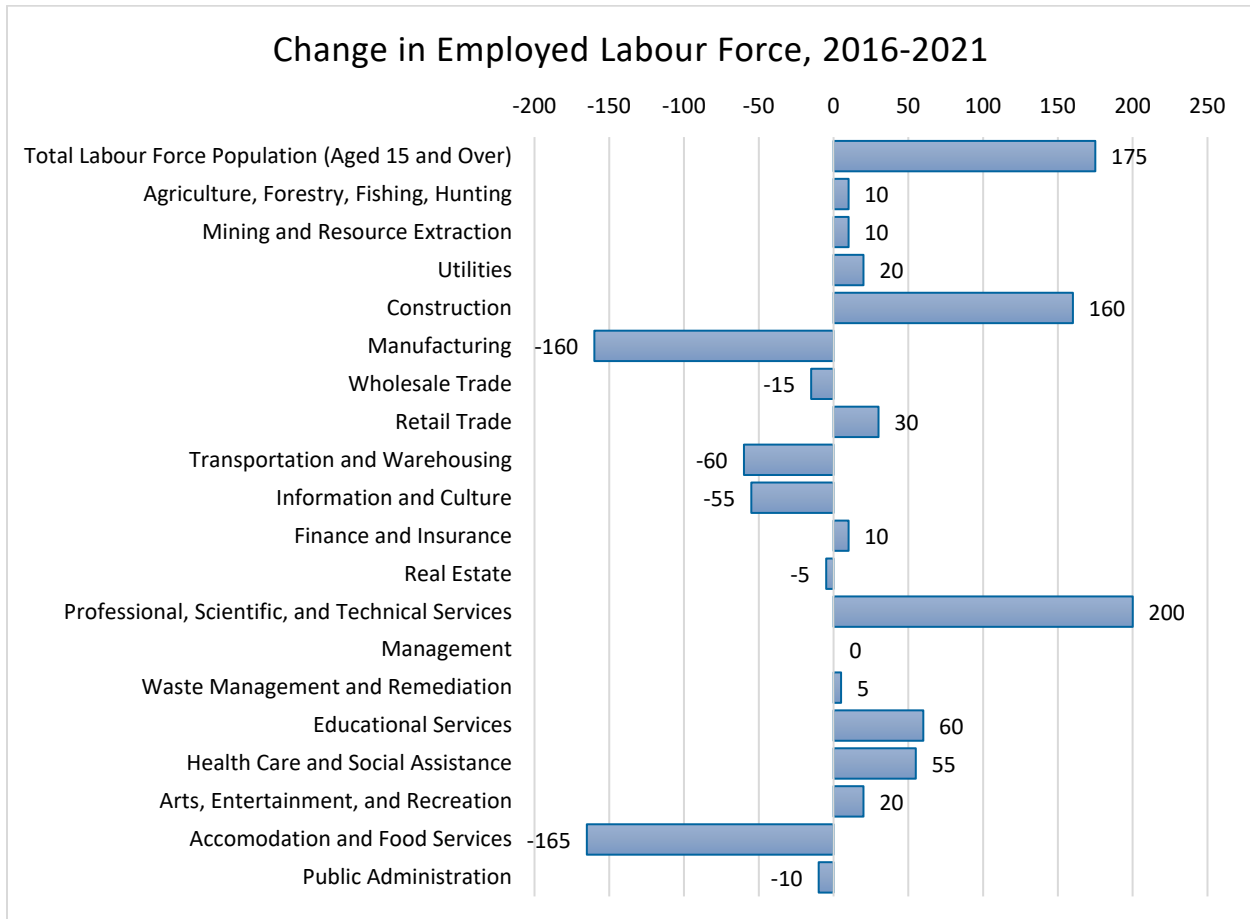
The most common industry for employment in Arnprior in 2021 was health care and social assistance, with 13.6% of the labour force population, or 595 workers, working in this industry. From 2016 to 2021, the labour force within this industry experienced a growth of +10.2%, or 55 workers (Figure 8). The largest absolute and proportional increase in labour force during this

³ Labour force population consists of persons who contribute or are available to contribute to the production of goods and services falling within the System of National Accounts production boundary.

period was in professional, scientific, and technical services, where +200 workers (+114.3%) were added to bring the industry to 8.6% of the total labour force in 2021. The largest decreases came in the accommodation and food services and manufacturing industries, where 165 and 160 workers, respectively, left the field.

These trends were generally consistent with McNab/Braeside, with health care and social assistance, professional, scientific, and technical services, and construction making large gains in job numbers while manufacturing jobs decreased.

Figure 8: Town of Arnprior employment trends by industry



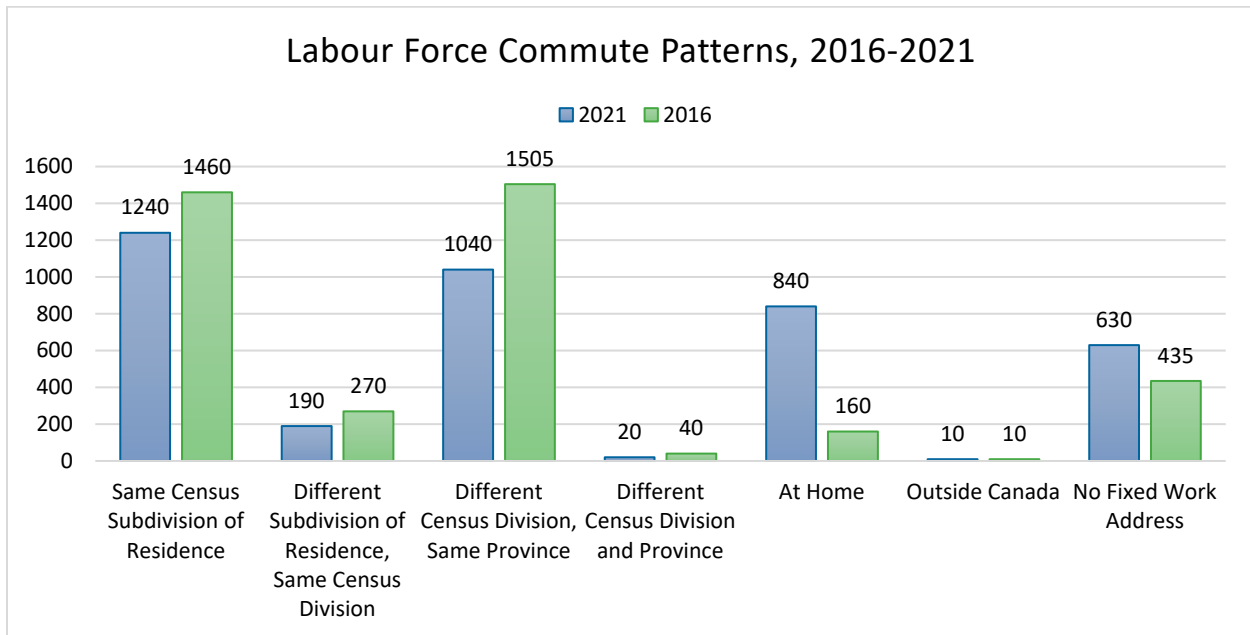
Source: Statistics Canada Community Profiles, 2021-2021

Commuting Pattern

In 2021, 26.2%, or 1,040 workers, of the resident labour force in Arnprior commuted to outside the County of Renfrew for work (Figure 9). This was much higher than the County average (8.9%) and is likely due to the Town’s immediate proximity to the City of Ottawa. This proportion was lower than the 2016 figure (38.9%), likely due to the increase in work-from-home arrangements during the COVID-19 pandemic. The proportion of the labour force that worked from home increased from 160 workers in 2016 to 1,090 in 2021 (+425.0%), again likely due to pandemic-related work trends. The most common commute pattern in Arnprior was within the Town itself (31.2%). The labour force in Arnprior commuted to a different town with the County

at a much lower rate (4.8%) than the County average (30.2%), suggesting that the Town may be one of the primary employment centres in the County.

Figure 9: Town of Arnprior commute patterns by commute destination



Source: Statistics Canada Community Profiles, 2016-2021

Local Economic Drivers

In the *Growth Management Strategy* completed by Watson & Associated Economists Ltd. In 2022, it was noted that the future employment growth within Arnprior is strongly correlated with the growth outlook and competitiveness of the economy within the region. This region includes the Ottawa Economic Region and the Kingston-Pembroke Economic Region. Steady economic growth within the commuter-shed of the Town has occurred since the economic recovery from the 2008 global economic downturn and has been the primary driver of net migration to this area over the past decade. An acceleration of work-at-home opportunities since the COVID-19 pandemic, combined with competitive regional housing prices versus larger urban centres - particularly for ground-oriented housing forms - has further driven net migration to this area in recent years.

The Town of Arnprior is located within proximity to a number of small and medium to large urban/suburban municipalities with which it competes directly for economic activity and investment. As such, the Town will need to continue to explore approaches to leverage opportunities which take advantage of the human capital that currently exists within the broader regional economy while encouraging on-going entrepreneurship, small business development,

innovation, and investment retention.⁴ Continued regional employment growth and in-migration will sustain demand for additional housing.

2.1.4 Household Incomes

The financial capacity of a household is a key element in determining housing demand. Increased economic means may lead to greater choice within the housing market, assuming a range of choices are available. This section looks at the household income of different household types and tenures in Arnprior. Where required, incomes have been projected for 2021 using census data and the growth rate in the consumer price index (CPI) for Ontario from 2015 and 2020 to 2021. This CPI growth was +12.4% from 2015 to 2020, or an average increase of +2.1% per year, and +3.5% since 2020. These projections will be utilized in Section 2.3 of this report in the assessment of the affordability of the market in 2021, the most current year for which market data is available.

Average and Median Household Income

The average and median incomes for Arnprior are summarized in Figure 10 below. Relative to the County of Renfrew, Arnprior had lower average and median household incomes across all household types and sizes. Arnprior also had among the lowest average and median household incomes among municipalities in the County, considering only municipalities with at least 3,000 people. McNab/Braeside, the neighbouring municipality had a higher average (\$117,900) and median (\$99,000) household income for all households as compared to Arnprior. The difference between the two municipalities is also increasing, as the average household income in Arnprior increased by +21.0% from 2015 to 2020, while the average household income in McNab/Braeside increased by +23.4%.

Figure 10: Summary of average and median incomes in selected geographies

Household Type	Household Income	County of Renfrew		Town of Arnprior		Township of McNab/Braeside	
		2020 Income	%Δ 2015-2020	2020 Income	%Δ 2015-2020	2020 Income	%Δ 2015-2020
All Households	Average	\$ 94,600	+18.9%	\$ 88,800	+21.0%	\$ 117,900	+23.4%
	Median	\$ 80,000	+18.2%	\$ 75,000	+22.1%	\$ 99,000	+22.1%
One-Person Households	Average	\$ 49,040	+16.8%	\$ 46,920	+13.0%	\$ 53,200	+21.1%
	Median	\$ 40,000	+20.3%	\$ 37,600	+20.0%	\$ 45,600	+19.1%
2+ Person Households	Average	\$113,200	+20.0%	\$109,600	+22.4%	\$133,000	+23.0%
	Median	\$ 100,000	+20.7%	\$ 97,000	+21.1%	\$ 112,000	+18.6%

Source: Statistics Canada Community Profiles, 2016-2021

When considering household sizes, these trends continued. One-person households in Arnprior had lower average and median incomes than County-wide levels and McNab/Braeside. There appears to be a growing polarization of incomes in terms of household size, with the average household income of one-person households in Arnprior (+13.0%) growing slower than the

⁴ Watson & Associates Economists Ltd. (2022). *Growth Management Strategy – Final Draft*.

County average (+16.8%), while the average household income of households with two- or more-persons in Arnprior (+22.4%) grew faster than the County average (+20.7%).

When evaluating the trends in household incomes for different household groups, it is key to know the difference between the average and median incomes. The average household income for any household group is the total household income for all households in that group divided by the number of households in that group. This may lead average household income figures to skew when there is elevated income polarity, or high-income households that push the average higher. The median household income is the income level that is in the mid-point between the higher and lowest income in the data set which does not accurately reflect the distribution of all incomes.

Household Income Distribution and Deciles

In 2016, 30.9% of Arnprior households (1,210 households) had incomes of less than \$40,000. This was higher than McNab/Braeside (18.4%) and the County (26.6%). Further, the proportion of households with incomes of \$100,000 and higher in Arnprior (24.4%) is lower than the County (27.7%) and McNab/Braeside (38.2%).

In 2021, 22.5% of Arnprior households (970 households) had incomes of less than \$40,000. This is double the proportion in McNab/Braeside (11.0%) and higher than the County-wide figure (19.3%). Additionally, the proportion of households with incomes of \$100,000 and higher in Arnprior (34.0%) is lower than the County (37.4%) and McNab/Braeside (49.3%).

However, there are signs that the incomes of Arnprior households are catching up to their neighbours. From 2016 to 2021, the number of households in Arnprior with incomes higher than \$100,000 increased by +10.7% annually, compared to +7.2% annually in McNab/Braeside. While this was an overall improvement, income figures for this period may not tell the whole story⁵.

All households in the Town can be sorted into ten equal groups based on their income (i.e., income deciles) to better understand how income impacts on housing choices (Figure 11). Using this income decile approach helps provide a picture of affordability in the current market by considering income distribution (Section 2.3.3 of this report). For the purposes of this report, income deciles have been derived from 2021 Census data on household income distribution (all households) using a factoring approach.

⁵ Income assistance provided to households across Canada during the pandemic period may have temporarily raised income levels but may not fully reflect typical income conditions that would otherwise have been expected in 2021. This issue has been noted by Statistics Canada in its Census data publishing.

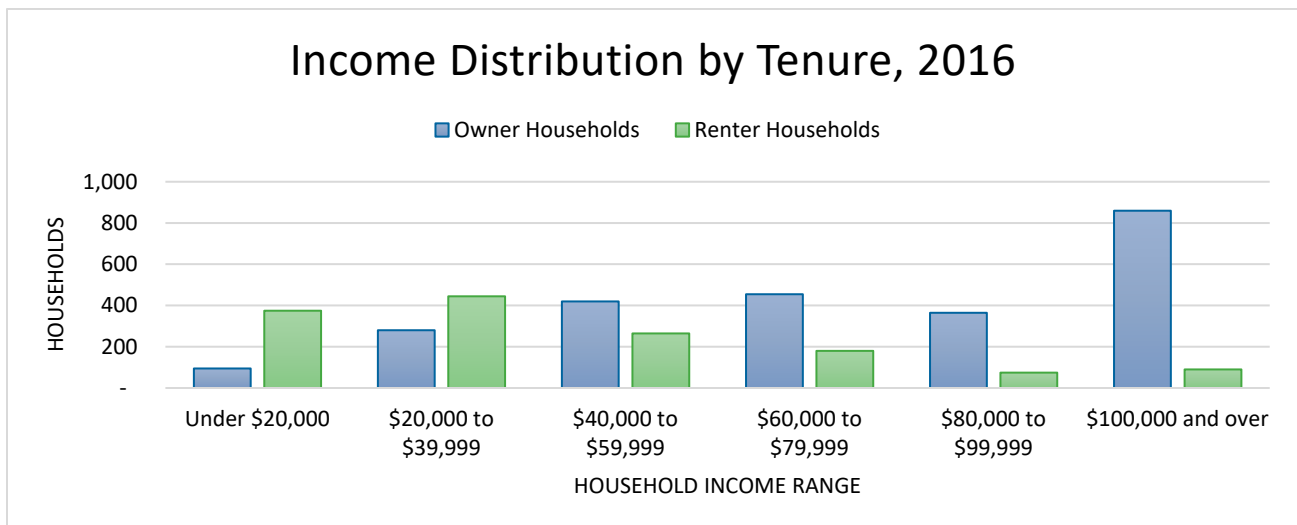
Figure 11: Household income deciles for all households; Town of Arnprior, 2021

2021 Deciles (derived)		
	Decile	Household Income Upper Limit
Lower-Income Households	1 st Decile	\$25,266
	2 nd Decile	\$37,809
	3 rd Decile	\$50,739
Moderate-Income Household	4 th Decile	\$64,016
	5 th Decile	\$78,351
	6 th Decile	\$92,849
Higher-Income Households	7 th Decile	\$117,719
	8 th Decile	\$135,690
	9 th Decile	\$179,319

Source: Statistics Canada Community Profiles, 2021. Income deciles based on calculations from SHS Consulting based on household distribution counts.

Household income trends, when examined from the perspective of tenure, are indicating polarization of incomes between renters and owners (Figure 12). Based on 2016 data (the most recent data available by tenure), 34.8% of owner households had incomes of \$100,000 and higher, while only 15.2% of households had incomes of less than \$40,000. By contrast, only 6.3% of renter households had incomes of \$100,000 and higher, while 56.9% of renter households had incomes of less than \$40,000. This polarization is assumed to have continued for 2021, given that the proportion of households with incomes over \$100,000 has increased and that renter households are much less likely to have incomes at this level.

