

10. SUMMARY OF FINDINGS AND CONCLUSIONS

This demand and supply analysis gives rise to a number of key findings and conclusions. These are outlined below.

- **Steady Growth in Housing Supply is Needed to Keep Pace with Population Growth**

The population of Niagara Region is growing, a pattern which is consistent with that experienced in most Ontario jurisdictions. Population increases over the next 15 years will be fuelled largely by in-migration, especially from the Hamilton and Toronto areas. This is attributed to strong pull factors in the form of a pleasant living environment and lower housing prices. The Niagara population is forecast to grow to 459,088 by 2018. This represents an increase of 48,514 (or 11.3%) from 2001. By 2018, 46.4% of the population will be 45 or older.

- **A Greater Range of Dwelling Types are Needed to Keep Pace with Changes in Household Type and Declines in Household Size**

Household growth in Niagara has, and will, exceed population growth. This is as a result of declining average household sizes. This trend has characterized demographics over the past 30 years and reflects both the aging of the population and the growth of non-family households. Additionally, the total fertility rate continues to decline, leading to smaller families and a decrease in the role of natural increases in total population growth.

Some 29,270 additional households are projected to live in Niagara by 2018. Population growth and smaller households will contribute to substantial rates of household growth in Pelham and Lincoln in particular. By contrast, a decline in the population will result in stable household numbers in Port Colborne. Also, limited population expansion in Niagara Falls, Thorold and Wainfleet will result in modest household growth. St. Catharines will remain the dominant market in the region with close to 70,000 household units.

- **Affordable Housing is Needed to Support the Economy by Providing Accommodation for the High Concentration of the Labour Force Working in Lower Paying Jobs**

A stable economic base combined with a positive growth environment (focused on availability of land and energy, agriculture, and a strong tourism sector) should lay the groundwork for continued prosperity in the region. Strong job growth, especially in tourism, is projected over the next decade. Such growth will bolster the need for additional affordable housing, particularly with a large increase in service sector occupations, which are traditionally lower paying than their manufacturing and

professional counterparts. Without the availability of affordable housing, employers may experience difficulty with the availability of workers to fill the large number of lower wage jobs.

- **Incomes Lagging Behind Provincial Average**

Incomes in Niagara Region showed healthy growth from 1996 to 2001 but still lagged behind the rest of Ontario. The median income in 2001 of \$47,224 was lower than the provincial average of \$53,626.

- **High Incidence of Low Income Among Single Households**

The incidence of low income households was of particular concern among singles at 34.5% as compared to 9.5% in family households. Low income households were most prevalent in the five cities and the Town of Fort Erie which all recorded double-digit incidences of this socio-economic indicator. Clearly, an expanded supply of affordable housing suited to low income singles is strongly needed.

- **Home Ownership A Strong and Growing Element of the Housing Market**

The value of home ownership, from an economic and health perspective, cannot be overstated. Indeed, the rate of ownership in Niagara increased from 1996 to 2001 and has likely continued to the present. Communities such as Wainfleet are characterized by very high rates of ownership while St. Catharines demonstrated the lowest. Still, two thirds of households in the Region's largest urban centre owned their homes. The mix of dwelling types has remained fairly stable since 1991 and is dominated by single detached houses, which contributed 70.3% of the stock in 2001.

- **The Price of Home Ownership Units Rising Steeply**

The price of ownership units has been rising steeply in recent years. This has likely been spurred on by two factors affecting demand. First among these has been a positive environment for ownership resulting from low interest rates and rising rental costs. For many higher income tenants, ownership (particularly in the resale market) has become a more viable option. Second is the additional pressure on demand created by in migration from the Toronto and Hamilton areas. This is especially true for the new home market as these households relocate to new developments into the western Niagara commutershed. There is concern that increases in mortgage interest rates could leave many moderate income owners in financial difficulty.

- **Limited Ownership Choices for Households of Modest Income, Especially in New Home Market**

For those households earning more than \$30,000, ownership is an option. Choices, however, may be limited to the resale market for those earning less than \$50,000. It would appear that there is very limited new housing available for the price of less than

\$172,000 that these households can afford. The average price of a new detached house in the CMA was \$231,000 in 2003 as compared to \$154,000 for a resale home. There has been very limited new construction of new apartments and townhouses which would provide a more affordable option.

- **Rental Housing an Important Option for Many**

For many families and most single and non-family households, rental tenure remains the most affordable and attractive option. Rental households declined to 26.0% of the market in 2001. Again, this likely reflects, more than anything else, the movement of higher income renters into the ownership market. Similar to the incidence of low income, rental tenure is highest in the five cities and Fort Erie -- ranging from 31.6% in St. Catharines to 21.3% in Thorold. Indeed, 40.4% of all rental units are located in St. Catharines, which, combined with Niagara Falls and Welland, represented three quarters of the rental stock.

- **The Number of Occupied Rental Units Has Declined**

In fact, the total number of rental households declined from 44,125 in 1996 to 42,210 in 2001. This may reflect a loss of rental stock in the form of demolitions, but can also be explained in the form of conversions. As well, some non-conventional rental dwellings, such as rented single detached homes and condominiums, may be changing to ownership tenure. The lack of virtually any new rental construction during this period also contributed to this total drop in the rental stock. Essentially, no additional units were added to counter these conversion and demolition activities.

- **Rental Vacancy Rates Improving, Largely Due to Movement to Home Ownership**

Rental vacancy rates have improved in recent years. Rates in the CMA peaked at 5.6% in 1996 and subsequently declined to 1.9% in 2001. In 2003 the 2.7% vacancy rate had begun to approach the “healthy” rate of 3.0% as defined by CMHC.

- **Rental Rates Have Risen Steadily**

Rental housing costs have been rising steadily in recent years. Overall, rents have grown by 18% over the seven years from 1996 to 2003. In October of 2003, the average rent for an apartment in the CMA stood at \$668. These ranged from \$434 for a bachelor unit to \$813 for a three bedroom apartment. Two bedroom units, the largest component of the market, stood at \$704.

- **Affordability Analysis Shows Households Below \$30,000 Income Have Limited Choices**

For many Niagara households homeownership is unattainable. This is particularly true for those earning less than \$30,000, which represented approximately 30% of the

population in 2001. For this group (with the general exception of seniors already living in a paid-for home), renting is the only viable option, as these incomes would only afford a home of less than \$105,000. For those below \$20,000 in income, and including households on social assistance, there are very limited options as this group can only afford rents of \$500 or less.

- **The Need for Rental Assistance Remains High**

Many of these households require rental assistance to make their shelter costs affordable at 30% or less of their gross household income. Indeed, there are presently 8,000 social housing units in the Region. These are operated by 83 different corporations. Still, this is insufficient to meet need. As of January 2004 there were 3,775 households on the waiting list for assisted housing. These included 1,518 families, 1,228 families and 1,029 seniors. The need for additional permanent affordable housing has been cited as the primary issue in several recent studies on homelessness and supportive housing.

- **About 1,600 New Units Needed Annually in the Region – About a Quarter Should be Rental**

Based on household projections to 2014 the region requires an additional 1,610 units on an annual basis. Of these, 488 units should be rental apartments at less than \$750 a month. Ideally, 60% of these would be available with some form of rental assistance or would be available at or below rents of \$500. These would likely only be achieved through the use of capital subsidies which would reduce the economic or “break even” rents on such developments. Similarly, a range of housing types for those with incomes above \$30,000 is required as well. In particular, those with incomes below \$50,000 are best served by medium and high density development such as condominium apartments and townhouses.

