

## Report to Community and Protective Services Committee

**To:** Chair and Members, Community and Protective Services Committee  
**From:** Scott Mathers, Deputy City Manager, Planning and Economic Development  
**Subject:** Update on the Roadmap to 3,000 Affordable Units  
**Date:** November 1, 2022

## Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development, the update on the Roadmap to 3,000 Affordable Units report **BE RECEIVED** for information.

## Executive Summary

In November 2021, Council endorsed the Roadmap to 3,000 Affordable Units Plan (“Roadmap”) which sets the framework for creating 3,000 new affordable housing units by 2026. At that time, Council also approved \$78 million of capital funding to advance the Plan, with additional operating budget funding to be considered in the 2023 Budget Update and 2024-2027 Multi-Year Budget. Since that time, staff have been actively engaged in a number of different streams, including the formalization of the Housing Enterprise Action Team (HEAT) which includes subject matter experts from across the corporation to help guide the process.

Since inception of the Roadmap, the City has:

- Constructed or contributed to the construction of **172** affordable housing units and secured an additional **259** affordable housing units through bonus zoning.
- Started or guided construction of **614** affordable housing units.
- Engaged in the project scoping and planning process for **1,107** affordable housing units.
- Future opportunities for **848** units are being assessed and explored.

In addition, City-staff are doing a deep dive on other components of the Roadmap plan in order to establish necessary administrative activities to align approved funding to specific Roadmap actions. These actions will also be measured against the four Strategic Areas of Focus in the Housing Stability Action Plan (HSAP). A detailed report on the intended actions is planned for Q2 of 2023.

## Analysis

### 1.0 Background Information

#### 1.1 Background

Council directed Civic Administration to develop a strategy that would prioritize the creation of 3,000 new affordable housing units and accelerate the timeline to achieve this goal from 10-years to 5-years by 2026.

In response, Civic Administration engaged SHS Consulting (SHS) to consult with City staff and other stakeholders to jointly prepare the Roadmap. The Roadmap is recognized as a living document that will evolve to reflect the program requirements, the construction environment, market conditions and guide staff as they optimize policies for emergent opportunities.

Work to implement the Roadmap is advancing within a phased approach to allow Civic Administration the ability to assess each proposed initiative and align any necessary

programs and resources or develop the associated requirements for service delivery and management.

The Call to Action section of the Roadmap acknowledges the initial implementation plan as a starting point and further notes that:

- The tactics and efforts would be monitored to ensure progress; and,
- The plans would evolve to best align the tools, investments, and approach to achieve its goals and targets.

Other business activities may be required to continue acquiring, assembling and activating new affordable housing developments. Opportunities exist to “stack” various government programs with municipal funding in order to advance viable projects and achieve the associated Roadmap targets.

## **1.2 Previous Reports Related to this Matter**

The following reports provide direct and relevant background related to this report:

- [Housing Development Corporation, London \(HDC\) – 2021 Annual General Meeting of the Shareholder – Presentation and Update](#) (SPPC: June 22, 2022)
- [Housing Stability for All Plan 2021 Update](#) (CPSC: May 31, 2022)
- [Proposed Implementation of the “Roadmap to 3000 Affordable Units” \(Roadmap\) Action Plan](#) (CPSC: November 23, 2021)

## **2.0 Discussion and Considerations**

### **2.1 Progress Update**

Staff are making good progress to advance the action plan within the phased approach outlined in the Roadmap report. Progress in each phase is summarized to include:

#### **Phase One (complete)**

- Municipal Housing Development (MHD) and the Housing Enterprise Action Team (HEAT) have been formalized to support staff work and monitor progress to achieve the targets.
- MHD and HEAT have reviewed the policies, programs, and investments aligned to support the plan.

#### **Phase Two (in progress)**

- MHD and HEAT have initiated activities within existing authorities.
- Policy amendments will be proposed where needed to ensure the continued progress to achieve the targets of the Roadmap.

#### **Phase Three (in progress)**

Strategies and measures in this phase are intended to:

- Advance sustainable affordable housing development beyond the 5-year plan.
- Review municipal policies (e.g. Development Charge By-law), advocacy with other orders of government, and creating partnerships across sectors and services.