Figure 12: Income distribution for the Town of Arnprior by tenure, 2016



Source: Statistics Canada Community Profiles, 2016

2.1.5 Housing Demand Key Findings

The recent population and household growth in the Town of Arnprior has exceeded prior estimates (Figure 1), leading to the Town revising population forecasts during the most recent Official Plan review (Figure 2). This will have profound impacts on the housing demand in the Town in the future where this growth continues. This may be due to a variety of factors, including the proximity to the nation's capital, the City of Ottawa. The Town acts as the southern gateway into the County of Renfrew from this metropolitan area. As the growth in Ottawa continues to push households further out due to housing affordability, Arnprior will continue to see increased interprovincial migration. Of note, the in-migration of senior households will need to be monitored as these households may require additional services and accommodations as they age in place. Seniors have become the most populated age cohort in the Town (Figure 3) as households with seniors that act as a primary maintainer continue to grow.

One- and two-person households continue to grow faster than larger household sizes in Arnprior (Figure 6), although family households make up most households in the Town (Figure 7). As the number of households continue to grow in the Town, there will continue to be demand for a diverse range of household sizes and types. The Town contains a higher proportion of renter households than the rest of the County, but these renter households are growing slightly slower than owner households.

The growth in the labour force in Arnprior is outpacing the rest of the County, another signal that migration from Ottawa is impacting the housing market in Arnprior. There is some polarity in the employment trends within the Town, as the labour force is increasing in some sectors and not others. Professional, scientific, and technical services and construction experienced rapid growth from 2016 to 2021, while manufacturing and accommodation and food services experienced rapid declines (Figure 8). Additionally, commuting patterns indicate that Arnprior is among the key economic drivers within the County, but there is a high proportion of households that are finding employment opportunities outside of the Town. The recent increase in work-from-home and no-fixed work address arrangements since the COVID-19 pandemic (Figure 9) has shifted commuting patterns but it's not clear if this shift will be permanent.

Household income trends show lower household income levels in Arnprior relative to the rest of the County but that this gap is closing over time. There has also been an overall improvement in incomes since 2016 but it's unclear if this is temporary, given the income bump that has been associated with interim pandemic assistance during this period. There is polarity between owner and renter household incomes and it is assumed this trend has been sustained, given the rise in the number of households with incomes of \$100,000 or more since 2016 (Figure 12). This may impact the affordability of housing accommodations if prices continue to rise across the County.

The nature of growth is expected to have an effect on local housing demand. Recent trends in the population and household data in the Town of Arnprior indicate that inter-provincial migration is a leading growth driver in Arnprior and that the aging of the population will continue to be a factor. The Town will need to ensure a diverse range of housing accommodations are

created as Arnprior continues to grow, ranging from dwellings suitable for one- or two-person households, family households, and senior households.

2.2 Housing Supply

Housing supply is defined by the available housing options that exist within a community. An important objective in assessing housing supply is to compare existing supply and recent production activity against housing need. This comparison allows for the identification of persistent or emerging gaps between household needs and the housing options currently available in Arnprior. The following is a review of the existing housing stock and the anticipated trends in production that influence supply.

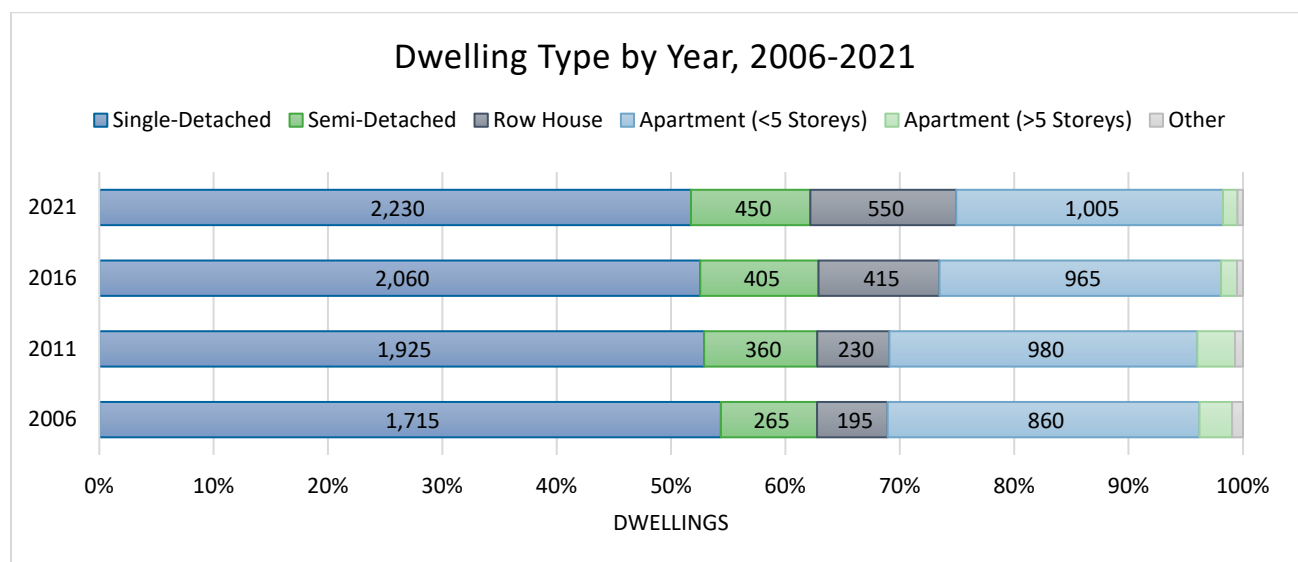
2.2.1 Existing Housing Stock

A review of existing stock helps to determine how well the current housing supply is meeting the needs of existing residents. This assessment considers the type or form of housing stock, its general condition, its age based on period of construction and how these characteristics have changed over time.

Existing Housing Stock by Dwelling Type

In 2021, there were 4,310 dwellings in Arnprior occupied by usual residents, an increase of +10.2% from 2016 levels. This rate of growth was double the rate of the County-wide increase (+5.1%) and the highest growth rate among municipalities in the County with at least 3,000 people. Additionally, there are 150 dwellings with non-usual residents in the Town, representing 3.4% of all dwellings. These may represent short-term rentals, dwellings occupied by foreign residents, or other non-usual residents.

Figure 13: Town of Arnprior dwelling types by year, 2006-2021

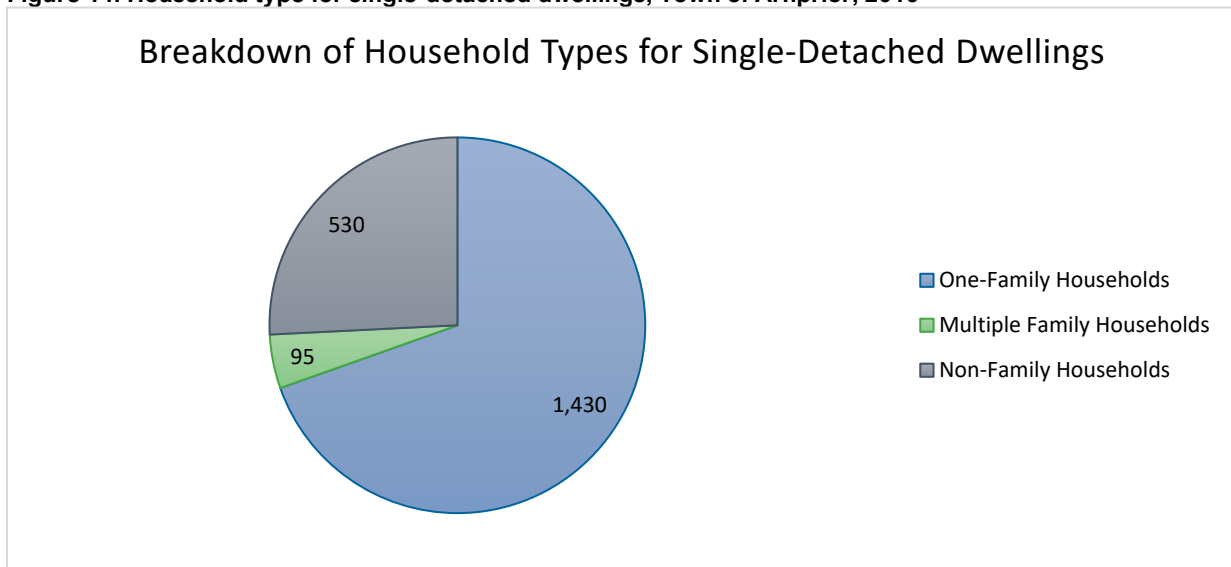


Source: Statistics Canada Community Profiles, 2006-2021

Housing stock in Arnprior is predominantly low density in nature. Single-detached dwellings made up 51.7% of dwellings in 2021 (Figure 13), down slightly from 52.7% in 2016. From 2016 to 2021, Arnprior added +170 (+8.3%) single detached dwellings, +135 (+32.5%) row houses, +45 (+11.1%) semi-detached dwellings, and +40 (+4.1%) low-rise apartment dwellings. Since 2006, the share of semi-detached and row housing has continued to grow.

There appears to be a disconnect between the size of household and the size of dwellings within Arnprior. While 71.8% of all households in Arnprior are one- and two-person households in 2021, 51.7% of dwellings were single-detached – dwellings that are typically bigger in terms of livable space and appropriate for larger household sizes. To this point, 25.7% of single-detached dwellings and 30.3% of semi-detached dwellings were occupied by non-family households in 2016 (Figure 14), the most recent reporting year for this data. These non-family household types typically contain one- to two-persons and would be considered over-housed in large, single-detached dwellings.

Figure 14: Household type for single-detached dwellings; Town of Arnprior, 2016



Source: Statistics Canada Community Profiles, 2016

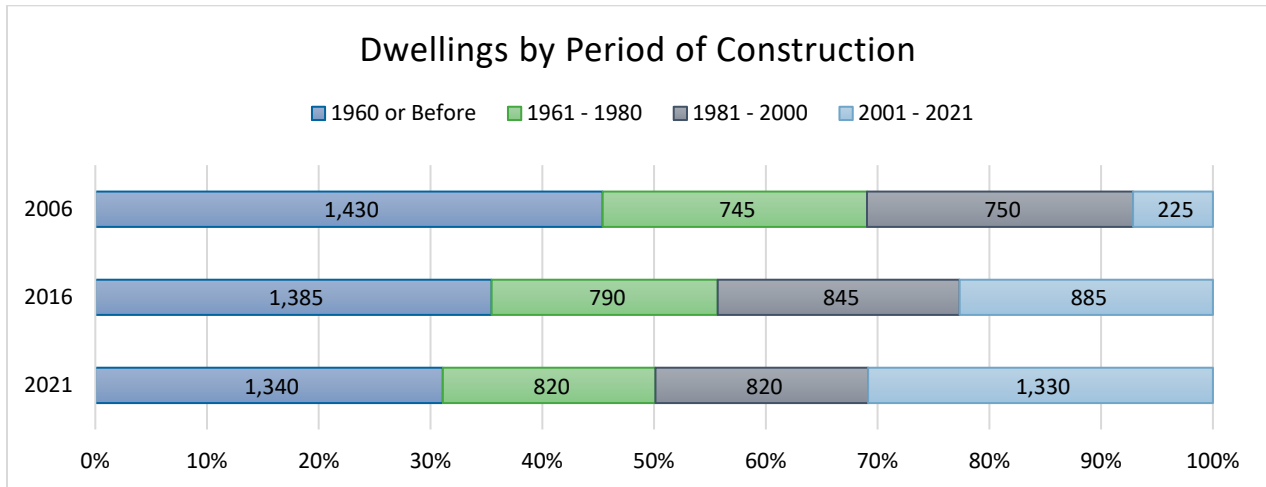
Condition of Existing Housing Stock

In 2021, 7.0% of dwellings in Arnprior required major repairs. This figure was moderately lower than the County-wide figure (8.1%) but represented an increase (+17.6%) over 2016 levels, an indication of some aging housing stock. The County of Renfrew experienced a -2.2% decline in dwellings that required major repairs during this period. Additionally, 2.6% of dwellings in Arnprior were not suitable for the household occupying them. This figure was higher than the County-wide level of 2.4%.

The housing stock in Arnprior contains a mix of new and old dwellings (Figure 15), but there appears to be a recent trend of development that is unique to the Town. Of the total dwellings in 2021, 31.1% were constructed before 1960, lower than the County-wide proportion of 33.3%. At the same time, 30.9% were constructed between 2001 and 2021, much higher than the County-

wide proportion of 18.3%. The housing stock of McNab/Braeside contained 17.6% of dwellings that were constructed during this same time period. This is a reflection of the recent development activity that has been occurring in Arnprior which has translated into a higher share of newer stock.

Figure 15: Town of Arnprior housing stock by period of construction, 2006-2016



Source: Statistics Canada Community Profiles, 2021

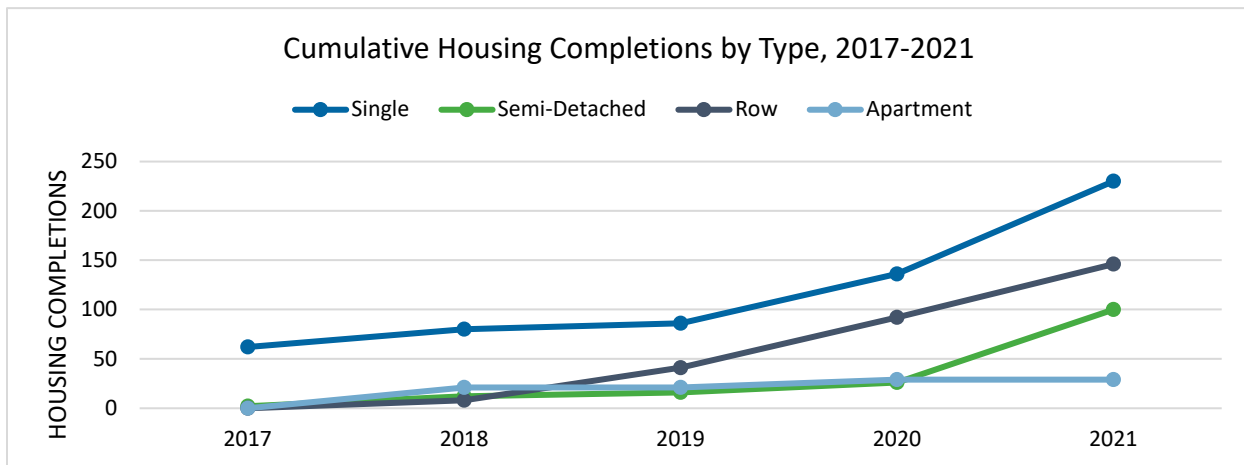
2.2.2 New Dwellings

The trends in housing development in Arnprior can identify tendencies within the emerging housing stock when compared with the housing needs of the community and future development plans. CMHC data for housing development has only been published for Arnprior since 2017, so there are limitations on the conclusions that can be made from development trends.

Housing Completions by Dwelling Type

Since 2017, 45.5% (230 dwellings) of housing completions were single-detached dwellings (Figure 16), 28.9% (146 dwellings) were row houses, 19.8% (100 dwellings) were semi-detached dwellings, and 5.7% (29 dwellings) were apartment units. Compared to McNab/Braeside, where 100% (154 dwellings) were single-detached dwellings, there has been a much greater mix of dwelling types being constructed in the Town. Historically, these additions have tended to mirror existing development but more recently, units added have been more mid-density in form.

Figure 16: Town of Arnprior cumulative housing completions by dwelling type, 2017-2021



Source: Statistics Canada Community Profiles, 2017-2021

The Town of Arnprior provided an itemized list of registered, draft approved, and applied for subdivisions and multi-unit site plan developments, summarized in Figure 17 below. These future developments provide a snapshot of the development potential within the approvals pipeline. Single-detached dwellings and row houses have typically accounted for most new residential units but units within the approvals pipeline indicate a greater potential for higher density housing forms, including row houses and apartments. While approvals do not always translate into actual development and are subject to proponent timing, this signals the potential capacity for new units which can respond to the need for more dense building forms as these needs increase.

Figure 17: Registered, draft approved, or applied for plan of subdivision or multi-residential unit site plan.

Single Family	Semi-Detached	Row House	Apartment Unit
647	332	831	408
29.2%	15.0%	37.5%	18.4%
Total:			2,218

Source: Town of Arnprior staff, 2022

Housing Completions by Tenure

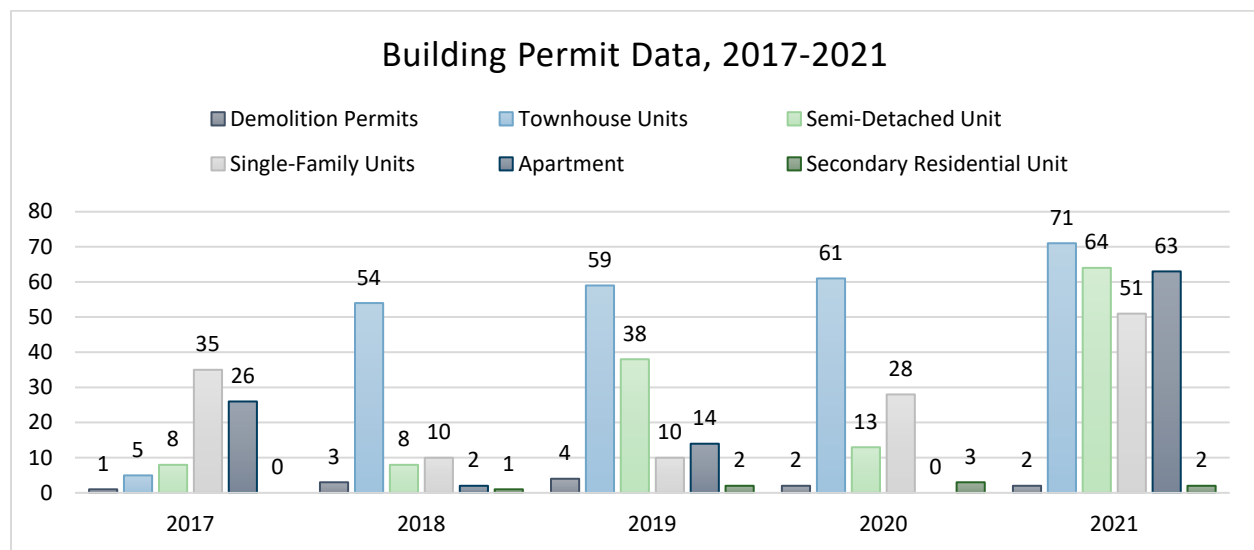
In terms of tenure, 94.3% (476 dwellings) of all housing completions in Arnprior since 2017 have been for the ownership market. Of these completions, 48.3% were single-detached dwellings, 30.7% were row houses, and 21.0% were semi-detached dwellings. All 29 rental market completions were apartment dwelling units.