- **The Mix of New Housing Being Produced Does Not Match the Need**

Recent residential development in the Niagara region has been dominated by ownership and, in particular, single detached construction. Over the six year period from 1997 to 2002 there were only 160 rental units constructed. In addition to this shortage of overall rental units, there have been no new assisted units built since 1995. Additionally, while the overall level of new ownership housing being built is sufficient to meet projected requirements (averaging 1,557 starts over this six year period), there is a lack of lower priced townhouses and apartments to meet the demand of moderate

income households in the \$30,000 to \$50,000 range. Furthermore, with an average price of \$231,000 in 2003, single detached homes are also generally beyond the reach of households earning less than \$70,000.

- **Existing Housing is Older than Provincial Average but Well Maintained**

The Niagara housing stock displays a slightly older profile than that in Ontario as a whole (which has been heavily influenced by recent construction in the Greater Toronto Area). Port Colborne stands out in this respect as 60.5% of its units were built prior to 1961. Despite having a mature stock, the condition of units appears relatively good in comparison to the Province as a whole. Based on the Census, only 6.9% of units required major repairs in 2001. This compared favourably to 7.4% in Ontario as a whole.

The large stock of older homes does represent a supply of more affordable ownership units. However, many of these are more expensive to maintain and have higher energy costs than newer dwellings. Seniors on fixed incomes living in such units face particular difficulty holding on to such dwellings.

- **The Need for Emergency and Temporary Shelter is Exacerbated by the Lack of Permanent Affordable Housing**

Recent reports on homelessness ("Community Plan for Homelessness in Niagara report) concur that the need for emergency and temporary accommodation is exacerbated by the lack of permanent affordable housing. As of April 2001 there were 226 emergency shelter beds available. These were regularly filled and had to turn people away. Municipalities have also been using motel rooms as a stopgap measure. Clients of emergency and temporary shelter are characterized by a large number of individuals who are homeless or at risk of homelessness, as well as a large number suffering from mental health problems. In total it has been estimated that the Niagara Region requires an additional 500 to 2,500 beds and five sheltering facilities including a family shelter; a facility for refugees/new immigrants; a facility for women; a facility for men; a facility for youth; and a facility for aboriginals.

- **Aboriginal Persons Face Severe Shortage of Affordable Housing**

The need for an aboriginal facility is further supported by a 2002 report on native homelessness, which identified 1000 families and individuals requiring housing assistance. In particular, the report identified 528 households seeking accommodation.

- **Persons with Mental Health Challenges Face Shortage of Both Shelter and Support Services, Including Affordable Transportation**

The 2004 Niagara Mental Health Housing and Support Plan Update demonstrated an acute need for additional mental health housing spaces. At that time there were 188

available units. These fell far short of the Ministry of Health's recommended level of 736 units for the Region. Access to mental health supports, particularly for families of mental health consumers, is also identified as a key requirement. Furthermore, this report reiterated a sentiment (identified in the study on homelessness) that improved affordable transportation is required for many clients in need of supportive and/or emergency and temporary housing.

- **Housing for New Immigrants and Refugees an Urgent Need**

The growth in immigrant and refugee population in Niagara Region is placing additional pressures on the housing market, especially in view of the limited incomes of many of these individuals and families. Efforts are required to expand the supply of affordable housing to accommodate these households.

- **Additional Supportive Housing spaces are required to support a variety of LTC populations in Niagara**

The NDHC Community-Based LTC System Plan, 2004 indicated that most LTC services, including supportive housing are currently above or very close to service capacity. The majority of programs have indicated that they have stretched their resources to the limit. Many agencies continue to maintain wait lists, some of which are now experiencing increasing numbers and duration, while others have recently implemented wait lists for the first time.

Additionally, there is a lack of overall knowledge and understanding regarding LTC supportive housing programs. Enhancing awareness and information on the available continuum of housing for LTC populations and advancing co-ordination within and beyond the LTC sector would alleviate these concerns. It was recommended that a regionally co-ordinated central housing access centre be established where individuals can go to access supportive housing for seniors/specialized populations or connect to the broader community-based housing continuum. This second phase would follow the recent implementation of a Mental Health Central Housing Registry established in partnership with Niagara Regional Housing and CHAN.

A Long-Term Care Census of Central South/West Ontario: September 2003 conducted by the Central West Health Planning Information Network (CWHPIN) and the District Health Councils indicated that based on expected population growth and ageing, and in order to maintain current service levels that by 2016 the number of LTC supportive housing spaces would have to increase by 24% (from 526 in spaces in 2003 to roughly 652 spaces in 2016).

PART 2: HOUSING STRATEGY

11. INTRODUCING THE STRATEGY

11.1 Introduction

The overall purpose of the Niagara Region Housing Strategy is to develop a comprehensive community strategy for dealing effectively with the continuum of affordable housing needed across the region.

A range of housing issues faced by residents and their communities across the region was identified in *Part 1: Demand and Supply Analysis*. The strategy builds upon the findings of this analysis to recommend a series of targets, programs and action plans to help address these issues and meet current and future housing needs across the area.

11.2 Gaps in the Niagara Housing Market

Part 1 of this study concluded with a summary of the findings arising from the Demand and Supply Analysis. In order to develop a meaningful strategy for meeting the region's housing needs, it is important that these findings be organized into a series of shortfalls, or gaps, facing the Niagara housing market. Adopting a range of targets, programs and action plans to help fill these gaps becomes the main focus of the strategy.

Section 12 summarizes these key market gaps.

11.3 Impediments and Barriers Responsible for Identified Gaps

Section 12 of the report summarizes the major gaps facing the Niagara housing market. In order to develop meaningful approaches for addressing these gaps, it is critical that an understanding of the impediments and barriers responsible for these gaps be developed. Solutions can then be aimed at overcoming identified impediments and barriers in order to help fill identified gaps.

Section 13 explains the main impediments and barriers contributing to identified gaps in the Niagara housing market.

11.4 Overcoming Impediments and Barriers

Section 13 of the report describes the major impediments and barriers contributing to identified gaps in the Niagara housing market. It is recognized that many of these impediments are broad in scope and that their ultimate resolution requires extensive resources far beyond those available at the local level.

Nevertheless, it is also important to recognize that much can be achieved at the local level. There exist a range of “tools and opportunities” available to municipalities, housing providers (both private and non-profit) and other community partners that can be applied to help overcome impediments and barriers and fill housing market gaps. By developing a range of action plans taking advantage of these tools and opportunities, considerable progress can be made towards filling these gaps. Indeed, a number of these tools and opportunities have already been applied in Niagara region in the form of policies, programs and actions aimed at contributing toward meeting many key housing needs.

Section 14 outlines the main tools and opportunities available at the local level for overcoming impediments and barriers and recommends approaches for applying these tools and opportunities to help fill identified gaps. These approaches combine current initiatives with a set of additional recommendations.

11.5 Implementing the Strategy

As noted in Part 1 of this study, Niagara region is characterized by a host of diverse housing needs facing residents and their communities across the area. Successfully implementing this housing strategy requires an effective framework within which the multiple levels of government responsible for housing (local, regional, provincial and federal), housing providers, local agencies and the private market can work towards common goals.

Further, housing needs cannot be resolved in isolation of other closely linked issues such as transportation, income support and delivery of support services. Given its integral role in the lives of all individuals, housing should be viewed as an integral part of building healthy and sustainable communities in partnership with community agencies and the private market.

Section 15 of the report sets out a recommended framework for ensuring that an ongoing process is set in place through which linkages and partnerships are established and maintained to address such issues in a highly integrated, coordinated and effective manner.

