



LANARK COUNTY AND THE TOWN OF SMITHS FALLS

Municipal Tools to Support Affordable Housing

FINAL REPORT

UPDATED WITH NEW 2021 CENSUS DATA – May 2023

LANARK
COUNTY



Acknowledgement

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Executive Summary

The Lanark County Report on Municipal Tools to Support Affordable Housing builds on the Lanark County Housing and Homelessness Plan and focuses on examining the need for housing which is affordable to households with low and moderate incomes, identifying opportunities and barriers to the provision of affordable housing, and developing a toolkit of municipal and planning tools to encourage the development of affordable rental and ownership housing by private and not-for-profit developers.

The original Municipal Tools to Support Affordable Housing report was released in March 2022. At that time, County Council requested an update to the data pending release of 2021 Statistics Canada Census data. This report is a revision of the original report to include the most recent Census information and CMHC market study reports.

Approach

The study was undertaken in two phases: a housing needs assessment which looked at housing needs for Lanark County as well as Smiths Falls and member municipalities. The first phase also included community and stakeholder engagements. The second phase of the study involved the development of an action plan with a vision, goals, and recommended actions with corresponding timelines. The recommendations aim to address the identified housing needs and gaps and are based on the input gained through the engagement activities, a review of provincial and municipal strategies and planning documents, and a scan of effective practices in other jurisdictions.

Key Housing Gaps

The housing needs analysis, including the results of the survey of Lanark residents and input from key stakeholder sessions, identified the following key housing gaps in Lanark County.

- There is a need for a more diverse housing supply in Lanark County, including housing options for the aging population, and smaller households.
- There is a need for rental housing options in a range of dwelling types and affordability levels.
- There is a need for an adequate supply of affordable housing to support economic growth and community wellbeing.

Recommended Action Plan

There are three recommended goals and a total of 45 recommended actions to address the identified housing gaps in Lanark County. The three housing goals are as follows.

- Goal 1: To encourage a broad range of housing options which meet the needs of current and future Lanark County residents.

- Goal 2: To increase the supply of market-rate and affordable rental housing across all communities in Lanark County.
- Goal 3: To support economic growth and community wellbeing through an adequate supply of housing which is affordable to households with moderate incomes.

The recommended actions are categorized as: policy and regulations, funding, partnerships, and awareness and advocacy.

Policy and Regulations

1. Add a policy in the Lanark County Sustainable Communities Official Plan (SCOP) to include the recommended definition of affordable housing.
2. Add a policy in the County SCOP to establish, adopt, and implement the recommended targets for affordable housing, rental housing, and a more diverse housing supply.
3. Develop and implement a monitoring process for the annual housing targets.
4. Encourage Smiths Falls and member municipalities to update their Official Plans to include a definition of affordable housing based on the PPS and the recommended Lanark County definition.
5. Encourage Smiths Falls and member municipalities to develop housing targets based on the targets for Lanark County as a whole and include these in their Official Plans.
6. Update Section 1.2.2 of the County SCOP to state that municipalities will maintain the ability to accommodate residential growth for a minimum of fifteen years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development. The County SCOP should also state that land with servicing capacity sufficient to provide at least a five-year supply of residential units will be maintained.
7. Add a policy in the County SCOP that states the County will sell or lease County-owned surplus land and/or buildings which have been deemed appropriate for residential uses at below market value for the development of affordable and/or supportive housing.
8. Encourage Smiths Falls and member municipalities to add a policy in their Official Plans to provide appropriate surplus land and/or buildings for affordable and/or supportive housing at below market value.
9. Develop a County of Lanark surplus properties strategy, in collaboration with Smiths Falls and member municipalities, to identify all surplus land and buildings, including vacant land and those owned by school boards and other levels of government, and to identify an approach and criteria for obtaining land that is appropriate for the development of affordable housing.
10. Encourage Smiths Falls and member municipalities to pre-zone surplus land and buildings which have been identified as appropriate for residential development to allow for a range of densities and mixed uses.
11. Encourage Smiths Falls, Carleton Place, Mississippi Mills¹, and Perth to ensure their Zoning By-laws allow for mixed use developments in their downtowns, commercial areas

¹ In this context, Mississippi Mills refers to the urban serviced area of Almonte within Mississippi Mills.

and other areas where appropriate to allow for redevelopment, infill and conversion of non-residential to residential uses.