Although the housing completions in Arnprior have been more diverse than McNab/Braeside in terms of form, there is an opportunity to further diversify the housing stock by increasing the development of row houses and apartments. Housing objectives can also be furthered by developing more purpose-built rental housing at higher densities (i.e. row houses and apartments).

Development Potential and Land Supply

Based on building permit data provided by the Town (Figure 18), development activity in the Arnprior has been increasing in recent years. There was a sharp increase in building permits for apartment dwellings (63) and semi-detached dwellings (64) in 2021, much higher than previous years. Additionally, there are submissions in the pre-consultation phase with the Town for three high-density apartments (578 units total) and two submissions that have had draft plans approved (296 units). These trends indicate increased development activity in the Town, with an emphasis on higher density development and more apartment dwellings being constructed, especially compared with completions over the last 5 years. While future development potential suggests a move towards higher density development, uncertainty in the market makes it difficult to determine what will actually be built looking forward, especially in the rental market.

Figure 18: Town of Arnprior building permit data, 2017-2021



Source: Town of Arnprior

The Town of Arnprior has identified in its Official Plan lands suitable for residential development. These designated lands include both vacant residential parcels and future development lands. Contemplated development includes small single-detached subdivisions, townhouse subdivisions, and plans with a mixture of dwelling types. These future development lands contain unique complexities, including required servicing improvements and potential traffic considerations, which may impact the maximum dwelling counts that could eventually be developed. The Town has historically seen single- and semi-detached dwellings but more recently, there appears to be increases in middle- and high-density building forms being approved. The Growth Management Strategy (GMS) recently assessed residential land supply, factoring in development density, and determined there is suitable lands in the Town to meet projected housing needs, despite recent growth trends. That said, on-going monitoring of land absorption will be required.

2.2.3 Housing Market Trends

The assessment of trends in the conventional local housing market considers both the rental and ownership components of the market. This involves reviewing key indicators such as the rental market universe currently existing within the Town, the price of rents and vacancy rates in the rental market, sales and listing trends in the ownership market and average house prices.

Private Rental Market Universe

The private rental market in a community is generally made up of the primary or purpose-built rental market and the secondary rental market.

The primary rental market includes self-contained rental units where the purpose of the structure is built specifically for housing rental tenants. The primary rental market typically includes purpose-built rental apartments and town houses. Canadian Mortgage and Housing Corporation (CMHC) reports on the primary rental market in numerous cities and towns across the county based on annual rental market surveys they conduct. These surveys include only purpose-built rental units, sample buildings with three or more units and exclude community housing projects (i.e. social housing).

The secondary rental market represents self-contained units which include other forms of housing utilized for rental purposes but not built for that use. These units include rented single-detached, semi-detached, row/town houses, duplex apartments, rented condominium units, and one or two apartments which are part of a commercial or other type of structure. CMHC also surveys this component of the market but only for the largest urban markets in the country.

In 2021, CMHC reported that the primary rental universe in Arnprior consisted of 550 units (Figure 19). This represented an increase of +3.2% since 2017, when the primary rental market consisted of 533 units. Current estimates for the secondary rental market are in the order of 750 units or almost half of the renter households⁶. The primary rental market universe has been relatively static since 2017 while the number of renter households has increased +9.7% since 2016. The lack of purpose-built rental housing and sustained demand inevitably push households into the secondary market, where rental prices are typically more expensive.

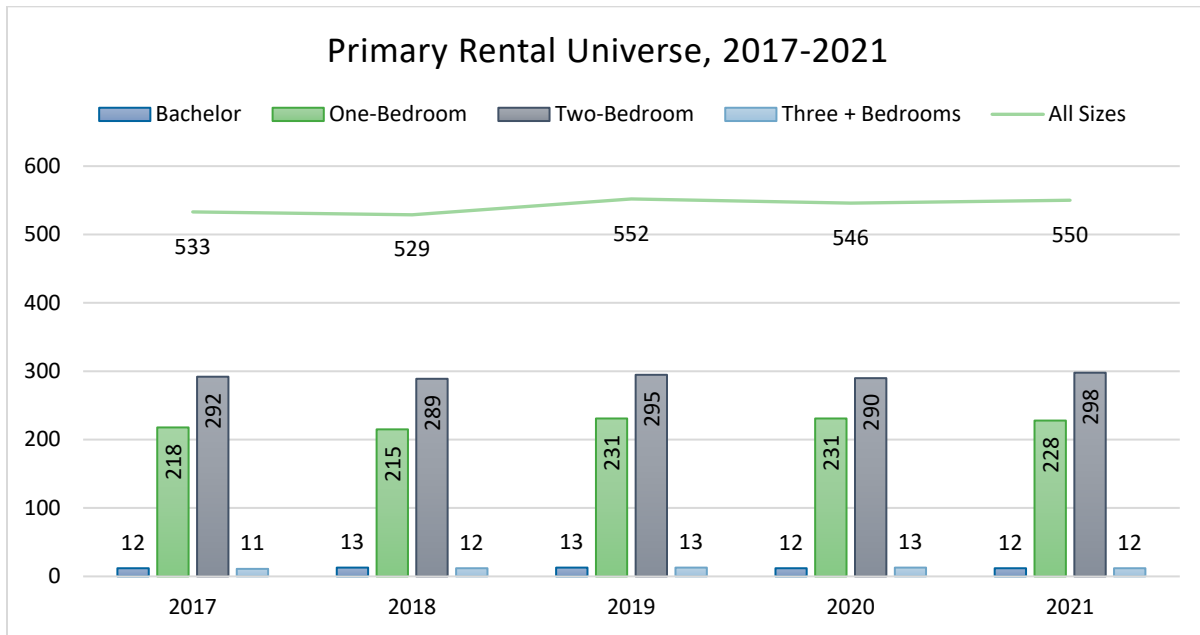
Within the primary rental market, 54.2% of units were two-bedroom, 41.5% were one-bedroom, and both bachelor units and units with three- or more-bedrooms made up 2.2% of the universe each. While there is a clear need in Arnprior for rental housing that accommodates one- and two-person units, there is also a need for rental housing that is appropriate for families and larger household types. In 2016 (the most recent year that data is available for this indicator), 46.9% (or 650 households) of renter households were considered a family structure, of which 415 were either couples with children or lone parent households. If there is a lack of available

⁶ Estimating the secondary rental market can be difficult based on available data. Estimates are derived by taking the total number of renter households, deducting units from the primary rental market and deducting community housing units.

primary rental units available that are suitable for these families, they may have to seek housing accommodations in the secondary rental market – a market that is typically more expensive.

According to CMHC data, McNab/Braeside did not have a large enough primary rental market universe to be captured by the CMHC Rental Market Survey.

Figure 19: Town of Arnprior primary rental market universe, 2017-2021



Source: CMHC Rental Market Survey, 2017-2021

Private Rental Market Prices

Since 2017, the average rental price for all units in the Arnprior primary rental market has increased +13.1% to \$991. Average rents for one-bedroom units have increased +11.1% during this period, and rents for two-bedroom units have increased +16.3%. While this is a notable trend over the past 5 years, there has been a recent rapid growth in rent prices, with the average rent price for all units increasing +18.8% year-over-year in 2021. Rental prices in the secondary rental market are typically higher than the primary rental market due to a variety of factors, including rent control legislation, dwelling types typically associated with each market, and market volatility.

According to CMHC’s Rental Market Survey, there was not enough data to assess the difference in average rental prices in structures built after 1980. However, rents for units in structures built before 1960 (\$938) are much lower than rents for units in structures built between 1960 and 1970 (\$981). Since both these average rent prices are below the average price for all units in Arnprior (\$991), it can be assumed that the units in newer structures have higher rents.

In terms the size of structure, units in larger structures tend to have higher average rent prices. In structures with 3-5 units, the average rent price was \$884 in 2021. For structures with 6-19 units, the average rent price was \$972, while structures with 20-49 units had an average rent

price of \$1,105. Figure 20 outlines the ranges of average rent prices for each unit size based on different building age and structure sizes in the Arnprior primary rental market.

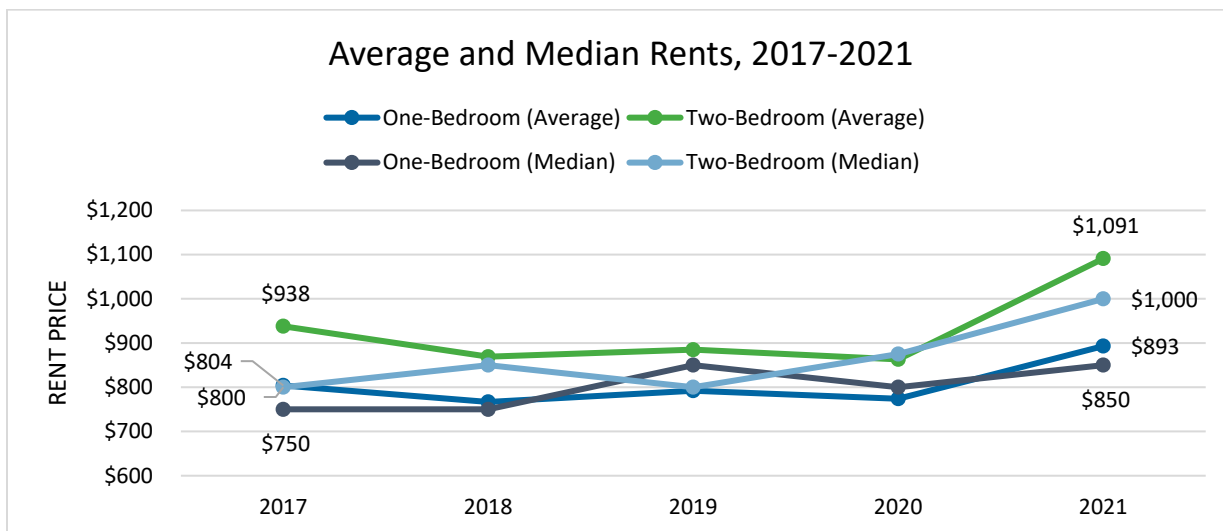
Figure 20: Summary table of average rent in Town of Arnprior primary rental market

Arnprior Average Rent per Unit Size Summary						
		Bachelor	One-Bedroom	Two-Bedroom	Three + Bedrooms	All
	Total Average	**	\$ 893	\$ 1,091	**	\$ 991
Building age	Before 1960	**	\$ 897	\$ 986	**	\$ 938
	1960 - 1979	**	\$ 903	\$ 1,037	**	\$ 981
	1980 - 1999	**	**	**	**	**
	2000 or Later	**	**	**	**	**
Building size	3-5 Units	**	\$ 872	\$ 881	**	\$ 884
	6-19 Units	**	\$ 857	\$ 1,056	**	\$ 972
	20-49 Units	**	\$ 918	\$ 1,331	**	\$ 1,105

Source: CMHC Rental Market Survey, 2017-2021

From 2017 to 2021, the median rent price for all unit sizes in the Arnprior primary rental market increased by 21.8% to \$974 (Figure 21). Median rents for one-bedroom units increased +13.3% during this period, while rents for two-bedroom units increased +25.0%. Median rents are currently trending higher than average rents, signalling that more units with higher rents have been coming on-line in recent years.

Figure 21: Town of Arnprior average and median rent prices, 2017-2021



Source: CMHC Rental Market Survey, 2017-2021

While the average and median rent prices for the primary rental market in Arnprior have been increasing recently, the growth in rental prices overall since 2017 have not exceeded the growth of average and median household incomes in recent years. Between 2016 and 2021, the average and median household incomes increased at a similar pace (+21.0% and +22.1%,

respectively), however this was not the case for the average and median rent prices. During this period, the average rent for all units on the primary market rose only +13.1%, while the median rent increased consistently with the household incomes (21.8%). This may reflect the stagnation in the primary rental market, as rents across the board are increasing but there has been limited new, more expensive rental housing added to the rental stock.

Figure 22: Comparison of increases to primary rental market prices and household income, 2016-2021

	2016	2021	%Δ
Average Rent (All Units)	\$876	\$991	+13.1%
Median Rent (All Units)	\$800	\$974	+21.8%
Average Household Income	\$73,414	\$88,800	+21.0%
Median Household Income	\$61,810	\$75,500	+22.1%

Source: CMHC Rental Market Survey, 2017-2021

Primary Rental Market Vacancy Rate

A vacancy rate of 3% is considered an indicator of a balanced rental market. According to CMHC's Rental Market Survey, there was not enough data to provide the vacancy rate for all unit types for every year between 2017 and 2021. However, based on available data, it can be concluded that the vacancy rate for rental units in Arnprior is rapidly declining. In 2018, the vacancy rate for all unit sizes was 9.0%. However, this rate had decreased to 1.4% by 2020. Of note, one-bedroom units had a vacancy rate of 0.5% in 2021. Additionally, units with rents of less than \$1,000 had a vacancy rate of 0.0% in 2021. This indicates that there is very high demand for these smaller-sized, lower rent units.

The sharp decline in vacancy rates within the primary rental market, especially for units with the lowest rental prices, signals an increasing need for rental housing in Arnprior that is not currently being met by the market. With an influx of new residents and the diversification of households into small household units, there is an increasing demand for rental units in Arnprior.

Private Ownership Market Prices

Trends in the ownership market are also important to assess as part of the housing review. CMHC's Absorption Market Survey did not have sufficient data to report for Arnprior and as a result, ownership market data was sourced from The Canadian Real Estate Association for the County of Renfrew Real Estate Board (RCREB) service area⁷.

In terms of the County of Renfrew, the number of homes sold through the RCREB in July 2022 totalled 114 dwellings. This figure represented a decrease of -28.7% from July 2021. In terms of year-to-date sales, the 1,132 sales in 2022 are a -25.7% decrease from the same period in 2021. In the Town of Arnprior, there were twenty sales in October 2022, a -13.0% decrease from the

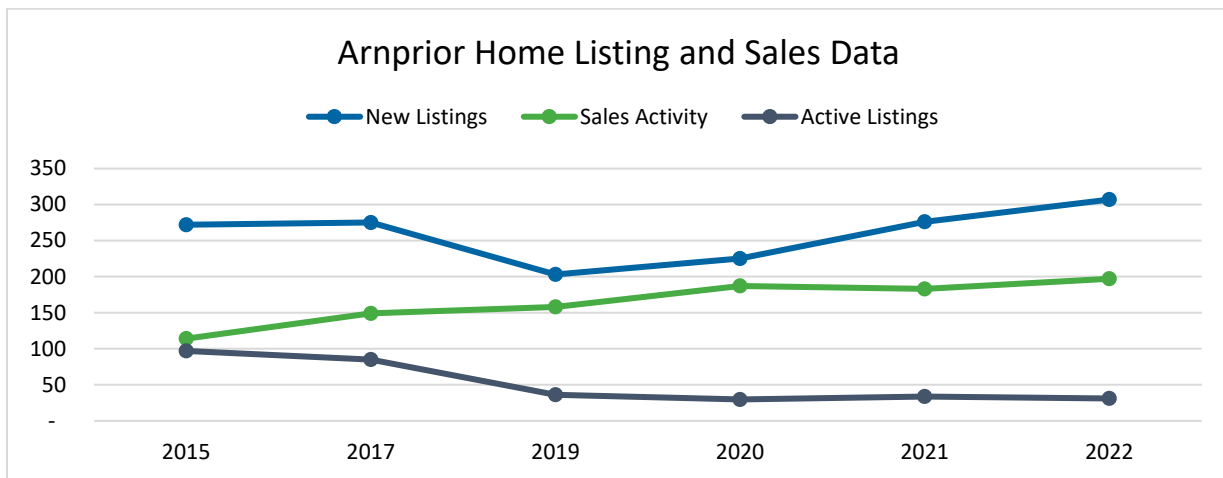
⁷ The Canadian Real Estate Association (2022). County of Renfrew Real Estate Board. Retrieved from: <https://creastats.crea.ca/board/renf>

same month in 2021. Year-to-date sales, however, were up +7.7% compared to the same month in 2021.

The County of Renfrew had the 236 new residential listings in July 2022, an increase of +22.9% from July 2021. There were also 373 active residential listings in July 2022, an increase of +20.7% from July 2021. However, these figures were below the respective five- and ten-year averages.