12. GAPS IN THE NIAGARA HOUSING MARKET

In developing a set of recommendations aimed at filling identified gaps, it is important that there be a clear understanding of these gaps. At the same time, it is also important to prioritize those gaps that need the most urgent and immediate attention.

Section 10 of this report summarized the main findings and conclusions arising from the demand and supply analysis. Below we organize these into eight fundamental gaps in order of priority in terms of the urgency of the problem. These gaps become the focus of the recommended housing strategy.

12.1 Lack of Affordable Rental Housing

The demand and supply analysis showed that rental housing meets a number of important needs in the Niagara housing market and provides accommodation for about 42,000 households - 26% of all households living in the region. It is especially important as a source of accommodation for those many households of low and modest income facing few other options in the housing market. Indeed, 56.8% of all renter households had incomes below \$30,000 in 2001.

The current vacancy rate of 2.7%, while somewhat healthier than in previous years, is still below the 3.0% level which CMHC generally identifies as a market in balance. Perhaps more critically, the analysis shows that, as of 2001, some 45.2% of all tenants (approximately 19,000 households) were paying more than 30% of their income on housing, with 21.2% (approximately 9,000 households) paying more than 50%.

Data from Niagara Social Services found that 62.5% of Ontario Works recipients living in market rent accommodation are paying beyond their shelter allowance for rent. Among families with two children, the rate is 69.6%.

Further, while vacancy rates have increased slightly in recent years, the social housing waiting list has remained virtually unchanged at about 4,000 households for the past three years. This demonstrates the inability of the market to serve these needs. At the same time, while rent levels have been steadily growing in recent years (rents for bachelor, one bedroom, two bedroom and three bedroom apartments increased by 17.0%, 20.0%, 16.2% and 17.3% from 1996 to 2003), the incomes of households on social assistance and persons earning minimum wage remained unchanged for an eight year period until recent modest adjustments were announced by the new Ontario government.

Not only is the existing lack of affordable rental housing of major concern. The housing targets contained in this report indicate that approximately 400 additional rental units affordable by households with annual incomes below \$30,000 need to be added to the market annually across the region simply to keep pace with projected growth.

Clearly, the depth and extent of this problem leaves the lack of permanent affordable rental housing as the most widespread housing gap facing Niagara today. The almost total lack of new affordable rental production over the past decade, the lack of income subsidies such as rent supplement funding to help households meet rental costs and the cancellation of social housing supply programs in the 1990's has left many renter households facing affordability difficulties. It is likely that the situation will become worse without initiatives aimed at filling this gap.

12.2 Lack of Temporary and Transitional Housing

Consultations during the study found that transitional housing plays a key role in the housing market, especially in providing an important option for homeless individuals. Transitional housing provides an opportunity for individuals living in emergency shelters or other homeless and at-risk situations to move to a supported environment where they can achieve stability in their lives and eventually move on to permanent housing that meets their needs.

Yet, because of a lack of such accommodation in Niagara, persons being released from shelters often have nowhere to go and continually find themselves right back in the shelter or on the streets or in inappropriate situations (such as couch-surfing or overcrowded premises). This is especially the case for youth, who typically have few resources or alternatives.

At the same time, emergency and temporary shelter facilities often keep residents longer than necessary because there is a lack of transitional housing to which they can move. This places greater strain on these facilities and their staffs. Accordingly, emergency shelters often lack sufficient space and/or resources to meet the growing need.

Data on shelter usage show that it has increased substantially since 2001. The total number of clients has increased by some 144.4% since 2001 (from 1,278 to 3,123 in 2003). The largest increase is noted for females, increasing from 178 in 2001 to 572 in 2003, a 221.3% increase. A major contributor to this increase has been a large upswing in the number of refugees arriving in Niagara region with very limited financial resources (see Section 12.4)

A particular need is for temporary housing during the busy summer tourism season, when many seasonal workers come to the area to take on a variety of low-wage seasonal employment in sectors such as tourism (including horse racing at facilities such as Fort Erie) and agriculture.

While these findings reveal that more efforts are required to increase the supply of emergency and transitional housing in Niagara region, focus group participants stressed that the ultimate solution to this problem was to expand the supply of permanent

affordable rental housing in order to create more viable opportunities for individuals to find safe, secure and stable living environments within their financial means.

12.3 Lack of Supportive Housing

Similar to transitional housing, supportive housing plays an important role in the Niagara housing market. A variety of facilities and services provide much-needed accommodation to persons with special needs, particularly individuals with severe physical disabilities, developmental delays and mental illness.

Persons with development delays, mental illness and physical disabilities often live on Ontario Works and ODSP benefits and often cannot afford market rent units. Consultation during the study found that the growing range of these needs is outpacing the availability of spaces and services to meet these needs. Agencies also pointed out that, not only is accommodation needed, but support service funding needs to keep pace with the growth in demand in order to ensure needs are met in the future.

Key informants indicated that in addition to the creation and provision of affordable and adequate housing for persons with special needs, there is a major need to improve the transportation system in Niagara region. It was suggested that there are gaps in transportation networks that link rural communities with larger urban centres. This is mainly because larger urban centres contain most of the support services and special needs persons living in rural areas often have difficulty accessing these services due to the lack of well designed and functional transportation system in the region.

As detailed there are numerous gaps in housing for various client groups requiring specialized housing and supports. Key informants indicated that there is a major need to increase the supply of supportive housing for persons with development delays, mental illness and physical and mobility impairments. While numerous housing organizations exist in Niagara, there is still a need for an increased number of support services and units throughout the region.

As a result, support and funding is required from the province to ensure that there is an adequate supply of affordable housing and supports for these groups within Niagara Region. It should be noted that extensive local planning has been undertaken with recommendations made to MOH-LTC and provincial supportive housing policy and best practices already exist. Local strategies in this area should build on the work already carried out by the local agencies and the province.

Housing for persons with acquired brain injury and mental illness appears to be of concern in Niagara Region. Findings indicated that service providers were constantly at capacity with long waiting lists. Considerable efforts will be required to ensure that there are adequate housing and support services to enable individuals with mental illness to maintain a reasonable quality of life within the community.

In terms of persons with physical disabilities, it is clear that greater efforts are required to ensure new housing being provided across Niagara is accessible to all persons and adheres to the principles of universal design. This is a priority area with a current wait list of 123 households needing units adapted to the needs of persons with physical disabilities, an increase of 35% since April 2003. As noted earlier, many persons with physical disabilities obtain either ODSP or Ontario Works. As a result, for many of them the only housing option available is rent-geared-to-income housing, which is in short supply throughout the Region.

12.4 Housing for New Immigrants and Refugees

Niagara Region has an extremely high level of immigration, including a significant number of refugees. The immigrant population grew by 10,360 from 1991 to 2001. In terms of refugees, a review of refugees entering Canada at Fort Erie from April of 2003 through March of 2004 reveals that close one in four (or 982 refugees) were planning on staying in the Region of Niagara. Key informants have indicated that a high percentage of refugees end up seeking temporary/emergency shelter in Niagara, placing great pressure on the shelter system. This helps explain the major increase in shelter usage in recent years. Clearly, special efforts are needed to help cope with the ongoing shortage of affordable housing for new immigrants in Niagara.

12.5 Lack of Diversity in Housing Supply

In recent years, the development industry has responded almost exclusively to the demand for single detached ownership housing in Niagara, with virtually no new multiple construction. Indeed, only 16% of new starts in 2003 were multi-residential units (townhouses or apartments). Further, only 2% of new starts since 1995 have been rental units. In order to ensure that an appropriate mix of housing types is provided to meet current needs and projected population growth, additional medium and high density development needs to be part of the equation.