12. Encourage Smiths Falls, Carleton Place, Mississippi Mills, and Perth to re-examine their Zoning By-laws to identify opportunities to increase maximum height and density requirements in their downtowns and other appropriate areas.
13. Encourage and support Smiths Falls, Perth, Carleton Place, and Mississippi Mills in developing and implementing a rental retention policy that would require the replacement of rental units lost through demolition or conversion to other tenures.
14. Consider prioritizing member municipalities where policies have been updated to be more supportive of a diverse housing supply, including affordable housing, in decisions regarding infrastructure investments.
15. To ensure conformity with provincial legislation, require Smiths Falls and member municipalities to update their Official Plans and Zoning By-laws to permit up to two additional residential units (for a total of three dwelling units) on all lots where single- and semi-detached dwellings are permitted, subject to water and sewer capacity and replace all references to “accessory apartments” with “additional residential units”.
16. Encourage Smiths Falls and member municipalities to identify other residential areas where additional residential units can be permitted, subject to water and sewer capacity.
17. Encourage Smiths Falls and member municipalities to develop and implement alternative development and design standards for affordable and supportive housing.
18. Update the County SCOP to add a policy statement that the County encourages and supports the development of accessible housing².
19. Update the County SCOP to add a policy that requires all affordable housing developments which receive financial or non-financial assistance from the County to have a minimum of 25% of affordable housing units meet or exceed the accessibility requirements of the Ontario Building Code and all common areas be barrier-free.
20. Encourage Smiths Falls and member municipalities to develop and implement Official Plan policies which support the development of accessible housing to facilitate aging in place and housing for persons with disabilities.
21. Consider updating the SCOP to add a definition of shared housing and a policy to encourage and support the development of shared housing in all communities in Lanark.
22. Encourage Smiths Falls and member municipalities to remove all references to special needs housing, boarding or rooming houses, and group homes in their Official Plans and Zoning By-laws and replace these with the term ‘shared housing’ with a definition consistent with the County’s definition as part of an Official Plan review process.
23. Encourage Smiths Falls and member municipalities to update their Official Plans and Zoning By-laws to permit shared housing in all areas where dwellings are permitted.
24. Encourage member municipalities to add Official Plan policies which support energy efficiency and environmental sustainability in housing design and development and should be consistent with the PPS with regard to considering and preparing for impacts of climate change.

² For the purpose of this study, accessible housing refers to barrier-free housing and housing with accessibility features for persons with disabilities.

Funding

25. Consider establishing an Affordable Housing Fund to finance incentives and other initiatives related to affordable housing.
26. Consider developing a Municipal Housing Facilities By-law to facilitate the provision of incentives for affordable housing.
27. Revise SCOP policy 8.2.6 to include reference to affordable housing with regard to community improvement plans.
28. Develop an affordable housing incentive program to encourage the development of affordable rental housing, affordable ownership housing, and supportive housing. Incentives may include the following.
 - a. Grant in lieu of County development charges
 - b. Grant in lieu of the County portion of property taxes for the length of the affordability period
 - c. Capital grant for the construction or renovation of additional dwelling units which will be rented out for a specific time frame
29. Encourage Smiths Falls and member municipalities to implement incentive programs for affordable housing that build on the County's incentive program. Incentives may include the following and should only be provided for the units which meet the recommended definition of affordable housing.
 - a. Grant in lieu of local development charges
 - b. Grant in lieu of property taxes for the length of the affordability period
 - c. Grant in lieu of planning application and building permit fees and charges
 - d. Capital grant for the construction or renovation of additional dwelling units which will be rented out for a specific time frame
30. Strongly encourage Smiths Falls and member municipalities to ensure additional residential units are exempted from local development charges to conform with provincial legislation.
31. Work with Smiths Falls and member municipalities to develop a brownfield revitalization program to provide incentives for the revitalization of brownfields in serviced settlement areas for residential and mixed-use development where appropriate.
32. Work with community agencies to explore the feasibility of developing a community investment fund to provide opportunities for local philanthropists and investors seeking more ethical investments to donate toward the development of affordable housing in their communities.
33. Encourage Smiths Falls and member municipalities to provide any homes obtained by the municipality due to tax arrears at below market value for affordable housing.
34. Examine the feasibility of providing a small grant to homeowners who rent out homes which are currently vacant and have been vacant for the last two years.