The number of year-to-date new listings in the Town in October 2022 increased +11.2% compared to the same month last year (Figure 23). However, the number of active listings decreased by -7.8%, indicating that inventory is being absorbed in the current market. To this point, the average months of inventory has been decreasing for the last six year, falling from 8.4 months in October 2015 to 1.6 months in October 2022. Declining active listings and shrinking inventory indicate a tightening market which tends to exert upward pressure on house prices.

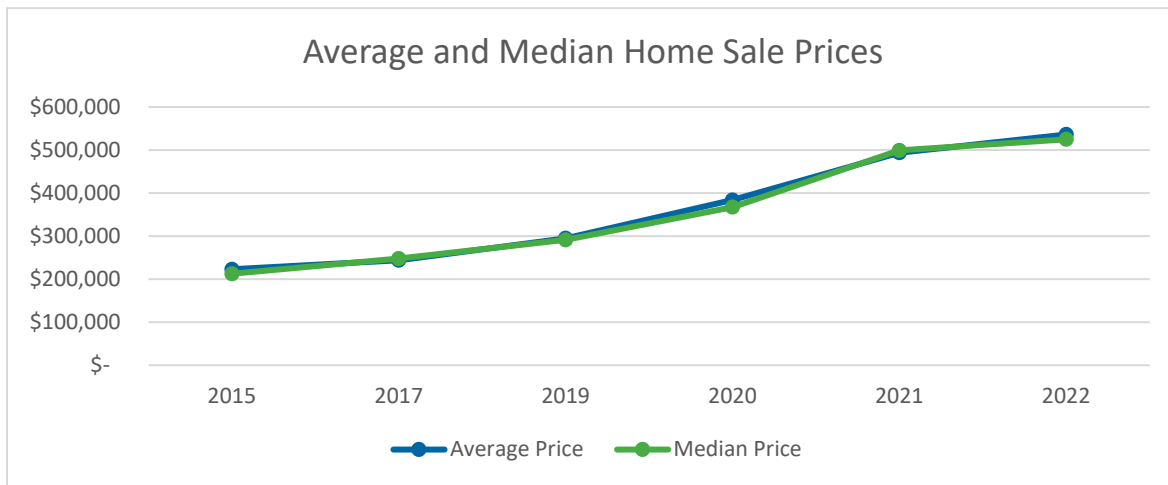
Figure 23: Town of Arnprior home listing and sales trends, 2015-2022



Source: County of Renfrew Real Estate Board

The average price of homes sold in the County of Renfrew in July 2022 was \$459,370, an increase of +20.2% from July 2021. In terms of year-to-date sales, the average sale price of a home in the County of Renfrew was \$482,512 in 2022, an increase of +22.6% from the same period year-over-year. The average price for homes in the Town of Arnprior in October 2022 was \$484,535, a -8.1% decrease from October 2021. However, the year-to-date average sale price was \$536,021, a +8.6% increase for the same period year-over-year. These year-over-year figures continue to show climbing prices, albeit more tempered for Arnprior. Statistics also show that median house prices in Arnprior have trended consistently with the average house sale price (Figure 24).

Figure 24: Average and median house sale prices in the Town of Arnprior, 2015-2022



Source: County of Renfrew Real Estate Board

While the number of listings and the residential activity in the real estate market has been recovering from a decline during 2020 and 2021, current levels for most indicators in the market are below five- and ten-year averages. The lower than average inventory and sustained demand are continuing to sustain home prices, despite elevated interest rates. The rapid recent increase in mortgage rates over the last 12-18 months have added additional costs for owners and sustained affordability issues, both for those seeking to enter the market and those renewing their mortgages. Looking forward, sustained mortgage rates may dampen demand and soften prices to some extent but will continue to adversely affect affordability. Uncertainty within the housing market will remain as these economic forces shift, influencing home prices and housing costs to consumers.

2.2.4 Non-Market Housing Supply

The County of Renfrew is a primary provider of non-market housing in Arnprior, delivering a range of community housing and homelessness programs and having direct responsibility for public housing. These community housing units include affordable, public housing, rent supplements, and non-profit units.

Emergency Shelters and Transitional Housing

From a point-in-time scan conducted in October 2021, the County of Renfrew counted 46 households that were homeless. Of these households, 41% included children, 24% identified as Indigenous, and 63% reported to be homeless for more than six months.

The County’s Community Homelessness Prevention Initiative Rent Allowance Program provides a monthly rent allowance of either \$275 or \$375, based on household type, to households in need. In 2021, 103 one-person households received \$275, while 38 households with children received \$375. The County’s Homelessness Prevention Program also includes reimbursements for eligible expenses that include hotel/motel stays, rent deposits, rent arrears, utility arrears,

emergency transportation expenses, and extraordinary expenses that relate to ensuring housing stability.

Community Housing

The Renfrew County Housing Corporation (RCHC) is a community housing provider that is wholly owned by the County of Renfrew. With over 1,000 community housing units across the county, RCHC provides rent-g geared-to-income (RGI) and affordable rental options to low and moderate income households. Their portfolio includes 19 apartment buildings, 57 single-detached houses, 150 duplexes, and 217 townhouses.

RCHC has 260 units (roughly 25% of it's stock) situated at 10 sites across Arnprior. These units were originally developed under legacy social housing programs and have been operating in the Town for decades. The stock is mixed in terms of form with just over half being apartments, another 22.7% duplexes, 15.8% row houses and the remaining 9.6% single detached units. Of these units, 134 (51.5%) are one bedroom, 41 (15.8%) are two bedroom, 65 (25.0%) are three bedroom and 20 units (7.7%) are four+ bedroom in size.

Five affordable housing complexes have been constructed in the County of Renfrew since 2006 using federal and provincial funding made available under new rental supply programs. Two of these complexes, Central Station Lofts and West Station Lofts, are located in Arnprior. Each of these buildings contains 19 affordable housing units that were built under agreement with a private sector partner.

Seniors Housing

Baskin Place is the sole private non-profit housing provider in Arnprior and has affordable one- and two-bedroom units. The building which is geared to seniors is a two-storey, 24-unit apartment complex that includes two modified units for households with mobility/physical disabilities. The building is a mix of rent-g geared-to-income units and market rent units.

Long-Term Care Homes

As of 2020, there were 782 long-term care housing beds in the county, the largest share of which were located in Pembroke and Renfrew. An additional 72 new beds (net) were to come online in Arnprior, Pembroke, and Barry's Bay. Despite this supply, there is a current waitlist of 844 clients (1st choice)⁸. Demand is greatest for 'basic' beds (80%) and for beds located in Pembroke and Renfrew, especially those at County-owned facilities.

There is one long-term care (LTC) facility located in Arnprior. The Grove Nursing Home, operated by Arnprior Regional Health, originally contained 64 long-term care beds. A new 96 bed facility was recently competed at the site and redevelopment of the original facility to accommodate another 32 units is planned, which will bring the total LTC bed complement to

⁸ Applicants for LTCH may select up to 5 homes and different bed types where available (basic, semi-private and private). While the current wait list statistics for LTCH homes in the county reflects a total of 1,375 applicants, this total includes multiple wait list choices.

128 once completed. Residential care for these beds is provided for private and shared rooms. Rates are set by the Ontario Ministry of Long-Term Care, and subsidies for basic rates may be available for eligible applicants.

Retirement homes are operated by private owners, providing accommodation and a wide range of services to seniors and adults with care needs. As of 2020, there were twelve homes across the county that range in size and scale, providing a total of 855 beds/units. These homes are situated in six different communities but are most prevalent in larger population centres, such as Arnprior. There is also a significant concentration of beds/units in Pembroke with five homes that account for roughly 54% of all beds/units in the county⁹.

Retirement and assisted care facilities located in Arnprior¹⁰ are comprised of:

- Retirement Homes – Total of 113 beds/units situated in 2 private facilities, providing independent/lifestyle living with amenities and access to modest supports
- Assisted Living Accommodations – Total of 75 beds/units situated within 2 private retirement home facilities, providing regular light care in a semi-independent living environment

2.2.5 Housing Supply Key Findings

The existing housing stock in the Town of Arnprior consists largely of single-detached dwellings (Figure 13). However, there seems to be a disconnect between household size and dwelling type, as over a quarter of single-detached dwellings contain households that may be more suitably housed in smaller units (Figure 14). While the number of dwellings that were constructed before 1960 has not considerably decreased since 2006, this older housing stock now makes up a much smaller proportion of the housing stock (Figure 15). This is due to the increased development activity in the Town in recent years. While most of this development activity has been single- and semi-detached dwellings (Figure 16), recent development permit data has indicated that there is a substantial amount of mid and higher-density development in the development pipeline that has the potential to add a substantial number of dwelling units to the current housing stock (Figure 18).

The primary rental market in the Town has been relatively stagnant for the last five years (Figure 19), as few purpose-built rental units have entered the market. While the rent prices for these units have increased consistently with the increase in household income (Figure 22), the limited availability of units in the rental market is pushing many renter households into the growing secondary rental market. Lower vacancy rates and sustained demand are resulting in higher rental rates, with increases especially notable in the last year or two.

In the ownership market, the number of listings and residential activity have shown signs of recovery from declines during 2020 and 2021, but current levels for most indicators in the market are still below five- and ten-year averages. Low inventory of available housing on the

⁹ County of Renfrew. *Seniors Housing Strategy – Summary Report (2020)*

¹⁰ Arnprior Regional Health. *Seniors Village Options Assessment - Summary Report (August 2021)*

market may sustain demand and house prices moving forward. However, with the recent increases to mortgage interest rates, there appears to be some moderating pressure on the price of homes in Arnprior due to cost impact on purchasers. There continues to be uncertainty within the housing market given inflation, interest rates and sustained demand.

There is a substantial supply of non-market housing in Arnprior that caters to those with economic needs (i.e. community housing) as well as those with special housing needs, particularly for seniors (i.e. seniors apartments, LTC facilities and retirement homes).

2.3 Housing Affordability

This section discusses housing needs from the perspective of affordability. It includes an examination of need in terms of shelter-to-income ratios, and core need but also looks specifically at renter and ownership markets to examine capacity to pay for housing versus housing options within the market.

2.3.1 Household Income Spent on Shelter

A commonly accepted benchmark for measuring affordability in the Canadian context is where a household spends no more than 30% of its gross household income on housing costs. This is referred to the shelter-to-income ratio, or STIR, and is a key indicator of housing affordability. When a household is spending 30% or more on shelter costs, they are considered to have affordability issues.

In 2021, 19.1% of Arnprior households, or 820 households, spent 30% or more of their gross household income on shelter costs. This was a decrease of -9.4% from 2016 levels, much lower than the County-wide decline (-26.0%) during this period. However, the proportion of households facing affordability issues in Arnprior was higher than McNab/Braeside (10.8%) and the County of Renfrew as a whole (14.3%). Recent improvement in STIR ratios may be short lived however, given income sourcing for the reporting period. Pandemic assistance has been reflected in elevated household income in many jurisdictions, as indicated by Statistics Canada. It is likely that STIR rates could rebound in the future in the absence of this one-time assistance.

Household Income Spent on Shelter by Household Tenure

When considering household tenure, there is a sizeable distinction between the two tenures in terms of affordability issues. In 2021, 10.7% of owner households (282 households) in Arnprior were facing affordability issues, compared to 33.3% of renter households (528 households). These figures closely aligned with County (9.4% and 28.8%, respectively) and McNab/Braeside (9.7% and 20.7%) levels. However, since Arnprior has a higher proportion of renter households, the number of households facing affordability issues is the highest in the County of Renfrew in absolute terms.

2.3.2 Core Housing Need

Core housing need refers to whether a household's housing falls below at least one of the indicator thresholds for housing adequacy, affordability, or suitability, and would have to spend 30% or more of its total before-tax income to pay the median rent for housing that is acceptable

(i.e. the housing attains all three housing indicator thresholds). This measure differs from STIR, as this affordability threshold is limited to households who cannot afford to move to housing that is adequate and suitable without spending more than 30% of household income on shelter costs. Core housing need is considered a more complete measure for defining affordability as it assesses the adequacy, suitability, and affordability of housing.

In 2021, 425 households (10.0%) in Arnprior were in core housing need. Current data for households in core housing need by category (i.e. affordability, adequacy, and suitability) is not available at this time but 2016 data showed that 92.0% of households in core need were living in unaffordable housing, 15.0% were living in inadequate housing, and 3.0% were living in unsuitable housing. These figures were consistent with McNab/Braeside trends and show that affordability is an overwhelming driver for those households in core need.

Core Housing Need by Household Tenure

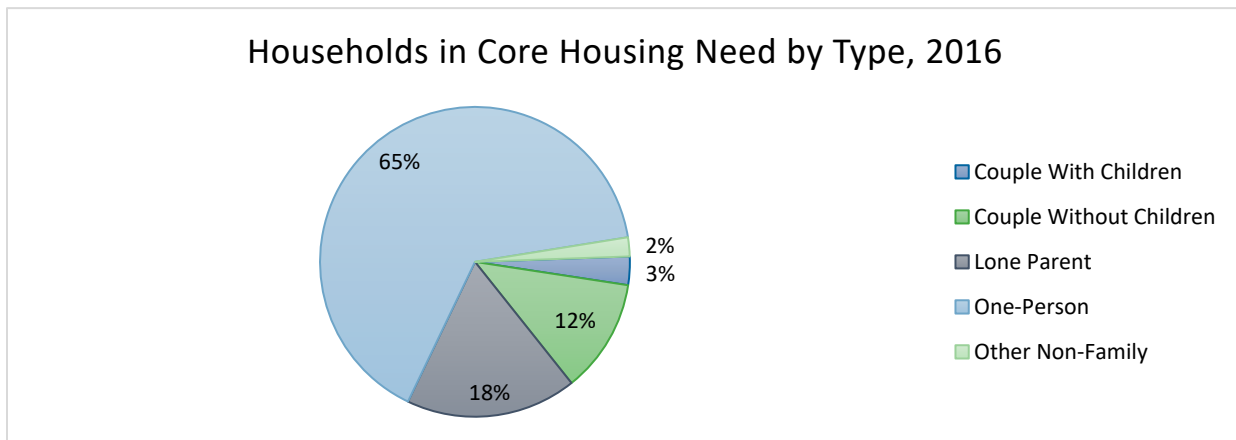
In 2021, while renter households made up 36.8% of all households in Arnprior, renter households accounted for 74.2% of those in core housing need. By contrast, just 4.4% of all owner households (120 households), were in core need versus 19.9% of all renter households (315 households). These levels were consistent with McNab/Braeside trends. While the number of renter households in core housing need decreased (-19.1% or 75 households) between 2016 and 2021, there is still a clear need for affordable rental housing in the Town. As noted previously, recent improvements in household income may only be temporary due to pandemic assistance and as such, a rebound in the number of households in core need is anticipated in the next Census reporting period.

Core Housing Need by Housing Type

In 2016 (the most recent data available for this indicator), 66.0% of households, or 330 households, in core housing need were one-person households (Figure 21). This proportion was higher than McNab/Braeside (57.5%). Lone parent households made up 18.0% of households in core housing need, despite only representing 11.4% of all households in 2016. Conversely, couples with children made up 21.1% of households in 2016 and only 3.0% of households in core housing need. There is a clear need for accommodations affordable to single-income households, as both one-person and lone-parent households tend to be over-represented among the households that fit the definition of core housing need.

When considering the household tenure and type of households in core housing need, there is a need for affordable rental and affordable units that accommodate small household types, with the highest priority for units that are suitable for one-person households.

Figure 25: Town of Arnprior breakdown of households in core housing need by household type



Source: Statistics Canada Community Profiles, 2016

2.3.3 Housing Affordability in Ownership Market

To determine the affordability of the Arnprior ownership housing market, household income deciles by tenure (as detailed in Section 2.1.4 of this report) were utilized to determine the maximum affordable house price for low-, moderate-, and high-income households¹¹. The maximum affordable house prices are the price at which a household may purchase the dwelling while spending no more than 30% of the gross household income on shelter costs.

Figure 26: Housing Affordability in the Town of Arnprior Ownership Market

Ownership Affordability			Arnprior Ownership Market (2021)
Derived deciles	2021 Income (All Households)	Max Affordable Price	Total Average Price
			\$536,021
Low Income Deciles 1-3 (Less than \$50,740)	\$25,266	\$110,629	NO
	\$37,809	\$165,548	NO
	\$50,739	\$222,162	NO
Moderate Income Deciles 4-6 (From \$50,741 to \$92,848)	\$64,016	\$280,294	NO
	\$78,351	\$343,061	NO
	\$92,849	\$406,540	NO
High Income Deciles 7-9 (Greater than \$92,849)	\$117,719	\$516,284	NO
	\$135,690	\$599,223	YES
	\$179,319	\$800,593	YES

Source: Household income data from Statistics Canada Community Profiles, 2021; Income deciles estimated based on household income distribution counts; SHS calculations for maximum affordable housing cost incorporates monthly property tax (Arnprior residential rate), 25-year term mortgage with Bank of Canada 5-year average interest rate; Ownership market prices from County of Renfrew Real Estate Board

¹¹ Income deciles for ownership housing were derived by factoring up 2020 incomes and overall housing income distribution.