This narrowing of housing types is occurring despite a growing diversity of household types and sizes. Indeed, largely due to the aging of the population and declining birth rates, Niagara is witnessing a rapid decline in household size, giving rise to a growing demand for smaller units. The housing market, however, is not responding appropriately.

Given these trends, additional apartment and townhouse development, including a mix of both rental and ownership tenure, is critical. Such housing provides a lower cost alternative to single detached, while its size and maintenance requirements are more appropriate to smaller and senior households. Additionally, housing consumers will benefit with a wider range of options. Adequate supply ensures that costs do not become inflated and that there is sufficient access to suitable accommodation for various household types and sizes.

At the same time, focus group participants emphasized the diversity in the geographic, demographic and economic characteristics of the various communities across Niagara. This diversity is borne out by many of the statistics contained in the Demand and Supply Analysis. The housing strategy must set in place a framework for ensuring this diversity is strongly recognized in housing policies and programs.

12.6 Lack of Housing Options for Seniors

Niagara region has a greater percentage of seniors population than the Province as a whole and this segment of the population is expected to increase significantly over time. The area, in fact, is a major attractor of retiring singles and couples from elsewhere in Ontario (especially the GTA) and beyond. Key informants point to a number of concerns among seniors: the need for affordable housing for those on low and fixed incomes; the need for accessible units; the need for a range of accommodation and support service options for seniors with differing needs; and a lack of alternative accommodation to allow rural seniors to stay in their community.

Seniors housing comes in a variety of types along a continuum, including private, subsidized seniors housing, supportive housing, and so on. A strong emphasis should be placed on providing a wide variety of housing and supports for seniors of all income levels across the Region.

12.7 Aboriginal Homelessness

The Niagara Regional Native Centre Homelessness project of 2002 identified more than 1,000 Aboriginal families and individuals requiring housing assistance. These included affordable permanent housing, transitional housing and emergency services. More specifically the report identified the need for: rent assistance; transitional housing for women and children; emergency shelter for families and women; a seniors residence; and safe, affordable housing for aboriginal families and single male parents.

The report indicated that one time assistance was available for households facing homelessness, eviction, poverty, overcrowding and inadequate accommodations and conditions. Additionally, at the time of the report there were two native housing providers in the Region: Oounuhseh – Niagara Native Homes with 32 units in St. Catharines and Ganawageh Urban Homes which operated 101 units in Fort Erie. These projects reported waiting lists of 32 and 260 units respectively.

The report identified a total of 528 households seeking accommodation. The Aboriginal client group was characterized by a large number of persons under 14. This was consistent with native population as a whole in Canada where 50% are under the age of 25. Indeed there was evidence of a shift to larger families of three or more children in

need as well as more single men with children. Nonetheless, the majority of these households were comprised of single women with children.

The overall need among native households was bolstered by in-migration of individuals and families from outside the region. These included those who had come from the Six Nations -- either for an education or to remove themselves from a poor housing situation. There were also a notable number of households who had come from the Niagara Falls and Buffalo areas in search of employment.

Clearly, strong steps are needed to address the needs of this growing segment of the Niagara population.

12.8 Lack of Affordable Home Ownership Units

The housing assessment showed the importance of home ownership in the Niagara housing market. Home ownership has been increasing in recent years, primarily due to declines in mortgage rates. However, the assessment also demonstrated that the cost of ownership housing is out of reach of many households in Niagara. There are also concerns that, should mortgage rates increase to previous levels, many homeowners of modest income may experience financial difficulty and have trouble hanging on to their homes.

Given the many advantages of home ownership for individual households and the community as a whole, the lack of production of new modestly-priced ownership units is a major gap in the housing market. Initiatives are needed to address this important need.

12.9 Need for a More Integrated Planning Process Among Community Groups

While not specifically a housing issue, other key issues which have considerable impact on meeting housing needs include the lack of public transportation, income support and the provision of support services and an integrated, coordinated approach.

It was identified during our consultation that the lack of transportation is of particular concern in more rural communities, as this limits the housing options for lower income households living in such areas. Thus, recommended actions which strengthen linkages between transportation planning and the provision of affordable housing are needed to help fill these gaps.

In addition, it was found that median incomes are noticeably lower than Ontario as a whole. In 2001, Niagara region median household incomes were \$47,224 – well below the Ontario figure of \$53,626. Niagara region incomes lost ground to Ontario as a whole from 1996 to 2001, as they grew by Only 15.0% compared to overall Ontario

income growth of 18.8%. Further, a total of 30.3% of all households had incomes below \$30,000 in 2001. As shown by data on percentage of income being paid on rent and data on the social housing waiting list, many of these households are facing severe affordability problems. Clearly, it is of critical importance that initiatives aimed at addressing housing needs be linked to efforts to increase household incomes and improve the financial capabilities of residents in need.

Similarly, a variety of agencies provide a range of support services to individuals and families with a variety of special needs. These supports are often crucial to enable these residents to live independently and to meet the requirements of day-to-day living. Given funding cutbacks for many of these services over the past decade, the ability of agencies to continue to provide the needed levels of service is under severe pressure. It is crucial, therefore, that initiatives aimed at filling gaps in the Niagara housing market include efforts to strengthen the capacity for delivery of key support services across the area.

Given its integral role in the lives of all individuals, housing should be viewed as an integral part of building healthy and sustainable communities in partnership with community agencies and the private market. Thus, action plans which strengthen linkages between transportation planning, income support initiatives, expansion of support services and the provision of various forms of affordable housing are needed to help fill these gaps as well.

In particular, stakeholders have identified that there is a need to utilize this opportunity to develop an overall integrated housing strategy for Niagara that incorporates newly identified issues with previously existing strategies across the entire housing continuum to create a consolidated common housing framework. In particular:

- Community Plan for Homelessness in Niagara
- Addressing the Aboriginal Homelessness Needs in Niagara Region
- Mental Health Housing Strategy (Niagara District Health Council, 1999, 2002 and 2004)
- Community-Based LTC Multi-Year Plan (NDHC 2004) A Long-Term Care Census of Central South/West Ontario: September 24, 2003. (Central West Health Planning Information Network, 2004)
- “Climbing Up” A Living Wage, Sustainable Income for Niagara
- Niagara Building an Economically Healthy, Sustainable and Responsible Community
- Confronting the Jobs Challenge: A Niagara Human Resources Strategy
- Niagara Funder’s Alliance
- Smarter Niagara Incentive Programs: Local and Regional Partnerships
- Public Transportation Strategies

Wherever possible, these initiatives have been integrated into the action plan identified in section 14. In addition, the framework for implementation outlined in section 15

further describes how community organizations could be involved in the implementation of the housing strategy.

13. IMPEDIMENTS AND BARRIERS RESPONSIBLE FOR IDENTIFIED GAPS

Section 12 of the report summarizes the major gaps facing the Niagara housing market. In order to develop meaningful approaches for addressing these gaps, it is critical that an understanding of the impediments and barriers responsible for these gaps be developed. Solutions can then be aimed at overcoming identified impediments and barriers in order to help fill identified gaps. This section explains the main impediments and barriers contributing to identified gaps in the Niagara housing market.

13.1 Affordable Rental Housing

The primary reason for the lack of development of private market, affordable housing over the past 20 years is the high cost of development itself, which leads to a lack of profitability. It simply has not been profitable for developers to build private lower end housing, given the high costs of development versus the level of rents or selling prices achievable in the market. Below we illustrate this observation for a typical 40 unit rental apartment building.