Partnerships

35. Facilitate partnerships among non-profit and for-profit residential developers, community agencies, private owners, faith groups, and member municipalities to renovate, redevelop, or convert vacant or underutilized land or buildings to increase the supply of affordable and supportive housing.

36. Consider developing a County-wide rental housing database in partnership with Smiths Falls, member municipalities and community agencies.
37. As part of the work on the rental housing database, work with Smiths Falls, member municipalities and community agencies to implement a bi-annual County-wide survey on rental housing to better understand the rental housing market in all Lanark communities and to monitor short term rentals.
38. Encourage community agencies to develop a home sharing pilot program among seniors and persons with low and moderate incomes who are looking for affordable rental housing.

Awareness and Advocacy

39. Convene a Yes In My Backyard (YIMBY) Team to lead awareness and advocacy initiatives related to raising awareness of the need for a diverse housing supply, including affordable and supportive housing, for a complete, inclusive community and economic prosperity.
40. As part of an awareness campaign, work with CMHC, Smiths Falls and member municipalities to host a housing summit to present the results of this study, share knowledge and experience, and to raise awareness of how Lanark residents and housing partners can contribute to the development of a more diverse housing supply, including affordable housing.
41. As part of an awareness campaign, work with community agencies and CMHC to host 'housing conversations' on a regular basis to increase awareness of the need for a diverse housing supply, including affordable and supportive housing.
42. As part of an awareness campaign, develop and share an annual housing report card to report on progress toward the housing targets.
43. Advocate strongly to the provincial government for increased capital and operational funding for affordable housing.
44. Advocate to the federal government for increased funding for affordable housing for deeper levels of affordability.

1.0 Introduction

Lanark County is characterized by a number of diverse communities experiencing a range of housing challenges. The County's updated Ten-Year Housing and Homelessness Plan provides a framework for addressing these challenges and improving access to safe and affordable housing for all residents.

This study builds on the Housing and Homelessness Plan and focuses on examining the need for housing which is affordable to households with low and moderate incomes, identifying opportunities and barriers to the provision of affordable housing, and developing a toolkit of municipal and planning tools to encourage the development of affordable rental and ownership housing by private and not-for-profit developers. Please note that this study does not include an analysis of emergency shelters, transitional housing, community housing, and supportive housing as those elements of the housing continuum have been examined as part of the work on the County's Housing and Homelessness Plan and recommendations to address those gaps are included in the Plan.

1.1. Approach to the Study

This study was undertaken in two phases. Please note that for the purposes of this report, Lanark County includes the eight member municipalities and the Town of Smiths Falls.

Phase 1: Housing Needs Assessment

The first phase of this study was the issue finding phase which involved undertaking desk research to examine the need for affordable housing in Lanark County as a whole and in the different communities across the County, including the Town of Smiths Falls. This phase also included identifying the opportunities and barriers to building affordable housing through a review of existing policies and initiatives.

In addition, an online survey of Lanark County residents was undertaken to better understand the current context, including any issues related to affordability that are faced by current residents. The survey also provided an opportunity to determine residents' priorities with regard to what the County and its housing partners should focus on. There were a total of 503 respondents to the survey, although it should be noted that almost half (47%) were from Mississippi Mills.

A total of five virtual engagements were also held with key housing stakeholders, including staff from Smiths Falls, the member municipalities and County, private developers, and non-profit agencies. These engagements provided further information on the need for affordable housing and the barriers to producing this housing in Lanark County. In addition, opportunities to address the issues and potential solutions were discussed during these engagements.

Phase 2: Develop Municipal Planning Tools

The second phase of this study involved developing the recommended actions and housing targets based on the tasks in the first phase. This phase also included three virtual public engagements to validate the proposed housing vision and goals as well as to prioritize the draft recommended actions.