These maximum affordable house prices were compared to the current housing ownership market in Arnprior (Figure 26). As of October 2022, only households with incomes equal to greater than households in the 8th decile can access the housing ownership market affordably. Based on estimates and assumption, households must make at least \$135,690 in annual household gross income to purchase typical ownership housing that is affordable. This shows a clear lack of ownership housing that is affordable to the low- and moderate-households in Arnprior.

2.3.4 Housing Affordability in Rental Market

To determine the affordability of the Arnprior rental housing market, renter household income deciles (as detailed in Section 2.1.4 of this report) were utilized to determine the maximum affordable rent price for low-, moderate-, and high-income households¹². The maximum affordable rental prices are the rents at which a households may rent the dwelling while spending no more than 30% of the gross household income on shelter costs. These maximum affordable rental prices were compared to the current range of average rental rates by unit type in Arnprior (Figure 27).

Figure 27: Housing Affordability in the Town of Arnprior Rental Market

Rental Affordability			Arnprior Rental Market (2021) - Ranges of Avg. Rents				
Derived deciles	2021 Income (Renter HH)	Max Affordable Price	Bachelor **	One-Bedroom	Two-Bedroom	Three or More Bedrooms **	All
			\$0 - \$0	\$857 - \$918	\$881 - \$1331	\$0 - \$0	\$884 - \$1105
Low Income Deciles 1-3 (Less than \$40,702)	\$17,077	\$356	**	NO	NO	**	NO
	\$29,512	\$738	**	NO	NO	**	NO
	\$40,701	\$1,018	**	YES	MAYBE	**	MAYBE
Moderate Income Deciles 4-6 (From \$40,703 to \$77,179)	\$52,503	\$1,313	**	YES	MAYBE	**	YES
	\$64,505	\$1,613	**	YES	YES	**	YES
	\$77,180	\$1,929	**	YES	YES	**	YES
High Income Deciles 7-9 (Greater than \$77,180)	\$93,073	\$2,327	**	YES	YES	**	YES
	\$103,468	\$2,587	**	YES	YES	**	YES
	*	*	**	-	-	**	-

Source: Household income data from Statistics Canada Community Profiles, 2016; CMHC Rental Market Survey, 2021; Income deciles estimated based on renter household income distribution counts

* indicates there was insufficient data to estimate the upper limit of the ninth income decile

** indicates there was insufficient data (CMHC did not report on these unit types due to limited data)

The primary rental market can viewed as generally affordable to rental households in the Town of Arnprior, especially for those with household incomes over \$40,000. As discussed in Section

¹² Due to lack of recent data, renter income deciles were derived by factoring up 2016 incomes based on 2016 renter income distribution. While a reasonable proxy for current rental affordability, use of 2021 renter household income would be more beneficial to use for estimation when it is available.

2.2.3 of this report, the primary rental market universe has been stagnant in the Town and rents have been rising consistently with household incomes. This indicates a lack of new purpose-built rental units being added in the universe. While existing units may appear affordable to many households, there will likely be issues with people accessing affordable rental housing in the Town due to the low vacancy rates and lack of development of new rental units to expand the market. While there is an active secondary rental market, rental prices are typically higher and newer units in the primary market will also typically charge higher rents. Where supply continues to lag, it can be expected that access to rental housing will continue to be an issue for all renter households, especially those with low to moderate incomes.

2.3.5 Housing Affordability Key Findings

Shelter-to-income ratios in the Town of Arnprior indicate that affordability issues are more prevalent for renters than owners, with just over one-third of renters facing these affordability issues. Due to the proportion of renters in Arnprior, the Town has the highest number of actual households facing affordability issues within the county. Further to this point, renter households in Arnprior make a disproportion number of households in core housing need, as do single income households such as one-person and lone-parent households (Figure 25).

The ownership housing market in the Town is largely unaffordable to the population based on current pricing, with only those households in the top 20% income distribution able to afford the housing in the re-sale market today (Figure 26). Based on the PPS definition of affordability, house prices should accommodate up to the 60th income percentile and this is not currently happening, leaving about 20% of owners above the PPS threshold (roughly 545 households between the 60th and 80th income percentile). Ideally, ownership prices would provide some offerings below the 60th income percentile but that is clearly not the case currently. Inflow pressure coming from external urban centres may be impacting on available inventory and causing house prices to edge upward in Arnprior. This lack of affordability may be pushing households to consider housing options elsewhere or to seek out options in the rental market, if and where available.

While the primary rental market is considered generally affordable for renter households with incomes of \$40,000 or more (Figure 27), this does not address those households below the 30th income percentile for renters (roughly 475 households). This may not continue to be the case or tell the entire story for renter households in the Town. As the primary market has remained stagnant in recent years and not responded to the growing number of renters, the households that cannot afford increasing rents are forced to seek accommodation elsewhere or enter the secondary rental market, where prices are unregulated and can be much higher than the primary market. Higher earning households not able to access the ownership market may stay in the rental market and be able to afford higher than average rents if and where they can find a suitable unit. This will inevitably contribute to a gap between what is affordable for the average household and what is affordable for low- and moderate-income households in the Town. Competition for the limited rental supply could also oblige low-income households to accept inadequate or unaffordable housing situations due to limited economic means.

2.4 Issues and Gaps

The housing supply and demand analysis points to a number of issues and gaps within the local housing market including:

Housing needs

- There is an above average growth rate due to in-migration
- The population is aging, especially in seniors cohorts
- Household types are diversifying and getting smaller, especially single persons
- There is a high proportion of rental tenure but consistent growth in all tenure types
- The labour force is shifting – more service economy, less manufacturing
- Changes in terms of commuting patterns are being seen due to Covid
- Household incomes are growing locally but still lagging regionally
- Income distribution shows polarization by tenure

Housing supply

- The majority of existing dwellings are single detached but more multi-residential forms are being brought on-line
- There has been strong growth in recent additions to housing stock and a minor loss of older units
- Production trends still favour lower density but units in the development pipeline are more mixed in terms of density
- A tighter market and low vacancy rates are evident in the primary rental market
- This translates into higher rents and a more active secondary rental market
- There is a tighter ownership market due to the decrease in available inventory which has meant higher prices, although there are signs this may be moderating
- There is a modest supply of non-market housing

Housing affordability

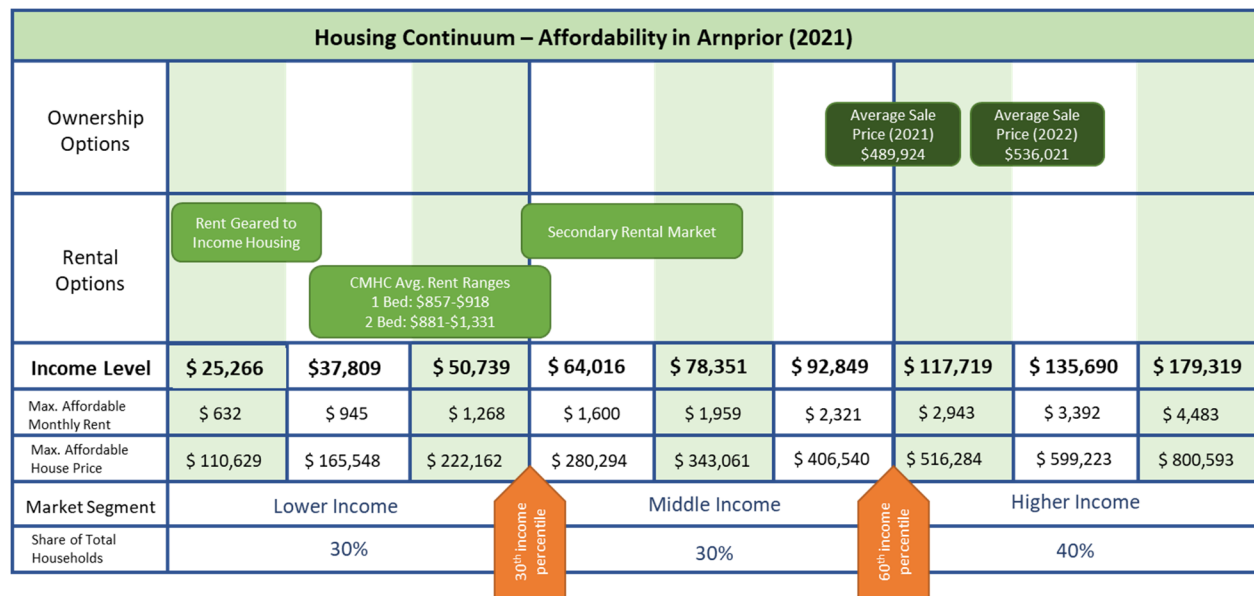
- Affordability is a bigger challenge for renters versus owners
- Single person and lone parent households are especially prone to affordability issues
- For households seeking new ownership housing, affordable options are very limited – current house prices are accessible only to higher income households (\$115,000+)
- Renters with lower incomes cannot access much of the primary rental market (those with incomes less than \$40,000)
- Moderate income renters may be able to afford market units but may not be able to find available stock

Mapping income capacity and housing options across the continuum

The assessment of housing needs, supply and affordability issues yielded important insights as to the current conditions in the Town of Arnprior. By mapping the current realities of both

income and housing options across the housing continuum, it's possible to better illustrate where key issues and gaps within the housing market are being encountered.

A fundamental gap in the current housing market is for low and moderate income renters. As noted in the figure below, affordability for renters below the 30th income percentile continues to be a challenge. Renter households making less than \$40,000 per year will have difficulty accessing current options in the rental market other than RGI housing. By current estimates this would affect roughly 475 households within the community. Given the income levels of these households and the cost to provide housing solutions, there is a need for substantive programs and incentives to help deliver rental housing that is affordable in this range.



The second area where there are difficulties being encountered is in the middle market, where incomes range between the 30th and 60th income percentile (household incomes between \$50,000 and \$93,000). In this area there are separate considerations for both rental housing and for ownership housing. In the case of rental housing, there are number of households which can afford market rents but there is limited supply to accommodate these households. In the case of the ownership housing, there are few (if any) affordable options currently in this segment of the market and this continues to be a challenge, especially for those trying to enter the ownership market. In both instances alternative housing offerings, policy adjustments or the provision of modest incentives could help to address gaps in this segment of the market.

The third area within the market where current pressures are being felt includes those households in the 60th to 80th income percentile who would normally access the ownership market to address their housing needs. Based on current income and house price dynamics, households would require a minimum annual income in the order of \$135,000 per year to afford the current average house price in Arnprior. There is a lack of options available to address these needs and it is estimated that this affects in the order of 550 households in the current market. While the market would normally address these needs, changes in supply offerings, more

modest ownership alternatives and modest policy adjustments could help provide options for addressing these needs in the current period.

2.4.1 Stakeholder feedback

During the study process, two town hall sessions were held to gather stakeholder feedback, discuss issues and explore potential solutions. Invitations were issued to a cross-section of stakeholders representing the community, at-risk populations, seniors groups, housing providers, development industry representatives and those involved in the housing sector as well as elected officials. Having this range of perspectives helped to validate identified trends and issues that emerged from both the needs analysis and the policy review stages of the study.

Each of the Town Hall session was positioned slightly differently:

Town Hall #1 (April 2023) - The purpose of the first Town Hall session was to review initial findings from the needs analysis and dialogue on key issues and gaps. This Town Hall was actually comprised of two sessions, one geared towards development industry representatives and the other geared towards community members. This provided both groups the opportunity to share their common concerns and ideas. Attendees were asked the following questions:

1. What are the key issues and gaps you are seeing in the local housing market?
2. What are the primary drivers of these issues?
3. How can these gaps be better addressed?
4. What are the most important priorities?
5. What policies, practices or tools would help to improve housing prospects for the community?

Town Hall #2 (June 2023) – The purpose of the second Town Hall was to highlight initial policy review findings, explore potential solutions and consider priority actions. This session was held with all invitees from the prior sessions to help foster a wider perspective on potential solutions. Attendees were asked the following questions:

1. What barriers or impediments to appropriate and affordable housing do you see in the local housing system?
2. How can these barriers be overcome?
3. Which policies, practices or tools do you think would most improve housing prospects for the community?
4. Among stakeholders, who is best positioned to advance these improvements?

Through facilitated discussions from the two sessions, a range of issues and ideas were generated by stakeholders which can be generally summarized as follows:

Issues identified by stakeholders

- There is an inability to attract/retain employees who need housing due to current conditions and this has economic development implications

- When defining affordability, housing that is 'attainable' is not 'affordable' – it's affordable housing that is the priority
- There is a need to better integrate housing for those with special needs into the community
- Landlords need the appropriate tools/authority to manage tenant relationships and ensure a safe living environment for all residents
- Given increased house costs, prospective new owners are stuck in the rental market which results in added competition for limited rental units
- Secondary suites are seen as a positive way to provide some additional rental units but there are challenges to overcome in terms of implementation
- There is a lot of housing stock that is underutilized or could be more effectively used – how can we access/unlock the equity in the existing housing stock to help address current supply issues?
- There is a general lack of awareness and understanding of the housing system and its complexities – understanding of the system is important to fostering effective solutions

Ideas identified by stakeholders

- Provide rental subsidies for people where they are – this helps stabilize their situation economically and is a flexible way to addressing needs that change over time
- Promote more mixed-market and middle density options to create a wider range of housing options that people can actually afford
- Consider providing basic 'no frills' rental options, smaller units and modular housing as alternatives that are more affordable
- Making public land available and seeking out faith-based communities, especially those with land or property that is suitable for housing
- Consider options for developing affordable housing where the private sector builds the housing and RCHC manages the housing
- Extend servicing and infrastructure to help facilitate housing growth
- Greater capital investment by government for real affordability – current programs don't address the needs of those in lower income ranges and more funding is needed to reach this segment of the community
- Advocate, secure or provide more support for housing development (e.g. fee relief/waivers, development charge relief, brownfield assistance, etc.)
- Underwriting loans for development – by providing no or low cost lending vehicles, seniors governments would help create the pool of capital necessary to help expand housing supply
- Simplify funding programs to make them more accessible and easier to use
- Streamline development approvals to make it easier (and less costly) to get projects built and occupied

- Provide more flexibility in zoning and building standards
- More sharing of information and promotion of partnerships would help to bring together a network of interested stakeholders that helps foster more collaborative solutions and helps to bring together resources for better housing outcomes

2.4.2 Emerging Themes

Based on the housing market analysis and stakeholders feedback sessions, there are three primary themes for addressing needs in the local landscape.

Accommodating continued growth

- Growth in the Town of Arnprior is expected to continue for the foreseeable future, especially in light of its position immediately adjacent to the City of Ottawa and on a major transportation route
- There is a continued need to accommodate this growth over time in response to local needs, especially for seniors and smaller households while still maintaining family options

Diversifying stock

- There is a need to broaden the range of housing options available in the market to provide more choice and affordability
- There is continuing need for more purpose-built rental to provide greater stability in the local rental market
- Sustained production of higher density units will need to be realized, moving them from the development approvals pipeline to actually built

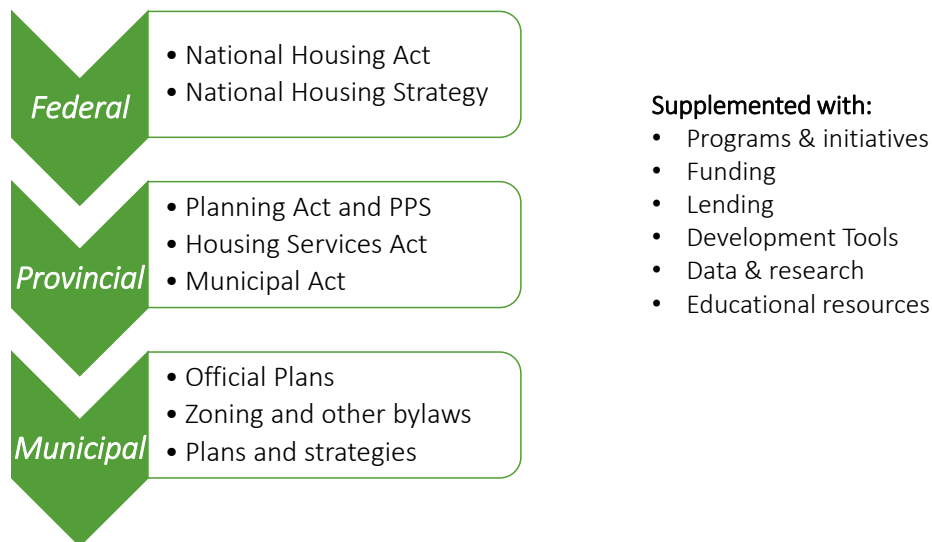
Improving affordability

- Facilitating the delivery of more affordable rental housing for rental households with incomes under \$40,000 per year to address the needs of low and moderate income households
- Fostering more affordability in the middle market segment, both in terms of purpose-built rental accommodation and affordable ownership options that are geared to moderate income households
- Seeking out ways to help the market expand ownership market options and reduce costs for housing in the 60th to 80th income percentile range

These themes reflect the main housing priorities in Arnprior emerging from the Needs Assessment study. Accordingly, they establish important areas of focus for evaluating solutions as the Town moves forward to develop its planned Affordable Housing Strategy. To help situate possible solutions, it is critical to first consider local housing policies and practices and how these might better address current and future needs in the community. The following sections explore this framework, identifying areas for consideration and providing recommendations on potential actions going forward.