- **Hypothetical 40 Unit Rental Apartment**

We have estimated development costs for a hypothetical 40 unit rental apartment building in the Town of West Lincoln. These costs have been determined through consultation with private developers currently active in the development industry. While there may be minor differences from area to area within Niagara region, the figures would be fairly similar for all areas.

These costs are hypothetical and are provided here for illustration purposes only. Precise development costs vary from project to project, depending on a wide range of variables such as land costs, servicing, unit sizes, unit finishes, etc. We have assumed a modest level of finishes and modest unit sizes to maintain affordability. Total floor area is estimated at 35,000 sq. ft. with above ground parking and construction costs of \$100 per sq. ft.

The following Table highlights the costs associated with developing new rental housing. The results show that cost reductions are required in order to produce rental housing at a level affordable by households of low and moderate income in Niagara region. As seen in the following Table, this cannot be done by reducing one particular element, but rather would require changes to a variety of variables.

A Housing Strategy for the Niagara Community Prepared for Niagara Regional Housing

The per square foot hard construction costs are considered representative of typical projects of this nature. Hard costs generally include the cost of building the footings and foundations, the walls, the roof, doors and windows, stairwells, drywall unit interiors, kitchens and bathrooms, heating and air conditioning systems, etc.

Similarly, site servicing and soft costs have been taken from information provided by local developers and municipal staff. Site servicing costs generally include bringing sewer, water and hydro services onto the site, excavating, grading, landscaping and surface parking and paving. Soft costs include professional services such as architecture, planning and legal; construction financing costs; technical studies such as storm water management, soils tests, environmental tests, parking, traffic, etc.; insurance; appraisals; GST, PST, etc.

CMHC also charges a fee for mortgage insurance in the form of mortgage insurance premium. This fee is calculated on a sliding scale depending on the nature of the development and can range up to 5.5% of the mortgage amount. It is assumed the developer provides equity of 25% of the total project cost.

Table 1: Estimated Development Costs – 40 Unit Apartment Development

Development Activity	Estimated Costs (Total)	Estimated Costs (Per Unit)	% of Total Cost
Land Costs			
Land Cost	\$350,000	\$8,750	7.23%
Realty Taxes During Construction	12,000	300	0.25%
Land Transfer Tax (.5% on \$55,000 plus 1% on balance)	3,225	80	0.07%
Land Legal Fees/Closing	2,000	50	0.04%
Offsite Services/Connections (\$1,080 Sewer Connection Sanitary , \$1,080 Sewer Connection Storm, \$3,180 Hot Water/Steam Heating connection, \$20,000 Hydro service connection)	25,340	634	0.52%
Land Survey	1,500	38	0.03%
Hard Costs			
Construction Cost (\$100/sq. ft. X 35,000 sq. ft.)	3,500,000	87,500	72.30%
Construction Contingency (3% of construction cost)	105,000	2,625	2.17%
Appliances (\$1,000/unit X 40 units plus 1 pair laundry)	42,000	1,050	0.87%
Furnishings (furniture & fixtures for lobby and common areas)	3,000	75	0.06%
Soft Costs			
Architect Fees and Disbursements (5% of construction costs plus GST)	187,250	4,681	3.86%
Landscape Architect Fees and Disbursements	3,000	75	0.06%
Quantity Surveyor Fees and Disbursements	20,000	500	0.41%
Environmental Assessment	2,000	50	0.04%
Soils Tests	3,000	75	0.06%
Traffic, Parking Studies	4,000	100	0.08%
Development Charges (Regional + Local)	202,760	5,069	4.19%
Building Permit Fees	17,500	437	0.36%
Other municipal charges	4,000	100	0.08%
Parkland Dedication Fee (5% of land value)	17,500	437	0.36%
Owner Insurance During Construction	6,000	150	0.12%
Marketing/Administration Costs	15,000	375	0.31%

Table 1: Estimated Development Costs – 40 Unit Apartment Development

Development Activity	Estimated Costs (Total)	Estimated Costs (Per Unit)	% of Total Cost
Legal Fees/Borrower	20,000	500	0.41%
Interest on Construction Loan	80,000	2,000	1.65%
CMHC Premium and PST (4.35% of mortgage financing plus PST)	165,000	4,125	3.41%
Financing Commitment Fee	20,000	500	0.41%
Financing Legal and Other Fees	15,000	375	0.31%
CMHC Application Fee (\$200 per unit)	8,000	200	0.17%
CMHC Draw Processing Fee	2,450	61	0.05%
Appraisal (GST Fair Market)	4,000	100	0.08%
Total Development Costs	\$4,840,525	\$121,013	100.0%

Discussions with lenders indicate that an equity contribution of 25% will normally be required from the developer in order to qualify for mortgage financing. In the above example, this equals \$1,210,131 and leaves a mortgage amount of \$3,630,393.

Applying current mortgage rates (5% amortized over 25 years) yields a monthly mortgage payment of approximately \$20,900, or \$523 per unit per month. There are also monthly operating costs which must be paid for such items as utilities, insurance, maintenance and repair, property management, capital reserve fund, property taxes, etc. In a community such as the Town of West Lincoln, these typically total about \$350 per unit per month. Discussions with developers also find that they typically require a profit margin of at least 10% of their equity contribution per year in order for the development to be considered financially viable, which, in this case, would total \$121,013 or \$252 per unit per month.

Totalling all of the above costs equals an average rent requirement of **\$1,125** per unit per month. Applying a guideline of 30% of household income on rent finds that a household income of \$45,000 would be required in order to be able to afford an average unit in the building. These rents are well beyond the average market rents in the area and well out of reach of most households in need of affordable rental housing.

Accordingly, in order to provide affordable rental housing, there is a need for incentives to reduce costs, resulting in rents at more affordable levels.

- **Operating Costs and Property Tax**

A major contributor driving up rents in many areas is the local property tax on multiple rental housing. This is a problem common to many municipalities in Ontario and has been well documented in several studies, most recently the Provincial Housing Supply Working Group. Multi-residential rental housing in most Ontario communities is taxed at a much higher rate than ownership housing. Different taxation rates in a number of Ontario municipalities are shown below.

Table 2: Ratio of Multi-Residential to Residential Tax Rates, 2000

Municipality	Ratio of Multi-Residential to Residential Tax Rate
Toronto	5.079
Hamilton	3.079
London	2.382
Ottawa	2.317
Sudbury	1.957

Source: Affordable Rental Housing Supply, May 2001 and Municipal Finance Department:

The Table below illustrates the current multi-residential and residential tax rates and the ratio of the multi-residential rate to the residential rate for Niagara region local municipalities. As shown, there is an opportunity for all the local municipalities to make rental housing more affordable by equalizing the multi-residential tax rate to that of the residential tax rate.