1.2. Housing Continuum

The housing market can be viewed as a continuum or system where housing supply responds to a range of housing demand, including adequacy, space and capacity, and affordability. This continuum includes short term housing options, such as emergency and short-term supportive housing, as well as permanent housing, including affordable rental and ownership housing, supportive housing, and market rate rental and ownership housing.

Due to demographic, social, economic, and geographic factors which impact housing need and demand, the private housing market does not always meet the full range of housing need in a community. This is particularly true for individuals and families with low and moderate incomes or for persons with unique housing and support needs.

It should be noted that the housing continuum is not linear. People can move between the different elements of the continuum through different life stages. For example, a senior may downsize to rental housing or supportive housing after retirement or a young adult may move from rental housing to ownership housing as they move up through their career. As such, it is important for each community to have an adequate supply of housing options within the housing system.

Figure 1: The Wheelhouse: Elements of the Housing Continuum (CMHC, 2019)



The different elements of the housing continuum are as follows³. This study focuses on the last three elements of the continuum/wheel – affordable rental and ownership housing, market rental housing and market ownership housing.

Emergency Shelter

Emergency shelter is short-term accommodation for people experiencing homelessness or those in crisis.

Transitional Housing

Transitional housing is intended to offer a supportive living environment for its residents. It is considered an intermediate step between emergency shelter and supportive or permanent housing and has limits on how long an individual or family can stay. Stays are typically between three months and four years.

Supportive Housing

Supportive living provides a physical environment that is specifically designed to be safe, secure, enabling and home-like, with support services such as social services, provision of meals, housekeeping and social and recreational activities, in order to maximize residents' independence, privacy and dignity.

Community Housing

Community housing refers to either housing that is owned and operated by non-profit housing societies and housing co-operatives, or housing owned by provincial or municipal governments (e.g., Lanark County Housing Corporation).

Affordable Rental and Ownership Housing

Affordable housing is housing that can be owned or rented by a household with shelter costs (rent or mortgage, utilities, etc.) that are no more than 30% of its gross income.

Market Rental Housing

Market rental housing is rental units in the private rental market and includes purpose-built rental units as well as units in the secondary rental market, such as additional residential units and rented single detached dwellings.

Market Ownership Housing

Market ownership housing refers to ownership units priced at market values and purchased with or without a mortgage but without any government assistance⁴.

³ National Housing Strategy Infographic and Glossary of Terms. Accessed from: <https://www.placetocallhome.ca/pdfs/Canada-National-Housing-Strategy-Infographic.pdf> and <https://eppdscrmssa01.blob.core.windows.net/cmhcprodcontainer/files/pdf/glossary/nhs-glossary-en.pdf?sv=2017-07-29&ss=b&srt=sco&sp=r&se=2019-05-09T06:10:51Z&st=2018-03-11T22:10:51Z&spr=https,http&sig=0Ketq0sPGtnokWOe66BpqquDijVgBRH9wLOCg8HfE3w=>

⁴ This does not include any mortgage insurance a household might have purchased through CMHC to access lower down payment requirements.

2.0 Defining Affordable Housing in Lanark County

The Provincial Policy Statement (PPS) 2020 defines affordable housing as follows.

In the case of **ownership housing**, the least expensive of:

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

Figure 2: Affordable Housing Thresholds: Lanark County; 2020

Percentile of the Population and Income		
90 th	\$198,400	
80 th	\$149,100	
70 th	\$119,700	
60 th	\$98,500	Ownership Affordability Threshold \$318,998 <i>(10% Less than Market Rate)</i>
50 th	\$80,700	
40 th	\$65,000	
30 th	\$50,700	Rental Affordability Threshold \$915 <i>(Based on Average Market Rents)</i>
20 th	\$37,100	
10 th	\$22,800	

In the case of **rental housing**, the least expensive of:

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

Low- and moderate-income households are defined in the Provincial Policy Statement, 2020 as:

- In the case of ownership housing, households with incomes in the lowest 60% of the income distribution for the regional market area; or
- In the case of rental housing, households with incomes in the lowest 60% of the income distribution for renter households for the regional market area.