3.0 Housing Policy Review

The assessment of housing needs in the prior sections provided an important snapshot of current and projected trends as they relate to housing in Arnprior. To better understand how solutions to the issues raised can be appropriately addressed, it is necessary to understand the policy context in which housing is delivered. In Canada, every level of government has some impact on housing outcomes, some more directly than others. Through a series of legislation and regulations, different requirements are set out to address various aspects of the housing system including funding, financing, construction, and land use. These statutes or bylaws create a regulatory framework in which housing is developed, owned or operated. They are also supplemented by specific funding programs, development tools, lending vehicles, educational resources and research. Conceptually, this general framework can be seen in the following diagram:



This policy hierarchy creates a tiered responsibility for housing whether in terms of planning for, building or managing projects. For proponents who wish to develop housing within this framework, there are a number of challenges to be navigated in order to bring units online. Because of this shared accountability, it can be difficult to get the necessary support to address housing needs in different locales. It's also clear that the private sector will only participate in certain segments of the market where they can generate a return on investment and will not participate in other segments without some form of inducement, support or obligation. Consequently, those forms of housing intended to serve individuals with the lowest incomes tend to require the most substantive investments from government in order to come to fruition.

3.1 The Policy Context

The delivery of housing in Canada is the responsibility of a wide array of partners and interests that ideally, work in an aligned and collaborative way to address the housing needs of residents.

However, the reality is that relationships and coordination between the partners is a complex and challenging process which makes delivery of appropriate and affordable housing more difficult. Having a closer look at some of the most relevant policy tools is helpful as the Town considers potential housing solutions. At the highest level, these policy tools emanate from the federal and provincial level and include housing-related programs and initiatives. The County of Renfrew also has a notable role, as the upper tier municipal entity with planning oversight for the regional area in which the Town is situated. Following is a discussion of some of the more relevant policy elements and how the Town of Arnprior is situated within this broader framework.

3.1.1 Federal Government

The federal government has always had some form of involvement within the housing system, whether through broad national regulatory mechanisms like the National Housing Act (NHA) or more recent policy and program initiatives like those created under the National Housing Strategy (NHS). Canada Mortgage and Housing Corporation (CMHC) is a vital instrument of the federal government and responsible for delivering a range of services and initiatives across the housing spectrum. This includes mortgage insurance, funding for affordable housing, data and research, market information, and assistance with homelessness through the Reaching Home program (administered by HRDC). While CMHC had a prevalent role in the delivery of community housing over the last 60 to 70 years, that role was curtailed in 1993 despite a modest return starting in the early 2000's.

The launch of the NHS in 2017 marked a more meaningful return to housing for the federal government and established a generational investment plan for affordable housing across the country. The strategy encompasses policy, programs and funding vehicles as well as data and research initiatives, all in an effort to drive better outcomes for housing in communities across the country. Whether through bilateral agreements with provinces and territories, through agreements with municipalities or through direct program funding to housing proponents, the federal government is actioning the NHS to deliver on affordable housing.

However there have been challenges in the delivery of the NHS and concerns by stakeholders that the resources necessary to deliver real and meaningful affordable housing options are not being realized five years on. One of the more recent program offerings is through the Housing Accelerator Fund (HAF) which is targeted at municipalities with the intent of helping to facilitate an expanded supply of housing through short and longer term actions. While it is still in its earliest stages, HAF could provide helpful incentives to stimulate the development of more housing, especially that which is affordable.

3.1.2 Provincial Government

The provincial government has a tangible and visible roll in the supply of appropriate and affordable housing across Ontario. It has a primary role as a regulator, whether through legislation or associated regulations and these relate directly to land use planning via the Planning Act. The province also has associated policy tools to help deliver on housing needs, the most notable of which is the Provincial Policy Statement (PPS). The provincial government

has also issued a Housing Supply Strategy which supplements its legislative framework. Like the federal government, the Province of Ontario stepped back from the funding of Community Housing in 1995 which left a significant impact on the housing sector.

Through the devolution of Community Housing in the early 2000s, the province transformed its relationship with municipalities and housing providers that were under legacy project operating agreements. This meant a fundamental shift in the planning and administration of community housing which became a municipally funded service, supported primarily via the municipal tax base. From a regulatory perspective, this created a range of issues for municipalities who were designated as Service Managers or DSSAB's. It also meant a fundamental shift in relationships for community housing providers and their long term sustainability. While the provincial government has re-engaged on housing to some degree, there remains considerable resource gaps with regards to addressing housing needs in communities across the province.

More recently, the province has pursued an aggressive strategy for ramping up housing production that is intended to meet anticipated growth across Ontario over the next 10 years. Under Bill 23 "*Building More Homes Faster Act*", the province has set out a number of legislative measures intended to foster a greater supply of housing by streamlining processes, reducing approvals barriers, and taking a more direct role in certain planning matters (e.g. through Ministerial Zoning Orders - MZO's). The impact of these measures has been to circumvent some local decision-making with regards to housing policy but has failed to increase meaningful resources to address the issues at hand.

The province has at its disposal other legislative tools to help facilitate housing supply including taxation authority, assessment authority and those authorities related with municipal operations. In the case of the latter, the Municipal Act sets out the authorities that municipalities have with regards to their operations. There are provisions which allow for more creative use of authorities under the Municipal Act and these are considered appropriate tools for helping to facilitate housing development.

3.1.3 County of Renfrew

As an upper tier municipality, the County of Renfrew has a considerable influence on housing issues within the regional market which includes Arnprior. This is a product of the various legislative functions it is obliged to fulfill, from land use planning to housing and long term care. Following are highlights of some of these key functions as well as their local implications.

Official Plan

One of the primary functions as an upper tier municipality is land use planning. In accordance with the Planning Act, the County has adopted an Official Plan that sets out policies to guide land use and growth, among other things. This document must have regard for the Act and the Province's PPS and in turn, lower tier municipalities like Arnprior must align land use policies with those of the County.

The County's Official Plan includes a number of housing-oriented policies that:

- Provide for a range & mix of housing types

- Define affordability (per PPS)
- Establish affordability and intensification targets
- Allow for secondary dwelling, garden suites and short-term accommodations (STA's)
- Include community improvement plan provisions
- Provide direction on what local Official Plans need to address, including affordability

Collectively, these policies influence the manner of growth and housing development in the Town of Arnprior.

Housing and Homelessness Plan

Under the Housing Services Act (HSA), the County is obliged to develop and maintain a Housing and Homelessness Plan. This Plan must articulate housing trends and issues as well as planned local responses to address issues and support housing objectives. The Plan:

- Guides responses to local issues across the service area
- Sets out proposed actions over a 10 year period and is updated every 5 years
- Includes targets and monitoring mechanisms for tracking progress
- Helps to align the efforts of stakeholders and the community efforts in addressing local housing priorities

The Plan provides a common focus for addressing housing priorities and as such, seeks to achieve its objectives through the participation of local municipalities like Arnprior.

Designated Service Manager - Housing/Homelessness

Under HSA, the County is also designated as the local Service Manager for housing and homelessness. A core function of this responsibility is the funding and administration of legislated housing programs that were devolved from the Province in the early 2000's. This involves overseeing and funding the various community housing projects across the County that are operated by RCHC and a number of local non-profit corporations. It also involves the administration of discretionary senior-government programs aimed at supporting those at risk of homelessness, individuals seeking portable housing assistance and those seeking to renovate housing. These programs also include support for the preservation, upkeep and expansion of affordable housing stock. As such the County has a clear role in supporting affordable housing geared to those households with low or moderate income. This is in addition to the social assistance duties which the County also has.

Housing owner/operator of community housing (RCHC)

Apart from its Service Manager responsibilities, the County is also a community housing provider. As part of provincial devolution, this responsibility was transferred to the County in the early 2000's when it became the sole shareholder for the Renfrew County Housing Corporation (RCHC). In this role, RCHC directly delivers accommodations to low and moderate income households through 978 units in settlements across the County. Arnprior is well-served by RCHC with 260 units located in the Town.

Owner/operator of LTC homes

The County also provides accommodation and services to seniors in the County for those requiring long term care. These two residential facilities provide nursing level care to assist those requiring 24/7 supports. The County is also engaged with other services providers and programs that assist seniors to live independently in the community or with some modest level of support, as articulated in their Seniors Housing Strategy. This helps provide options for seniors to 'age in place' rather than having to consider moving to other more intensive care facilities pre-maturely.

3.1.4 Neighbouring Influences

While not directly impacting Arnprior from a policy perspective, the influence of the Town's neighbours is notable. Immediately adjacent and to the north is the Township of McNab/Braeside, a smaller and more rural municipality within the County of Renfrew. The southern boundary of the Township is situated primarily along the urban edge of Arnprior (along Division Street) and as such, development and servicing issues are invariably topics of discussion between the two jurisdictions. And as the southern gateway to the County, Arnprior and the growth issues it is encountering have inevitable spillover effects on the Township. Maintaining a collaborative dialogue and coordinating on planning matters when appropriate helps to mitigate these effects. The County Official Plan provides a common policy framework in which to manage development issues like these.

The City of Ottawa is situated immediately adjacent on Arnprior's southern edge (primarily south of Herrick Drive). As an urban metropolitan area of more than 1 million residents, there are undeniable economic and growth-related impacts due to Ottawa's proximity. While the Ottawa side of the boundary is characterized mainly by rural settlement patterns, the influences of land use and development decisions by the City can have a residual impact on the Town. As with McNab/Braeside, collaboration on planning, development and servicing matters where necessary helps to address the realities of a regional housing market. However, the size and scale of the City means that it has a number of municipal neighbours along its expansive boundary and as such, the policy framework Ottawa sets may not always align with those of its neighbours.

3.1.5 Town of Arnprior

The Town of Arnprior operates within the hierarchy of a diverse policy framework. As a lower tier municipality, the Town must have regard for those policies set out by upper tier, provincial and federal governments. Arnprior addresses these requirements and provides a range of policy tools that serve to support housing as part of a complete and healthy community. While these policy documents take the form of more traditional land use tools, they also include related strategies, plans and supporting documents which together provide guidance and direction with regard to housing issues. Following is a discussion of the more pertinent policy tools which the Town works with.

Official Plan

The Town's Official Plan guides growth and development by setting out land use objectives and policies. As a lower tier municipality, these policies must align with the Official Plan of the County of Renfrew as the upper tier municipality. They must also have regard for the Provincial Policy Statement and its associated requirements. Arnprior's current Official Plan was adopted by Council in June of 2017, was formally approved by the County in November of 2017, and remains in force in effect today.

The Plan articulates a vision for the Town where “... *there should be a range of housing options available to all incomes and ages.*”. It also sets out a principal goal for housing, “*To provide an appropriate housing supply and range of housing choices to meet the needs of present and future residents.*” along with associated strategic objectives for realizing this goal. The Plan has a section dedicated to housing policies (B9) which sets out specific goals and policies which are intended to support the broader housing vision. Key housing-related provisions are identified throughout the Plan which:

- Establish growth forecasts to 2036 including housing mix by density
- Establish policies that promote a range/mix of housing types
- Support the creation of secondary dwellings and garden suites
- Define affordability (similar to County Official Plan and PPS) and targets 15% of units to be affordable, to be considered for developments of 25 or more units
- Set out principles for land supply, housing choice and intensification
- Provide for mixed use areas and contemplates future redevelopment
- Reference targets for affordability, intensification and the recommendations of the County's Housing and Homelessness Plan (HHP)
- Identify implementation tools including Community Improvement Plans

Collectively, these policies are intended to guide local decision-making with regards to housing and development. They are supported by provisions set out in the Town's zoning bylaw and by related plans and studies that have been completed.

Zoning Bylaw

The zoning bylaw for the Town of Arnprior (No. 6875-18) sets out legal requirements, defines permitted land uses and articulates associated development provisions. The current bylaw for the Town was approved in October of 2018 and remains in force and effect. The bylaw itself is intended to be a primary implementation tool for the vision set out in the Town's Official Plan and as such, aligns with the policies set out therein. Within the bylaw are a range of provisions that are intended to foster housing supply, choice, and affordability as part of a complete community.

Key provisions within the bylaw related to housing include:

- Definitions including those for housing types
- General provisions and zoning standards for development

- Residential zones including use, density and types of accommodation
- Mixed use zones including where residential uses may be included
- Exceptions to standard provisions
- Tools for implementation of the bylaw

The zoning bylaw is an important principal tool that helps to shape development in the community through its standards and provisions. Ideally the bylaw should help to create an environment that is conducive to the development of the range of housing that the community requires. It can do this by providing sufficient flexibility to enable housing development while at the same time providing the necessary policy guardrails to ensure development objectives for the Town are addressed.

Growth Management Strategy

In June of 2022 the Growth Management Strategy (GMS) for the Town of Arnprior was completed by Watson & Associates Economists Ltd. The Strategy was developed as part of the Official Plan review and was intended to serve a number of functions including:

- Developing population housing and employment projections within the regional context over the short and longer term
- Determining the adequacy of the supply of land to meet projected growth needs over the short and longer term
- To provide recommendations within the current policy framework for accommodating forecast development and growth in a sustained way

Projections under the strategy determined that over the period from 2021 to 2051, there would be an increase in population of some 4,800 residents and an increased housing requirement of 2,560 units. This would translate into an average of 85 new units per year in terms of housing. It was also projected that the density of this housing would need to be varied to support projected growth requirements and as such, housing needs were identified at 36% lower density, 32% medium density, and 32% high density in order to address required needs. Increased demand for seniors housing was identified as a prime driver for the higher density mix that was identified.

Based on this forecast need, it was determined that there is an ample supply of both serviced and designated residential land to accommodate projected needs. The GMS also determined that there was sufficient employment lands to meet current needs as forecast but that use and retention of these lands would need to be monitored.

The GMS also provided a number of recommendations including:

- Harmonizing policies within the existing Official Plan to reflect GMS projections for population, housing and employment
- Providing additional policies related to housing that would encourage a range of housing types
- Establishing an affordable housing strategy geared to low and moderate income households

- Continuing to support residential intensification as a means of accommodating a portion of growth (e.g. continued use of the 10% intensification target, promoting the use of garden suites and secondary suites)
- Providing monitoring and evaluation of actual housing supply and intensification versus the GMS
- Clarifying/expanding policies with regards to employment lands in order to ensure they continue to serve the needs of the community

From a housing perspective, the GMS confirmed the ability to accommodate projected growth for both residential and employment uses. It also set out assumptions for the mix in housing density and supported the minimum intensification target of 10%, all of which serve to help guide development over the 30 year forecast period.

Community Improvement Plan

The Town of Arnprior adopted a Community Improvement Plan (CIP) in March of 2022. Under the authority of the Planning Act, the intent of the CIP is to convey incentives for property improvements and brownfield remediation within a specified area. While CIP's are typically geared towards commercial and business uses, provisions in the legislation now enable incentives to be extended for affordable housing purposes.

Arnprior's CIP sets out four main goals and related objectives that help to guide the definition and use of incentives as well as the actions planned to be undertaken. The entire town is designated as the CIP area and there are two primary programs identified, namely the Town Leadership Program and the Financial Incentive Program. Under the Financial Incentive Program, several grant options and fee rebates have been established to encourage applicants to improve their properties. The Town Leadership Program identifies town-led initiatives and actions intended to support CIP goals and defines how authorities are executed. Under this suite of programs, the CIP specifically acknowledges the benefit of using incentives to support affordable housing objectives to support increasing the supply of housing that is safe, healthy and affordable. Through the Affordable Housing Initiatives stream of the program, the CIP indicated that the Town may:

- Undertake an affordable housing study
- Create an Affordable Housing Community Improvement Plan with associated incentives
- Promote affordable housing policies in other planning documents

While the existing CIP does not provide housing incentives, it's clear that it supports the creation of future incentives related to affordable housing. In that regard, it supports additional options for promoting housing that is affordable in the community.

Strategic Plan 2020-2023

Adopted in 2020, the Town's Strategic Plan sets out a broad vision for the community, Council's priorities for realizing this vision and the strategic initiatives intended to support these efforts. Among the various vision statements is one directly oriented to housing, envisioning that "All

residents are provided the four A's of housing options - accessible, affordable, appropriate and available." In that regard, the Town has identified affordable and accessible housing options as one of six key priority areas. Under this priority, a number of strategic initiatives were identified related to affordable, accessible, appropriate and available housing options including:

- Report from Ad Hoc Committee on Poverty
- Completion of housing needs study
- Collaborating with County on 10-Year Housing and Homelessness Plan Update

Accordingly, the Town has identified housing as a clear priority area and committed to strategic initiatives that will support positive housing outcomes for the community.