Table 3: Region of Niagara Multi Residential and Residential Tax Rates for 2003 (Obtained through March 2004)

Municipality	Multi-Residential Tax Rate	Residential Tax Rate	Ratio of Multi-Residential to Residential Tax Rate
Regional Municipality of Niagara	1.805848 (includes department, police and education)	1.070423 (includes department, police and education)	1.687041
City of Niagara Falls	3.092704	1.713850	1.804535
City of St.Catharines	General 2.897220 Urban 3.169362 + Waste Management \$873.80	General 1.616109 Urban 1.747174 + Waste Management \$182.30	General 1.7927132 Urban 1.8139933
Town of Fort Erie	2.949198	1.642098	1.795993
City of Port Colborne	With storm sewer 3.336501 Without storm sewer - 3.309903	With storm sewer 1.835750 Without storm sewer 1.822451	With storm sewer 1.817513 Without storm sewer 1.8161821
Township of Wainfleet	3.218217	1.776607	1.811440
Township of West Lincoln	Urban: 2.9974780 Rural: 2.7947630	Urban: 1.6662386 Rural: 1.5648810	Urban: 1.7989488 Rural: 1.7859268
Town of Pelham	2.766294	1.550645	1.7839634
City of Welland	Sewer Rate: 3.873732 Non-Sewer Rate: 3.709128	Sewer Rate: 2.104365 Non-sewer Rate: 2.022063	Sewer Rate: 1.840808 Non-sewer Rate: 1.834328
City of Thorold	Rural – 1.733411 Urban – 3.131824	Rural – 1.613555 Urban – 1.733411	Rural - 1.0742807 Urban – 1.8067405
Town of Niagara on the Lake	2.360517	1.366758	1.7270921
Town of Lincoln	2.804867	1.569932	1.7866168
Town of Grimsby	3.010751	1.672874	1.799747

Source: Various Municipal Tax Departments, March 2004

- **Development Charges and Fees**

In Appendix 10, we show the development charges in the municipalities of Niagara region. For an apartment unit these charges range from \$544 per unit in St. Catharines to \$3,169 in West Lincoln, plus a Niagara Region charge of \$1,900. While these fees and charges generate important revenues to assist municipalities in providing important community infrastructure and facilities, they also contribute to increasing housing costs, especially for rental accommodation. Measures that would reduce the impact of development charges on rental housing costs would also improve affordability.

- **Demolition and Conversion of Existing Rental Housing**

The Demand and Supply Analysis pointed out that there has been some demolition and conversion activity which has eliminated some existing affordable rental housing. Given the significant need for such accommodation in Niagara, the preservation of existing affordable rental stock is as important as building new supply.

An impediment to the preservation of existing rental housing occurred when the previous Provincial Government repealed the Rental Housing Protection Act shortly after taking office. Some municipalities are examining new and innovative applications of municipal regulatory powers, such as use of the Official Plan, in order to overcome this impediment and strengthen their capability to preserve this important source of affordable housing.

Other impediments and barriers to the provision of affordable rental housing include:

- The termination of social housing supply programs has left the supply of such units virtually unchanged for a decade, while demand continues to grow.
- Increases in day-to-day operating costs of rental housing due to rising costs of utilities, insurance and other cost components have contributed to steadily increasing rent levels.
- Increases in land costs have given rise to a lack of sites suitable for the development of affordable rental housing.
- Federal taxation measures have discouraged expansion of rental housing.
- Public resistance to affordable rental housing in some areas has discouraged its development.
- Barriers to the creation of second suites in some areas are discouraging the expansion of this form of affordable housing.

By adopting measures to help overcome these impediments and barriers, improvements in the availability of affordable rental housing can be achieved.

13.2 Lack of Temporary and Transitional Housing

There are a number of impediments to the provision of more temporary and transitional housing to meet the needs identified in this report. The following have been identified as the main barriers that need to be overcome:

- Transitional housing is a specialized form of accommodation with supports that requires both capital and operating subsidies from government to be sustainable. The termination of social housing supply programs and cuts in support service funding over the past decade have made it extremely difficult to develop and operate transitional housing facilities.
- The short-term horizon of the Federal SCPI Program (Supporting Communities Partnership Initiatives) has made it difficult to utilize these funds to establish and operate emergency and transitional housing facilities.
- A changing array of funding programs has made it difficult for local agencies to understand the range of available supports and the process for accessing funding.

13.3 Lack of Supportive Housing

The impediments and barriers to the expansion of supportive housing mirror closely those identified above for temporary and transitional housing. In particular, supportive housing for various special needs groups depends heavily on the availability of strong ongoing funding support for the delivery of services from government, especially at the federal and provincial levels. In view of the steady funding cuts witnessed over the past decade to many areas of support service, local agencies must both pursue approaches for making cost-effective use of local resources and must also advocate for better funding support at all levels in order to overcome these barriers.

13.4 Housing for New Immigrants and Refugees

As noted in the demand and supply report, given its location adjacent to the U.S. border, Niagara encounters high levels of immigrants and refugees seeking both temporary and permanent shelter in the region. Many of these individuals have few resources and need a variety of supports, including access to temporary, transitional and permanent affordable housing. The impediments and barriers facing the provision of such housing are essentially those discussed in the above sections. Other barriers are linked to such issues as income support, skills development, language training and senior government immigration policy.

13.5 Lack of Diversity in Housing Supply

A number of impediments and barriers to the provision of a more diverse supply of housing have been identified. Principal among these are the following:

- Many local private sector developers are unfamiliar with the range of housing needs in Niagara.
- Lack of financial feasibility discourages the provision of a greater range of affordable housing types.
- Community opposition can discourage housing providers from developing a variety of housing types.
- The termination of social housing supply programs has left the supply of such units virtually unchanged for a decade, while demand continues to grow.
- Federal taxation measures have discouraged expansion of rental housing.

Another potential barrier to the provision of affordable housing often encountered in many areas is comprised of official plans and zoning bylaws. In some cases these can present a variety of obstacles to affordable housing, while in others they can be highly supportive and encouraging. Below we briefly comment on official plans and zoning bylaws in Niagara to determine whether they present any significant impediments and barriers for affordable housing.

- **Regional Official Plan**

The Region's Official Plan includes a wide range of strategies for creating additional affordable housing as follows:

- designate at least a ten year supply of land for residential and other uses at all times in its Policy Plan
- maintain a continuous three-year supply of a combination of draft approved and/or registered vacant residential lots and blocks in an appropriate range of types and sizes
- prepare housing projections
- plan for adequate water and sewage services
- give preference to affordable housing when the servicing capacity for new residential development is limited
- review, in cooperation with the municipalities, the status of all draft approved subdivision plans and, where considered necessary to provide a supply of sites suitable for affordable housing, require modifications to the plans
- expect that each local municipality will, in its own official plan and zoning regulations:

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- designate and zone for a range of housing types, including sites for a minimum of twenty five percent of all potential units to be suitable for affordable types and tenure of housing
- distribute the range of housing types
- provide direction on the timing of development areas so that the sites for affordable types of housing are approved concurrently or in advance of others
- take into account the Provinces Policy Statement on Land Use Planning for Housing in its review process for any planning documents and encourage the provision of sites for a minimum of twenty five percent of potential new housing units to be suitable for affordable housing. The sites provided for affordable housing should attempt to:
 - provide a variety of housing types which could create new affordable units for a reasonable proportion of household types
 - meet the housing needs of people with a range of income levels below the 60th percentile
 - provide sites suitable for assisted housing
- require that for each subdivision application information indicate how the minimum of twenty five percent affordable requirement will be met within the municipality involved
- expect and encourage and assist each local municipality to identify means to increase the supply of housing within existing communities by such means as designating areas in the Official Plan for various forms of increased density
- support, together with local municipalities, the non-profit housing agencies as well as the private sector in building dwelling units for lower and modest income households, physically challenged individuals, and other special needs groups
- to assist the non-profit housing sector and to further streamline the approvals process for applications submitted by this sector, the Region will provide information and, where appropriate, technical advice
- prepare, in conjunction with appropriate agencies, an inventory identifying acceptable zones/locations for sponsored housing and non-profit housing projects
- support efforts by local municipalities to maintain and improve their existing housing through full use of Federal and Provincial funding programs developed for these purposes
- not support the conversion of rental accommodation to condominium ownership where, in its opinion, the proposal will adversely affect the supply of affordable rental housing. A vacancy rate of three per cent or more in rental accommodation is considered desirable
 - support the continued operation of the Advisory Housing Committee with representatives from interested organizations. A major role for that Committee will be to contribute information for, and to review, the annual monitoring report and to suggest any policy changes which they think are appropriate

Rather than presenting barriers, the above provisions in the Region's Official Plan are among the most comprehensive and appropriate we have encountered in Ontario and

offer great support for a wide-ranging set of affordable housing strategies. Perhaps the only area in need of some attention is updating the provisions regarding the Provincial Planning Policy on Land Use Planning for Housing, as this policy is no longer in effect.