Based on this definition, the affordable ownership threshold for Lanark County was **\$318,998** in 2020⁵ which is 10% below the average resale price. This threshold was selected as the threshold based on household income was higher. This house price is affordable to households with incomes in the 60th percentile and higher (i.e., approximately 50% of households in Lanark County).

⁵ Please note that 2020 data was the most recent data available.

The affordable rental threshold for Lanark County was **\$915** in 2020 which is the total average market rent. This threshold was selected as the threshold based on household income was higher. This rent is affordable to households with incomes in the 20th percentile or higher (i.e., approximately 90% of households in Lanark County).

While municipal staff from the member municipalities suggested using local definitions, it is recommended that the County use the definition based on the PPS as it will ensure a consistent definition throughout the County. This will allow for a standard approach for implementing any current and future incentive programs to support the development of affordable housing. Furthermore, the availability of reliable data for all member municipalities is an issue. Using the definition based on the PPS will ensure annual data for the definition is available as the provincial government releases annual PPS tables with data for Lanark County as a whole. Using the PPS definition of affordability to determine the Lanark County affordable housing thresholds does not preclude local municipalities from being more specific in their definitions of affordable housing although these definitions still have to be consistent with the PPS.

This study also uses core housing need as an indicator of housing affordability. According to CMHC and Statistics Canada, a household is in core housing need if its housing falls below at least one of the housing standards of adequacy, suitability, or affordability, and it would have to spend more than 30% of its total before-tax income to pay the median rent of alternative local housing that meets all three housing standards⁶.

⁶ Adequate housing is housing that does not need any major repairs; affordable housing has shelter costs equal to less than 30% of total before-tax household income; and, suitable housing has enough bedrooms for the size and composition of resident households according to National Occupancy Standard (NOC) requirements.

3.0 Key Housing Gaps in Lanark County

This section includes a brief discussion of the key housing gaps in Lanark County as well as each of the member municipalities. Detailed key findings can be found in Appendix 1: Housing Needs in Lanark County.

3.1. Key Housing Gaps in Lanark County

The following are the key housing gaps in Lanark County based on the data analysis, feedback from key stakeholders and the results of the resident survey. The stakeholder engagements and resident survey occurred in 2021. The Final Report, dated March 2022, contained the 2016 Statistics Canada Census data. Following the presentation of the March 2022 Final Report to Lanark County Council, Council directed staff to have the report updated with the 2021 Statistics Canada data when available. This report has been updated with the 2021 Statistics Canada census data, where possible.

These key housing gaps represent trends observed in all communities in Lanark County. However, it should be noted that addressing these key housing gaps requires both a consistent approach across the County as well as some community-specific actions that consider the local context and trends.

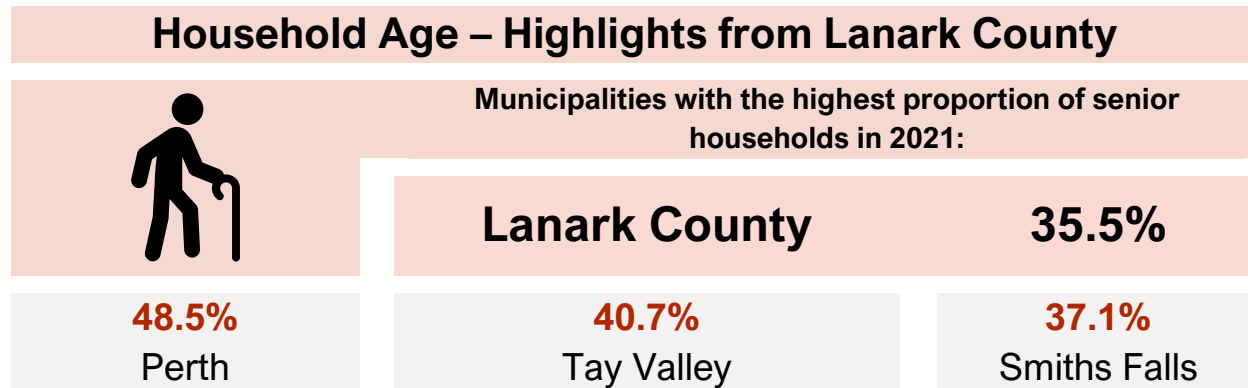
There is a need for a more diverse housing supply in Lanark County, including housing options for the aging population and smaller households.