Implementing Bill 23 - More Homes Built Faster Act (2022)

Last year, the Province introduced Bill 23 in an effort to expedite and expand the delivery of housing over the next 10 years with a target of adding 1.5 million new homes. As enacted, the bill made amendments to several different pieces of legislation including the Planning Act and the Municipal Act. Municipalities across Ontario are obliged to comply with this legislation which would see notable changes in the process for development approvals and in certain provisions related to housing. In February of this year, Town staff brought a report forward to Council which included details around the implications of this bill and recommended actions for addressing it. Among those recommendations were the following proposed changes which will directly impact on local housing delivery:

- Amending the Official Plan to accommodate additional dwelling unit provisions of the Act, allowing up to three units on individual parcels of urban residential land (either as dwelling units or including an accessory building)
- Amending the zoning bylaw to accommodate additional dwelling unit provisions and other associated housekeeping items
- Modifying the site plan control bylaw by removing obligations around new residential buildings of 10 units or less and adding land lease community homes
- Modifying the building bylaw by adding scoped review provisions around new residential buildings of 10 units or less due to changes arising from the shift in site plan control requirements
- Providing communications to the public on the above changes and their impact on development approvals with regards to the scope of site plans, elimination of public meetings for subdivisions, and limitations on appeals rights for minor variance and consent applications

These legislative changes are intended to broaden opportunities for new housing development and reduce certain approvals requirements. However, there is uncertainty around the actual impact that implementation will have on expediting approvals processes and what actual new housing this will spur. There are also lingering questions about how the changes will re-shape

existing communities, recognizing that there will be some time needed for these changes to be adopted and take effect.

Other Policy Initiatives

The Town is engaged in a number of other policy areas or initiatives that are related to housing. While they are not directly linked, they can ultimately impact on the local housing system. These include, among other things:

- *Master plans/studies* – Related to the built environment, these include the Development Charges background study, Asset Management Plan, Recreation Master Plan and the Water and Wastewater Master Plan. In the case of the latter, this directly relates to servicing capacity and phasing of development which is highly related to the provision of housing.
- *Age-Friendly Community Plan* – This multi-faceted plan was completed in 2016 and is geared to creating a more conducive living environment which supports older adults as they age in the community. The Plan identified housing-related issues for seniors and recommended more diverse and accessible housing options to address these needs.
- *Other local initiatives* – Two other local entities of note that are active in the housing sector are:
 - The Greater Arnprior Seniors Council (GASC) - This community-based group actively participates in initiatives and generates reports on topical seniors issues in the community, including housing and supported housing.
 - Town of Arnprior Ad Hoc Committee on Poverty and Homelessness - This ad hoc committee has actively examined and made recommendations with regards to poverty and homelessness reduction strategies in and beyond the Town proper. The 2020 final report from the group entitled “*The Path Forward on Poverty and Homelessness in the Greater Arnprior Area*” included 52 recommendations, a number of which encouraged an expanded supply of affordable housing, use of incentives to create new supply, supporting alternative housing forms/models and providing homelessness supports, among other things.

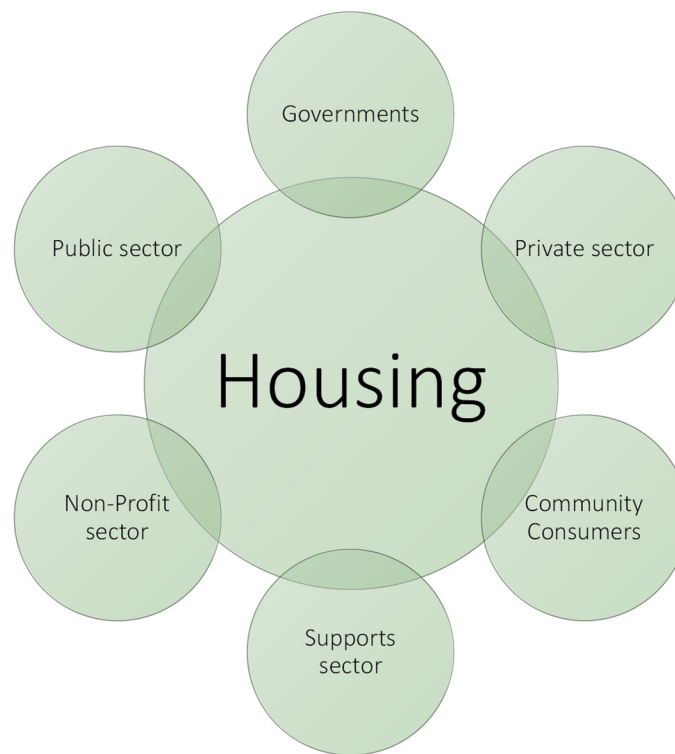
The various policies and initiatives described above provide for a local framework in which housing issues are identified, prioritized and addressed in various ways. While this framework covers much of the housing continuum, there are areas where additional investigation, analysis and action would be beneficial to support better housing outcomes for the community. These are further discussed in Section 3.3 of this report. It should be noted that the policy framework does not discuss the other discretionary programs, roles and tools that can be used to further housing objectives (see Section 3.4 for additional details).

3.2 The Housing System

The delivery of housing in a community involves a complex, interconnected system comprised of many entities who fulfill different roles. There are also many components within the development process that influence outcomes – things like land supply, servicing, construction

materials and labour, financing and management functions. No single entity is responsible for all facets of housing supply and it is the alignment, coordination and collaboration of the various entities that inevitably determines how successful housing production is in meeting the housing needs of the community.

The entities involved include government bodies who are primarily responsible for setting the policy and regulatory framework for housing. The majority of the housing stock is developed via the private sector and is subject to the market motivations they have. The system also includes public and non-profit sector housing providers who deliver affordable housing, typically for those with low or moderate incomes. There is also a related support sector that provides necessary services to enable individuals with special needs to live independently in the community, recognizing that these services are a critical part of accessing and maintaining their housing.



Given the many linkages and dependencies within the housing delivery system, having established policy directions and stakeholder buy-in is highly beneficial to aligning interests. Where communities are successful in aligning efforts and supporting collaboration, they are typically able to better address the range of housing needs in their community. There is also a recognition, as described in the housing continuum, that many segments of the market will tend to be served by or through private sector initiatives. However, there are also certain segments of the housing market where lower and moderate income households are typically not served by the private sector and these tend to be assisted by or supported through senior government housing programs and policies.

In the case of Arnprior, the local housing system is comprised of many typical housing delivery entities including experienced landowners, builders, developers, landlords, not-for-profit housing entities and special needs housing providers. With continued growth in the municipality and sustained demand for affordable and appropriate housing, having an effective delivery system is essential to meeting these needs. A key challenge as part of the Town's future housing strategy will be to consider ways to harness available resources and align efforts to address unmet housing needs in the community.

3.3 Local Observations

A review of the local policy framework was undertaken as part of this needs assessment to better understand what policies were in place to promote housing objectives and where there were areas which may act as impediments to better housing outcomes. While there are established housing policies in place, certain issue areas were identified and opportunities noted which could help to advance local housing goals.

Policy challenges for housing

As part of the review of the local policy framework, a number of challenges were identified which may impede efforts to create a more conducive development environment for housing, especially housing that is affordable. While some of these have already been flagged through the GMS or by staff for action under Bill 23 implementation, they are noted here for added context. Following is a discussion of these challenges and how they could affect housing locally.

- *Definition of affordability* - The current definition of affordability within the Town's Official Plan mirrors that of the County Official Plan which cites the Provincial Policy Statement definition. The definition accounts for both household income and housing cost using a 'lesser of' approach in order to establish affordability thresholds for ownership and rental housing for the regional market area. While this provides a basic common definition across Ontario municipalities under the PPS, it tends to reflect thresholds that are higher than what low and moderate income households might be able to pay. A more targeted local definition could help to ensure that affordability is more realistic for these households.
- *Affordability targets* - Under the Town's Official Plan, an affordability target of 15% is identified but applied to new developments of 25 units or more. Allowing for the application of targets in a more flexible way would help to expand the supply of affordable housing.
- *Emphasis in Official Plan targets on lower density forms* - Within the Official Plan, housing mix policies oblige that a minimum of 50% of the new dwelling units in any contiguous development area of more than 20 units be single detached in form. This is overly restrictive and should be eliminated or reduced as a requirement, as recommended under the Growth Management Strategy.

- *Accommodating special needs housing* - There is a broad definition for special needs housing in the Official Plan but a policy provision allows for the application of locational criteria when considering sites that are deemed appropriate. This policy is subjective and has the potential to limit opportunities for integrating special needs housing into neighbourhoods.
- *Defined minimum unit sizes for certain housing forms* – Under the Town’s zoning bylaw, there are minimum dwelling unit sizes identified for different housing forms in lower density R1 and R3 zones. These may act as barriers to developing smaller, more affordable housing forms and should be reconsidered in light of Bill 23 implementation requirements related to additional dwelling units.
- *Provisions around secondary units and garden suite requirements* – While provisions exist in the current Town zoning bylaw related to secondary units, these will need to be revisited and reshaped as part of the Bill 23 implementation requirements associated with additional dwelling units. Zoning standards will need to be considered with particular regard to accommodating additional units within dwellings (additional dwelling units) and on lots (i.e. accessory units).
- *Zoning amendment obligations for certain housing types vs. as-of-right* - Under the current zoning bylaw, residential uses tend to be defined by zone and in many cases, require site-specific zoning amendments to accommodate additional uses. Consideration should be giving to permitting certain housing uses as-of-right where appropriate in order to negate the need for going through a costly and time-consuming re-zoning process.
- *Managing predictability around technical requirements associated with development applications* - For development proponents, having a clear understanding of requirements for technical studies that must accompany applications early in the process is helpful. Ensuring that these requirements are appropriate and necessary when and where stipulated in the process is also beneficial to streamline. While the Town does communicate certain information to proponents in this regard, revisiting technical study requirements in light of Bill 23 changes and as a matter of practice would be prudent.
- *Approval obligations for site plan and design considerations* – Approval requirements to accommodate small infill and residential development projects can prove challenging for development proponents in terms of time and cost. To ensure requirements are appropriate to the scale of development and reflect the changes required under Bill 23, these practices should be reviewed and revised by the Town.

Housing opportunities

Apart from existing policies and practices, there were also opportunities identified through the policy review process which could help to support progressive housing outcomes in the Town. These could include:

- *Promoting take-up of additional dwelling units/accessory units* - Apart from permitting additional dwelling units and setting out zoning provisions, there is an opportunity to

further promote the take-up of additional dwelling units in the community through education, piloting programs or use of affordability incentives. This approach goes beyond creating the regulatory environment for added units and encourages development as a means to expand housing units. They also are typically funded through owner investment and as a result, may need little or no additional incentives to help produce these units. While they do not provide the same security of tenure as purpose-built rental units, they do provide a flexible way to address affordable housing needs while more effectively utilizing existing housing stock.

- *Facilitating more infill and redevelopment over time* - In the same vein as additional dwelling units, accommodating infill and redevelopment of housing through intensification helps to use existing infrastructure more effectively. It also serves to support vibrant, active communities by adding units within built-up neighbourhoods and avoiding sprawl. Careful consideration must be given to how intensification is managed but this does provide an opportunity to renew older stock over time as existing dwellings age. Incentives can also be used to support policy initiatives in this area, whether through relief from development charges, increment tax deferrals or affordability grants where units meet established requirements.
- *Expanding Community Improvement Plan (CIP) provisions for affordable housing* - The Town has an established CIP and as part of the adopted plan, affordable housing was identified as a potential program to be explored. Other jurisdictions have enacted affordable housing CIP's and found it a suitable way to provide targeted incentives to create housing that might not otherwise be developed. Given that the incentive packages tend to be more modest under CIPs, this option might be a more attractive way for the Town to help support the development of new affordable housing units while helping to improve or regenerate existing stock. Incentives can be provided in the form of grants, fee relief, loans or through incremental tax deferrals.
- *Exercising Municipal Capital Facilities (MCF) authorities to bundle incentives* - Under the Municipal Act, there are authorities which allow for the provision of Municipal Capital Facilities (MCF) by external entities in exchange for incentives. A number of years ago, affordable housing was added as an eligible Municipal Capital Facility under the Act. As such, municipalities are able to exercise these authorities by setting out an implementation bylaw and then using these authorities on a project-by-project basis to provide targeted incentives in exchange for housing affordability. Under the legislation, municipalities may provide grants, loans, land, property tax relief and other forms of fee waivers in order to secure affordability. In exchange for these incentives, proponents must sign a contribution agreement that sets out the minimum duration and depth of affordability to be achieved over the life of the agreement. Typically, these agreements are registered as security on title to ensure that proponents meet their obligations. This approach allows municipalities to provide different bundles of incentives to different proponents depending on the depth and duration of affordability that are guaranteed. In a tiered system as with Arnprior and the County, levels of government can work together

under MCF provisions to amplify the impact of incentives. One of the challenges with this approach is that it only creates the authority for conveying incentives, which must ultimately be funded by the municipality in one form or another.

- *Linking with other tools/resources* - Despite the re-emergence of programs and funding from senior levels of government, there continues to be challenges in accessing resources, funding and financing to help expand the supply of affordable housing. Layering multiple resources together, also referred to as 'lasagna' funding, is more prevalent today given the scale of funding, variable sources and cost of development. As a result, it is more common for affordable housing proponents to have to seek out a range of alternative resources or creative partnerships in order to develop housing units. This can include working with Community Housing providers to intensify or redevelop their stock. It can also mean seeking out community partners who have land, whether in the faith-based community or through public sector sources. In some instances, proponents have also been able to facilitate co-location with partners from other sectors as a way to pool capital and help realize joint development objectives. Stacking these resources and cultivating strategic partnerships takes additional time and effort but in some instances, is the difference between affordable housing developments succeeding or not.

Areas of uncertainty

While the most pertinent challenges and opportunities to addressing local housing supply issues have been identified, there remain uncertainties within the current housing environment which may make addressing the full range of housing needs within the community more difficult. These uncertainties include:

- *Rental costs in the face of sustained demand pressures* - The sustained demand for rental housing and the limited supply of purpose-built rental being produced have resulted in declining vacancy rates and rapidly rising rental rates. The escalation of housing costs in the ownership market have also meant that some households who might otherwise enter the ownership market are remaining in the rental market, thereby creating further demand for a limited supply of rental housing. Conditions do not appear to be changing any time soon in this regard which likely means continued affordability issues within the rental housing stock for the foreseeable future.
- *House prices in the face of supply, input cost and interest rate factors* - Construction and labour costs continue to impact on housing prices in the new ownership market. Perhaps more importantly, the recent escalation in interest rates has added further pressure on both the new and resale components of the ownership market. This compounding effect has resulted in elevated affordability challenges for those already established in the ownership market and has created access challenges for those seeking to enter that market. This has somewhat dampened demand at the very time where additional supply is required to ease pressure in the market. While cost pressures may ease in the short term, it seems clear that interest rate impacts will remain prominent for at least the next

year or two. As a result, affordability issues will likely remain prominent in the ownership market.

- *Ability of infrastructure to keep pace with growth* - Where the pace of growth continues at an elevated level, the phasing and timing of servicing to match this growth could be a factor. No servicing impediments have been identified within current growth projections but that could change where growth exceeds projected levels. A pending study on servicing capacity will help to confirm any mid to longer term concerns, recognizing that dampened demand could change this trajectory.
- *Sustainability of growth levels where the housing market changes* - By contrast, a pullback in housing market activity due to a slowing economy could signal a stall in new housing production, despite the fact that there might still be pent up demand. If this came to pass, there is a risk that affordability challenges would be sustained as demand continues to outstrip supply.
- *Impacts from changes in the policy regime due to Bill 23* - Despite the rollout of policy changes arising from Bill 23, it may take some time to implement and fully realize the impacts that these changes may have in the local housing market. Where they have a positive impact and create additional residential units as contemplated, this could help ease pressures and improve affordability in the housing market. Where the policy changes do not have the desired effect, there could be sustained supply and affordability issues or unforeseen planning impacts.

Economic uncertainties lie at the heart of these issues and could have sustained impacts on the local housing market. Given this uncertainty, there are clear challenges to setting out a definitive plan of action for addressing current issues. Rather it will be important to provide policy flexibility to better respond to changes or shifts that may occur within the housing market over the short to mid term.

3.4 Tools/Options

In order to support policy approaches and take advantage of housing opportunities, it will be helpful to consider tools and options that may be available to help support implementation. This can take the form of any number of examples which are found both locally and beyond, in other jurisdictions in Ontario.

Application of policies/initiatives locally

As part of the current policy fabric, the Town has the ability to support the provision of housing by:

- Implementing recommended policy actions through the Town's Official Plan, zoning bylaw, site plan control bylaw and development approval practices
- Aligning planning efforts with the County of Renfrew and Renfrew County Housing Corp (RCHC)
- Streamlining development approvals processes

- Phasing of servicing to help lead growth requirements
- Pre-zoning lands to support affordable housing development

Innovative approaches from other jurisdictions

The Town may also wish to consider adopting identified innovative approaches to affordable housing based on practices used in other communities. Examples of practices and locales are noted below:

- Additional or accessory dwelling unit pilot program - County of Simcoe, ON
- Municipal Capital Facilities (MCF) authorities – Prince Edward County, ON
- Community Improvement Plan (CIP) for Affordable or Rental housing – Town of Coburg, ON
- Tax increment equivalent grants/exemptions – City of Peterborough, ON
- Alternative development standards – City of Belleville, ON (parking)
- Obliging heightened accessibility in funded affordable projects – City of Ottawa, ON
- Home sharing for seniors – Northumberland County, ON
- Active use or adaptive reuse of underutilized land/property – City of Oshawa, ON
- Community investment fund – York Region, ON

Other housing programs and initiatives

Arnprior also has the ability to access or promote other housing programs and initiatives to help support local housing needs. A comprehensive list of program options can be found in Appendix 3. Some highlighted examples include:

- Density/height bonusing – City of Toronto, ON
- Inclusionary zoning – City of Ottawa, ON
- Fee waivers/deferrals, tax relief – Northumberland County, ON

Creative housing partnerships

The Town can also play a facilitation role in helping to forge creative housing partnerships with or among local community stakeholders. Some key opportunities in this regard include:

- Arnprior Regional Health - Seniors village concept
- First Baptist Church (or other faith-based communities) - Residual lands for affordable housing
- RCHC housing portfolio rationalization – Supporting intensification and/or redevelopment of properties to increase the supply of affordable housing in the Town
- Renfrew County lands – Leveraging County land to support local housing objectives
- Co-location/co-development with cross-sectoral partners (e.g. health, long term care, community services) – Pooling capital and resources to generate impactful housing development

- Private sector engagement - Forging beneficial relationships to support housing outcomes through cooperative development

These are some examples of pertinent policies, practices, programs and partnerships which can help facilitate the delivery of housing. It is not the sole responsibility of the Town to pursue these but rather to facilitate within the housing system and its constituents to broaden awareness and use of these tools to help generate better housing outcomes for the community. Additional examples of authorities and initiatives are provided in Appendix 3 of this report.