- **Local Municipal Official Plans and Zoning Bylaws**

St. Catharines

The *Official Plan* for St. Catharines reflects policies derived from the Provincial Housing Policy Statement of the early 1990's. These include references to affordability targets and alternative development standards to promote more affordable construction and alternative forms of housing. General policies refer to ensuring an adequate supply of land, identifying potential sites and supporting intensification. The conversion of rental housing is to be allowed only when it does not adversely affect the supply of rental units. This is to be determined based on vacancy rates, consistent with the policies identified in the Rental Housing Protection Act of the early 1990's.

Accessory apartments are allowed as of right, provided that certain planning concerns, such as amenity areas and adequate parking are addressed. Garden suites for elderly, disabled and sick occupants are allowed through amendments to the zoning by-law through a temporary use order and an agreement with the City concerning occupancy and renewal. Garden suites are also subject to planning concerns such as lot size, parking, services and compatibility.

The Plan calls for the monitoring of the housing market and such key indicators as: supply of land; vacancy rates; costs; and income distribution. Staff are to advise Council on opportunities and provincial targets during review of proposals. Higher density housing is to be encouraged downtown, as will commercial-residential combinations and the maintenance of existing stock in these areas. Adjusted standards for recreation amenity space will be established for high-density developments.

The *Zoning By-law* outlines additional policies for conversions of single residential units. These units are to be a minimum of 1,200 sq. ft. with a minimum apartment size of 500 sq. ft. In R2 zones, these conversions will be limited to a maximum of 4 units with a minimum lot size of 3,000 sq. ft. Group homes are allowed in all neighbourhoods provided a 300 m separation with other facilities.

Niagara Falls

The *Official Plan* for Niagara Falls calls for the provision of dwelling units catering to a wide range of households including singles, semi-detached, townhouses and apartments, of both rental and ownership tenure. Varieties of housing types will not be mixed indiscriminately. The housing stock is to be affordable, accessible, adequate and appropriate to a full range of households.

The Plan calls for a monitoring function which tracks: supply; opportunities for intensification and renewal; monitoring of provincial programs; and maintaining a 10 year supply of residential land, along with a three year supply of registered and draft approved plans of subdivision (consistent with original Housing Policy Statement). As per the Statement, Secondary Plans will contain a mix of densities and types so that 25% of units will be affordable. Similarly 25% of new housing, established through either new development or residential intensification, in Community Planning Districts will be affordable.

Overall, the Plan encourages appropriate development through smaller lot sizes, intense use of residential land, consolidation of higher density projects, minor increases in height and densities for affordable units, subsidized housing and residential use above commercial. Proposals of conversion of non-residential buildings to residential will be based on evaluation of the site. Services, parking, green space, compatibility, and age and condition of the building will be considered in the evaluation of such proposals.

A Plan provision allowing accessory apartments in all areas, providing typical planning concerns are met, has been deferred under the Planning Act. Rooming, boarding and lodging houses are permitted provided typical planning concerns over services, green space and compatibility are met. These should also have access to public transit and commercial districts. Group homes are allowed as per Niagara Policy Plan in all zones, provided lot allows parking, green space and amenity area. These must be registered with the City and have suitable separation from other facilities.

The Plan identifies a number of tools to assist in the development of a suitable mix of housing. These include: promoting a range in types of units and size of lots; conversion of under-utilized properties to higher density; discouraging downzoning when there is an impact on affordable housing; surplus lands for non-profit housing; and discouraging demolition of rental units when vacancy rates fall below 3%.

The *Zoning Bylaw* provides additional guidelines for conversion of an existing dwelling. The existing unit must be a minimum of 55 sq. m, and one unit is allowed per 155 sq. m. of lot area. Group homes require a minimum 350 m separation from other facilities. In Single detached zones the dwelling must be a minimum of 80 sq. m. in area. Semi-detached or duplex dwellings must be a minimum of 55 sq. m. in size.

Port Colborne

The Port Colborne *Official Plan* calls for a three year supply of registered and draft approved land, along with a 10 year supply of land designated for housing, consistent with the old Housing Statement. The Plan also discourages downzoning, while encouraging maintenance and rehabilitation of the existing stock and supporting residential intensification. Rental conversion will only be supported when it will not affect the supply of rental housing, when vacancy rates are 3% or higher.

Overall, the Plan seeks to encourage a range of tenure and types including housing for special interests, the aged, the challenged and single parents. The Plan refers to targets outlined in the Municipal Housing Statement. A minimum of 25% of new development is to be affordable. This is to be achieved through the preparation of Secondary Plans, specific locations, large proposals and the use of Holding Zones

The Plan seeks to encourage residential units in combination with commercial development, infill, redevelopment, and accessory apartments in developed neighbourhoods. The municipality is to review their housing needs from time to time and monitor their housing policies with respect to affordability and targets.

Fort Erie

The *Official Plan* for Fort Erie seeks to encourage a broad range of housing types. This is to be done through a number of means, including: the stimulation of medium density apartment and townhouse development; encouraging subsidized housing based on need; promoting rehabilitation and redevelopment to produce desirable and affordable units; encouraging conversion of large residences and vacant non-residential land; encouraging energy awareness; monitoring the market; providing a 10 year supply of residential land; discouraging downzoning and rezoning from residential; and encouraging the provision of affordable housing.

The *Zoning By-law* allows group homes for up to 6 individuals in single detached zones, and eight individuals in multiple zones. There is to be a minimum 450 m. separation between facilities in residential zones, and 1,525 m. in agricultural and rural zones.

Thorold

The *Official Plan* for Thorold seeks to provide an adequate supply of housing by type, tenure and affordability. Policies include the provision of a 20 year supply of vacant land, a 10 year supply of designated land, and a three year supply of lots and blocks in registered and draft approved plans. Consistent with the old Housing Statement, a minimum of 25% of new development is to be affordable based on the 60th percentile income.

The Plan also aims to facilitate sites for assisted housing and discourage conversion of rental housing when vacancy rates are below 3%. The City will also monitor: residential development by type; affordability; land; vacancy rates; prices; and servicing. The City will encourage both designs and standards to ensure affordability and compact development, and innovative planning and engineering measures to reduce costs.

The conversion of single detached is permitted. Group Homes are permitted providing adequate separation, compatibility, licensing and accessibility to medical and educational facilities.

The *Zoning By-law* allows a maximum of three units in a converted dwelling. Group homes are limited to 6 individuals in single zones and eight individuals in multiple. There is to be a minimum 458 m. separation between facilities.

Welland

The *Zoning By-law* allows Group Homes of 3 to 10 persons in multiple residential zones. Conversions of single detached are allowed multiple zones only, with a minimum unit size of 55 sq. m.

Wainfleet

The *Official Plan* for Wainfleet calls for a 10 year supply of residential land and encourages innovative forms to assist in the provision of affordable housing. Specific tools such as residential intensification, infill, conversions and redevelopment will be encouraged to the extent practical, as will standards to reduce housing costs.