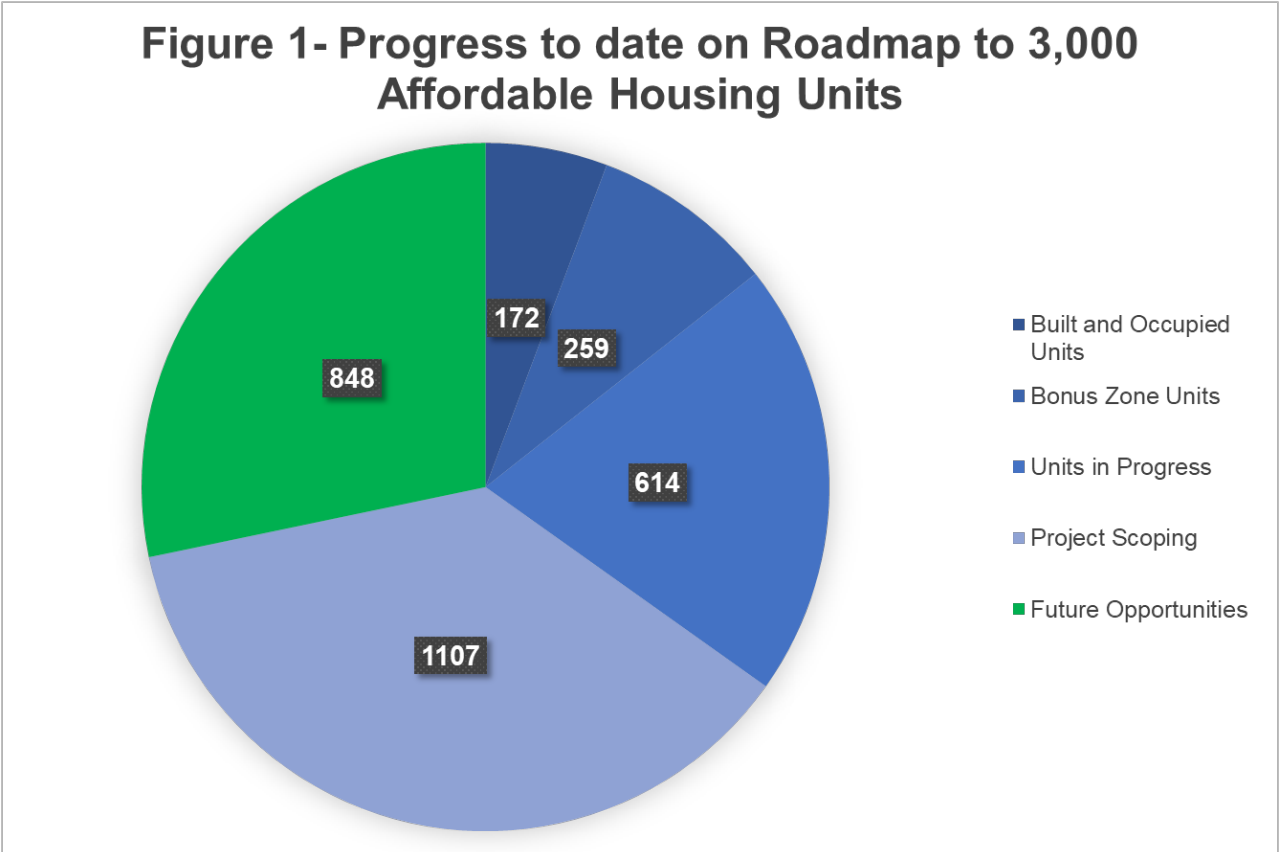
### **2.2 Roadmap Implementation Plan - Year One Accomplishments**

The number of new affordable housing units constructed and aligned to the targeted outcomes of the Roadmap include a mix of the proposed programs within the plan:

Roadmap Programs		Total Target Units	Units Complete	Units in Progress	Units in Planning
1	Secondary Suites	300	0	1	14
2	Affordable Rental	1,400	111	549	200
3	Affordable Ownership	150	0	20	14
4	City – RHI Projects	200	61	44	42
5	Other – Transitional	50	0	0	0
6	LMCH Intensifications	50	0	0	167*
7	Donations of Land/Property/Capital	50	0	0	170
8	Inclusionary Zoning (aligned to Bonus Zone Approvals)	300	259	0	0
9	Rent Supplements	500	0	0	500
5-Year Program Target Units		3,000	431	614	1,107
Total Outcomes To Date					

\* LMCH’s proposed ZBA to provide for the future phased regeneration of the Southdale Family Townhouse site.

Please note: MHD is currently working on standardizing reporting and tracking of this information within corporate systems, with a plan to incorporate into the Annual Development Report published by Planning and Development.



**2.3 Next Steps to Advance the Roadmap**

Over the next 6 – 8 months, staff will continue to advance typical bricks and mortar projects, while working through necessary organizational, process and funding details to improve the overall level of service. A report back on progress of these matters is anticipated for Q2 of 2023.

Back of House and Organizational Structure

Staff in MHD and Housing Stability Services are currently undertaking a deep dive review of all affected processes post 2021 re-org. Customer facing processes as well as alignment between the two areas are being mapped and assessed to ensure the highest level of service can be provided to clients. This review will ensure that all units created

and funded through the 3000-unit roadmap will be matched and filled by individuals on the City’s social housing and By-Name List waitlists. This requirement will be included in contribution agreements with developers and all units will be filled through the council approved tenant placement agreement.

Development Charge Background Study and Corporate Asset Management Plan

Although not explicitly identified in the Roadmap, staff are engaged in work aligned with both the update to the 2025 Development Charge (DC) Background Study and the incorporation of 122 Baseline Road and the soon to be completed 403 Thompson Road development into the City’s asset register. These are two examples of initiatives that can add value to the affordable housing portfolio and align with other Corporate systems. Other municipalities around Ontario have included affordable housing as a recoverable service in their DC Background Studies and Corporate Asset Plans. Although the policies are still under review in London for the 2025 DC Update, this presents an opportunity to create a long-term funding source for affordable housing.

Future Opportunities: Housing Enterprise Action Team (HEAT) Support

A number of initiatives are being assessed and discussed through the regular HEAT meetings to develop future opportunities for affordable housing:

- Exploring opportunities to collaborate with other mid-size cities to restore bonusing or a similar “tool” for the specific purpose of affordable housing.
- The identification of non-traditional City-owned lands for intensification including affordable housing;
- Surplus School Acquisition;
- Procurement policy, standard form of agreements, etc.;
- Roadmap project records and budgetary pressures.

The HEAT table will continue to have specific discussion on options for advancing the remaining 848 affordable housing units identified within the plan. Immediate options could include surplus school sites, municipal purpose lands or partnerships with 3<sup>rd</sup> parties. Staff will engage in detailed discussions to continue to advance Council’s vision for the provision of affordable housing.

**Conclusion**

Additional reports, resources, and measures related to the implementation of the Roadmap will be provided to Council through existing HSAP and other reporting. Updates on strategic initiatives, policy changes and impacts to existing and future budgets will be highlighted in Q2 2023.

The need to encourage and attract investment by all sectors to create more sustainable affordable housing remains unchanged. These investments are essential to advancing a safe, sustainable, and desirable community.

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