4.0 Setting a Strategic Housing Direction

The results of the needs assessment and policy review provide a clearer picture of the housing issues facing the Town of Arnprior, both today and looking forward. They also provide a sense of the challenges and opportunities that exist for addressing these issues. Prior to this review, the Town determined the need for an Affordable Housing Strategy as a next step in this process. Accordingly, the information gleaned from this study will help inform that future strategy.

While there is an established local housing system, it has been noted that a number of key actions could be undertaken to improve housing outcomes through process changes, policy refinements and the pursuit of complementary initiatives. As such, it will be important for the upcoming strategy to:

- Build on the policy and regulatory framework already established
- Incorporate actions that promote readiness and agility in response to market changes
- Develop an integrated and actionable plan to help guide and align the efforts of local housing stakeholders

4.1 Priorities for Taking Action

Based on stakeholder feedback and the issues identified, a number of potential actions were identified for consideration through the assessment and review process. The priorities for responding to identified issues, challenges and opportunities can be categorized into the following strategic objectives:

- Accommodating growth and associated needs as they change over time
- Diversifying housing options to better address these needs
- Improving affordability, especially where there are gaps in the local market
- Creating a more conducive regulatory environment
- Providing and leveraging incentives for housing
- Fostering partnerships and collaboration among stakeholders
- Coordinating and aligning the efforts of government partners
- Facilitating the necessary infrastructure to support projected growth

4.2 Recommendations

A number of housing challenges and opportunities have been identified through this needs assessment and policy review process. There have also been actions and recommendations cited from other reports which align with or support the directions of this review. While it is the intent that the upcoming Affordable Housing Strategy will consolidate ideas and solutions into a cogent plan, the findings of this review help to provide clear directions which the upcoming strategy should have regard for. With that in mind, recommendations are being made for consideration as the Affordable Housing Strategy is developed. It is recommended that the Town of Arnprior:

1. Consider options within the Affordable Housing Strategy to address or facilitate options that respond to affordability gaps identified in the local housing market namely:
 - a. Rental options for low and moderate income households
 - b. Market rental and affordable ownership options for households in the mid-market
 - c. Attainable ownership options for those in the ownership market
2. Refine its policy definition of:
 - a. 'affordability' to better reflect the realities of low and moderate income households
 - b. 'special needs housing' to better articulate the shared/congregate nature of accommodations for these more vulnerable households
3. Encourage and expand policy permissions to enable additional dwelling and accessory units as per Bill 23 provisions while also continuing to encourage the development of purpose-built rentals as more permanent forms of rental accommodation.
4. Expand current policy provisions that support residential infill, adaptive reuse, and more compact forms of development to encourage the effective use of existing stock and infrastructure while supporting affordability.
5. Accommodate alternative and innovative housing forms within the policy framework to encourage a broader range of housing options in the community (e.g. RBL's, co-housing, tiny homes, home sharing, etc.).
6. Undertake necessary modifications to the Town's Official Plan as part of next review/ amendment cycle to effect policy changes, including those recommended under the Growth Management Strategy and staff's Bill 23 implementation recommendations.
7. Complete the necessary adjustments and housekeeping amendment to the Town's zoning bylaw to effect policy changes, including those recommended by staff under Bill 23 implementation.
8. Expand current Community Improvement Plan (CIP) provisions to include affordable housing and to establish related incentives as a means of encouraging new housing supply.
9. Evaluate and expand authorities for granting municipal incentives that will foster affordable housing development (e.g. fee waivers, development charge relief/deferrals, property tax relief, tax increment deferrals, Municipal Capital Facility authorities, etc.).
10. Explore and implement opportunities for streamlining the development approvals process, having regard for those obligations mandated by Bill 23.
11. Continue to encourage the best use of land/servicing resources through intensification and consider increasing the intensification target in the future as vacant land supply is absorbed.

12. Work with stakeholders and affordable housing proponents to help facilitate the readiness of lands suitable for housing development.
13. Continue to monitor and facilitate the staging of infrastructure in order to meet housing growth needs as they change over time.
14. Foster housing opportunities with and among community housing providers in order to encourage renewal, redevelopment and reinvestment in existing housing stock.
15. Promote the inclusion of accessibility, energy efficiency and climate resilience as preferred features in new housing development.

4.3 Considerations for the Affordable Housing Strategy

In developing the Affordable Housing Strategy, it will be important to consider the recommendations of this report. However, it will also be useful to consider some key success factors as part of that strategy development process. These include:

- Building on policy work completed to date and incorporating recommendations from the Town's GMS, CIP and Bill 23 implementation recommendations
- Establishing a vision & objectives to help guide the overall strategy and align it within the local policy framework
- Creating meaningful housing targets to help lead change where required, and monitoring these target as a means to measure progress
- Coordinating with the County of Renfrew on housing and policy matters, especially with regards to the actions set out in its Housing and Homelessness Plan
- Considering applying for HAF program funding to secure resources that will help the Town deliver on actions/initiatives in support of the Affordable Housing Strategy

Appendix 1: Glossary

General

Activity limitations: Refer to difficulties that people have in carrying out daily activities such as hearing, seeing, communicating, or walking. Difficulties could arise from physical or mental conditions or health problems.

Immigrant: Persons who are, or who have ever been, landed immigrants or permanent residents. This includes Canadian citizens by naturalization.

Labour Force: Consists of persons who contribute or are available to contribute to the production of goods and services, including all persons 15 years or over and excludes institutional residents.

Low-Income Threshold: From Statistics Canada, the low-income threshold is defined as the income below which a family is likely to spend 20 percentage points more of its income on food, shelter, and clothing than the average family.

Natural Growth: Represents the annual number of births less the annual deaths in a community.

Primary Household Maintainer: The person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Suitability: Refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard; that is, whether the dwelling has enough bedrooms for the size and composition of the household. A household is deemed to be living in suitable accommodations if its dwelling has enough bedrooms, as calculated using the National Occupancy Standard.

Household Size and Type

Small Households: Defined as households with one- or two-persons.

Large Household: Consist of any household with three or more persons.

Senior: Person who is aged 65 or older.

Senior Households: Households for which the primary household maintainer is aged 65 or over.

Specific Housing Types

Low-Rise Apartment: Refers to a multi-unit apartment structure with fewer than five storeys.

High-Rise Apartment: Refers to a multi-unit apartment structure with five or more storeys.

Special Needs Housing: Direct government funding and programs to help those with special needs. Includes support services, transitional housing, and emergency shelter

Housing Affordability Measures

Core Housing Need: Core housing need refers to whether a private household's housing falls below at least one of the indicator thresholds for housing adequacy, affordability, or suitability, and when that household would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (i.e. attains all three housing indicator thresholds). This measure differs from STIR, as this affordability threshold is limited to households who cannot afford to move to housing that is adequate and suitable without spending more than 30% of household income on shelter costs. Core housing need is considered a more complete measure for defining affordability as it assesses the adequacy, suitability, and affordability of housing.

Shelter-to-Income-Ratio (STIR): A commonly accepted benchmark for measuring affordability in the Canadian context is where a household spends no more than 30% of its gross household income on housing costs. This is referred to the shelter-cost-to-income ratio, or STIR, and is a key indicator of affordability. When a household is spending 30% or more on shelter costs, they are considered to be having affordability issues.

Appendix 2: Consultations Synopsis

Following are summary notes from each of the stakeholder consultations held during the Housing Needs Assessment Study

Stakeholder Session #1 - April 19th, 2023

Part 1 – 3:00 pm to 4:30 pm (Developer-oriented session)

- Some employees are moving because they can't afford to live in Arnprior i.e. younger age cohort and in the service industry
- Those earning in the \$30,000 to \$50,000 per year range are the target for making things more affordable
- There is a difference between attainable and affordable – especially in today's market
- The Peter Annis project was an example of more affordable housing but it relied on substantial government funding i.e. front loaded dollars/loans
- Government needs to address issues like this if it's going to make a dent in the problem
- Key ingredients include municipal land, P3's to leverage resources, provincial and federal programs plus the County/Town (e.g. use of local fee, DC waivers)
- Capitalize on the efficiency of P3 arrangements to leverage this
- Faith-based communities and churches are potential partner as they have land/assets and a common social mission
- Underwriting loans by the government would also help drive financing costs down
- Building to scale helps to achieve unit cost efficiencies but there may be some smaller projects that can achieve the right sweet spot i.e. 12 unit projects (different opinions voiced)
- Streamlined land use approvals and development approvals are required
- Provide subsidy for rents in the marketplace i.e. rent supplements
- Having mixed incomes in projects may help financial viability, although there are some questions if this can financially work
- Templating project designs can also streamline the pre-development work and provide for more standard costing
- Promoting secondary dwellings and increasing through gentle density per bill 23
- An example is the Stefanol(?) block where there was a \$5 million front load required to achieve a basic build, the injection of provincial or federal dollars was key

- Provide a product in the mid-market for those who can afford it, this would create room for those on the lower end as households move up to these mid-market options
- Households who would otherwise be able to afford home ownership are staying in the rental market, these 'holdovers' are competing for limited rental units, driving up rents
- The middle density market is more affordable and there is demand for this type of product
- There is a need to harness synergies, collaborate efforts and match benefits to increase their impact
- Unleash the potential and equity of the Community Housing stock (publicly-funded housing)
- Secondary suites - challenges with code issues, stress test for purchasers, landlord rules – maybe allow for rough-ins to accommodate second suite as owner can afford
- Unlocking equity is key and finding the right price point in the market to make the numbers work
- Parking standards in the town are an issue, and so are streamlining of approvals

Stakeholder Session #1 - April 19th, 2023

Part 2 – 6:00pm to 7:30pm (Community-oriented group)

- There are key challenges for first time buyers, need for education and capacity around being a homeowner and what it takes - providing additional assistance for them, ensuring they maintain sufficient operating dollars and a buffer to manage expenses
- Affordability is a priority, especially for seniors... there needs to be a willingness of developers to engage and participate in the affordable part of the market
- Use of the HART tool is starting to be adopted more and more nationally (just rolling out), what about using this locally to define specific needs/targets?
- Some questions linger about the effectiveness of the HART approach in a local context - while it does define targets, there are challenges with data gaps, how well it reflects the local market and with how tools get applied
- There is a desire for more integration among stakeholders, greater level of activity and use of available tools to help achieve outcomes i.e. inclusionary zoning
- In the case of tools and resources, there needs to be more sharing of information and greater collaboration... this is critical if we're going to succeed in addressing affordability
- First Baptist Church has lands and is looking to use these to help address affordable housing issues – want to know what to focus on, key client group

- Do people really understand the housing system and the different parts or elements within it? If there was more awareness, would the system be able to better respond to needs?
- How can we unleash the equity in existing homes? For example, seniors who are under-housed in single detached homes but may have few alternatives to downsize... would opportunities for home sharing help to capitalize on this residual capacity in the system?
- How can we incentivize and unlock equity like this, given that it is clearly underutilized?
- NORC's (naturally occurring retirement communities) are another approach in terms of focusing services and supporting aging in place... encouraging use of service nodes in areas where there are already concentrations of seniors

Stakeholder session #2 - June 14th 2023

All stakeholders

- Possibility that co-ops could help with affordability issues, generate more dollars
- Edging costs down while still maintaining quality is a key challenge
- Offering a no frills package, rent range in the \$1,900 to \$2,200 rent range
- Make unit sizes smaller but charge the same price per square foot (e.g. bachelor equals 440 square feet)
- Do more to lower development charges and environmental cleanups i.e. (brownfields)
- Include fee waivers, simplified the process and seek out preferred financing options that are easy and straight forward to use
- The engagement of CMHC is critical to make affordable initiatives work
- Federal programs are a necessary ingredient but need to be straightforward and easy to use, consider a template approach to help simplify things for proponents
- Key decision makers in government need to change how they approach this issue, they need to find ways to facilitate rather than create cumbersome processes
- Finding ways to incorporate special needs housing is also important - when we use that term we are using it as an umbrella definition to capture housing that supports or addresses those who have specific needs (i.e. the living environment they require is essential to their quality of life and/or the supports they receive on top of the bricks and mortar help them to live independently)
- Building at scale is another important factor as it drives down the cost per unit, how can we scale up developments to take advantage of this?
- Lands are available from faith-based communities and they have similar social mission

- Historical argument of whether to provide income support (e.g. rent supplements) versus building new supply - the latter being an investment in infrastructure for the future while the former is a PAYG philosophy that can cost more over time
- Providing or facilitating infrastructure is also an aspect worth exploring
- Extending roads, intensifying development, extending pipe servicing, reducing right of way standards, using shared parking are all typical measures
- Need to get buy-in and monitor to prove if these incentives actually work and result in affordability
- Modular building is also an emerging area as quality has improved dramatically and pricing is more competitive than it used to be
- Management of the building is also an issue as there are landlord disincentives due to tenant issues that make it more difficult to manage versus regular rental apartments
- Maybe consider options where RCHC is the manager but that development is done by the private sector (i.e. a turnkey arrangement for delivering new supply using the expertise in the private sector, plays to the strength of RCHC as a social landlord)
- For no frills development, there is a need to also reduce amenity space to help drive down costs and that is not currently permissible in zoning bylaw's
- Flexibility in zoning provisions is essential to create a more development friendly environment that can bring supply on-line sooner

Appendix 3: Programs and Initiatives

Following is a listing of various housing programs, tools, authorities and initiative from various levels of government that can be used to advance housing objectives. They may be used by municipalities or stakeholders, alone or in collaboration, depending on the provisions that govern them. The intent in providing this list is to broaden awareness of potential opportunities in the hope that local stakeholders may take advantage of these offerings.

Federal Government - Functions and Tools

National Housing Strategy (NHS):

- Rapid Housing Initiative (RHI)
- Housing Accelerator Fund (HAF)
- National Housing Co-investment fund (new, renewal and repair)
- Canada Greener Affordable Housing initiative (CGAH) - deep retrofits
- Federal Community Housing Initiative (renovation/retrofit assistance, subsidy assistance)
- Land/property (former SURFPHI)
- Indigenous housing initiatives
- Cost-shared programs with provinces and territories

Existing/other initiatives:

- SEED/Preservation Funding
- Rental Construction Financing Initiative (RCFI)
- Affordable Rental Innovation Fund
- Reaching Home (Homelessness strategy, former HPS)
- CMHC Mortgage Loan Insurance
- Research agenda (e.g. solution labs)
- Housing information and resources (e.g. open data)

Provincial Government - Functions and Tools

Co-funded programs under the National Housing Strategy:

- Ontario Priorities Housing Initiative (OPHI, former IAH) – geared to new development + assistance
- Canada-Ontario Community Housing Initiative (COCHI) – geared to renewal/repair of existing
- Canada-Ontario Housing Benefit – geared to individual households

Legislative tools:

- Planning Act
- Municipal Act
- Housing Services Act

Existing/other initiatives:

- Social Service Relief Funding (SSRF), one-time community/COVID funding
- Home For Good (supportive housing pilot)
- Homelessness (Homelessness Prevention Program – HPP, formerly CHPI)
- Infrastructure Ontario - financing
- Land/property (Ontario Realty Corp.)
- Ontario Health Teams (formerly Local Health Integration Networks - LHINs)
- Affiliated Ministry Initiatives (MOHLTC and MCSS)

Local/Regional Government - Functions and Tools

- Housing program delivery – *including Service Manager functions*
- Housing policy and system planning – *housing & homelessness planning, housing strategies*
- Regulatory tools – *zoning flexibility, 2nd suites, compact development, inclusionary zoning*
- Land – *surplus municipal lands or other public sector holdings*
- Property taxes – *new multi-residential class, equalization, reducing/waiving of taxes, incremental escalation/step-up on taxes for improved properties*
- Development fees and charges – *authority to reduce, waive or defer various charges*
- Development incentives – *capital facilities agreements, Community Benefit Charge agreements (former S. 37 agreements)*

Non-governmental Partners – Functions and Tools

Private developers:

- Turnkey developments
- Individual development agreements
- Community Benefit Agreements (former s.37 of Planning Act)
- Inclusionary zoning

Others:

- Community housing providers
- Support/service providers
- Public sector agencies (i.e. FCM and Green Fund - SAHP)
- Foundations, charities and not-for-profit organizations
- Faith-based communities
- Social impact investors