Garden suites, either mobile or modular units may be permitted under a Temporary Use By-law and an agreement with Council specifying its use and term. Group home applications will be reviewed with respect to need and whether the community has its' fair share of facilities already.

The *Zoning By-law* contains specific provisions for rooming houses of three or more persons and group homes for six to eight persons. The latter require separations of 457 m in residential zones, and 1.6 km in agricultural zones.

Pelham

The *Official Plan* for Pelham calls for a sufficient number and variety of dwellings to satisfy existing and future residents, commensurate with financial and servicing capabilities. The Town will: consult with senior governments; improve choices for moderate-income families; promote non-profit housing for seniors; and produce an annual housing statement.

The Plan for Pelham permits Group homes of 3 to 10 persons wherever residential uses are allowed. Halfway houses require a zoning by-law amendment and will be reviewed based on need and the rural character of the community. Group homes require a 460 m. separation in Fonthill, and 1 km elsewhere. Granny flats may be permitted upon completion of the PLUS demonstration (the portable living units for seniors demonstration project was a provincial initiative of the late 1980's).

The *Zoning By-law* contains provisions for Boarding houses with two to four guest rooms. Converted dwellings are to have a maximum of four units. Group homes may house three to six persons and require a 300 m separation in zones with single detached dwellings.

Grimsby

The *Official Plan* for Grimsby encourages medium density development, and a broad range of type and tenure to meet the needs of residents in accordance with the Municipal Housing Statement. The Plan encourages more rental units, and will discourage conversions of rental buildings when vacancy rates are below 3%. Apartments are not to exceed four storeys, and are to be located on the periphery of neighbourhoods or in the central core.

The Plan does not permit Halfway houses but allows other Group homes, under an amendment to the zoning by-law, of up to six in singled detached zones and eight in multiple zones.

The *Zoning by-law* requires a 455 m separation for group homes and identifies provisions for rooming houses of three or more persons.

Lincoln

The *Official Plan* for Lincoln identifies housing policies consistent with the old Housing Statement including a 10 year supply of residential land, a three year supply of registered and draft approved plans, and a requirement that 25% of new units being affordable based on provincial standards. Overall, the Plan calls for a range of types including affordable housing based on tenure and type targets to 2001.

The Plan permits intensification, encourages residential as part of commercial Development, and multiple development in Central Business Districts. The provision of affordable housing is to be achieved through the review of subdivisions and servicing arrangements. The Town is to monitor production, infilling, intensification, conversions, vacancy rates, vacant sites and home prices and rents.

The *Zoning By-law* identifies specific provisions for converted dwellings of up to two units. Accessory dwelling units are not to exceed 40% of floor area of existing unit or 753 sq. ft. The existing dwelling is not to be reduced below the minimum floor area. Any addition must be above grade. Group homes of up to six or eight units require a separation of 460 m in most zones. Halfway houses are not permitted.

Niagara on the Lake

The *Official Plan* for Niagara on the Lake seeks to encourage rental and moderately priced housing, as well as infill development. Affordable housing is defined as being affordable based on 30% or more of gross income, based on the 60th percentile of the income distribution. The Town is to have regard to the Housing Statement. Provisions include a 10 year supply of residential land, and for 25% of new development to be affordable. The Town is to identify areas where intensification is permitted and encourage assisted housing.

Rooming houses, accessory apartments, granny flats are allowed under separate zoning categories and are limited to areas deemed appropriate by Council. Granny flats require a Temporary Use by-law.

The *Zoning By-law* contains additional provisions for accessory apartments: not to be located in cellars and not to be in basements more than two feet below grade.

West Lincoln

The *Official Plan* for West Lincoln indicates that single and semi-detached are the preferred form of development, but that multiples may be allowed, in the form of townhouse and walk-up apartments, in Urban Residential zones but not in Hamlet Community zones.

The Plan calls for a variety of types and tenures and a 10 year supply of residential land. Alternative and affordable units are to be developed in the Smithville urban service area. Additionally, the Town will facilitate rehabilitation, infill and redevelopment in Smithville. The range of dwellings shall meet the needs of a range of household types and incomes including: ownership and rental; affordable units; and units for special needs, aged, handicapped and single parent households. The Plan also calls for the monitoring of the market on an annual basis.

The *Zoning By-law* contains provisions for accessory apartments of less than 65 sq. m in single detached dwellings. While most group homes are permitted without a rezoning, halfway houses require rezoning. Group homes require a 450 m separation in zones containing single detached, and a 1 km separation in rural zones.

Much like the Regional Official Plan, a review of the above local Official Plans and Zoning Bylaws finds few barriers that act as impediments to the provision of affordable housing. Similar to the Region, some attention is required to update the provisions regarding the Provincial Planning Policy on Land Use Planning for Housing, as this policy is no longer in effect.

Overall, therefore, both the Regional and local municipal planning framework create a strongly positive environment for meeting the range of housing needs facing Niagara.

Lack of Housing Options for Seniors

While a variety of housing designed to meet the needs of seniors has been provided in Niagara, there are a number of key impediments to expanding the range of options in this regard. These include:

- Many local private sector developers are unfamiliar with the growth trends in seniors population in Niagara and the opportunities this presents for private sector investment.

- Many local housing providers are unfamiliar with the full range of housing options available to meet the needs of seniors.
- There is a lack of federal and provincial funding to assist in meeting the housing needs of seniors.
- The cost of creating new housing affordable by seniors of low and moderate income in the Niagara market requires shelter costs well beyond affordable levels in order for such developments to be financially feasible.
- Rural seniors often lack transportation and support services required to continue to live in their traditional community.

These and related impediments need to be overcome to help expand the range of housing options for seniors.

13.7 Aboriginal Homelessness

The gaps facing aboriginal families and individuals mirror many of those for residents across the region – lack of temporary and transitional housing, lack of funding for support services, a need for income support and, above all, a lack of permanent affordable housing, especially for the large families often characteristic of aboriginal households. The impediments to filling these gaps are essentially the same as those noted in the above sections. Added to this is the termination of federal aboriginal affordable housing supply programs such as the CMHC Rural and Native Housing Program in the early 1990's and the lack of new meaningful funding initiatives aimed at addressing the housing needs of urban aboriginals.

13.8 Lack of Affordable Home Ownership Units

Focus group participants did not consider this gap to be as urgent a priority as the gaps identified above. Nevertheless, given the many benefits of homeownership, in particular its role in stabilizing the lives of families and in building assets for those seeking to improve their financial capacity, expanding the supply of modestly-priced homeownership units is an important goal of the housing strategy. The main impediments to achieving this goal include:

- Lack of financial feasibility discourages provision of more affordable forms of home ownership units.
- Lack of knowledge among some home builders of cost-savings techniques in development of home ownership units.

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- Municipal standards in some areas discourage provision of innovative forms of home ownership.
- Difficulties obtaining financing from lenders for innovative forms of ownership housing.
- High expectations in terms of housing amenities and features among first-time home buyers.
- Lack of knowledge among potential home owners about the requirements and process for home ownership.

Integration of Housing and Related Issues

Probably the main impediment to a closer integration of housing and related issues such as transportation, income support and support services is simply the difficulty of creating mechanisms for effective and timely information sharing among stakeholders from the various sectors. Some of the other problems in this area include:

- reinventing the wheel (environmental scans, research)
- no common vision, goals, framework
- lack of a common voice, plan/strategy
- no consistency i.e., data, definitions
- no ongoing reliable database
- competition for limited resources – few partnership

A process to enhance interaction is strongly needed to help overcome this impediment.