The County is seeing a shift to smaller households as well as an aging of the population, yet 74.5% of the existing housing stock is single detached dwellings. This dwelling type is generally more appropriate for larger households. Housing completions data also shows that this trend has continued with most housing completions in all member municipalities being single detached dwellings. Single detached dwellings are also, generally, less affordable than smaller dwelling types such as condominium apartments and townhouses. As such, a more diverse housing supply will help meet the broad range of needs of all residents. This finding was supported by the results of the resident survey where 41% of respondents noted there was a need for small apartment buildings (with less than ten units) and medium-sized apartment buildings (with more than ten units but less than five storeys).

The age of the primary maintainer of a household has an impact on the types of housing a community requires. Many senior households may be interested in smaller homes or rental units, with limited maintenance, and lower costs due to their fixed retirement income. In 2021, 25.2% of the County's population was over the age of 65, while only 18.5% of the province was over the age of 65 (Figure 3). According to the current population growth forecast, 35.4% of the County's population will be seniors by 2041. The need to plan for a higher proportion of seniors-friendly housing is important in all communities. Key stakeholders noted that Lanark's

senior population, in general, want to age in their communities although they do not necessarily want to age in place. This further supports the need for a wide range of housing options, including co-housing or shared housing⁷ options.

Figure 3: Highlight of households primarily maintained by a senior in Lanark County, 2021



Source: Statistics Canada Community Profiles, 2021

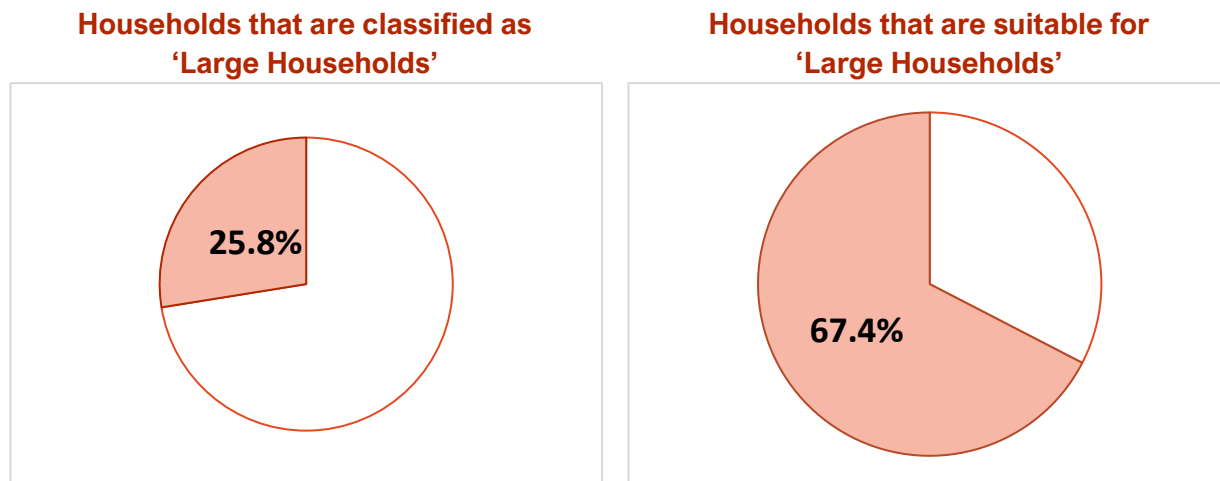
Housing that better meets the needs of older seniors also improves the housing options for people with disabilities. A key consideration for improving the accessibility of housing is eliminating stairs, both inside the dwelling and to get into the dwelling. Houses with a bedroom and bathroom on the main floor, at-grade secondary suites, and small multi-unit buildings with at-grade units on the main floor are some options for continuing to improve accessibility in homes. This finding was supported by the results of the resident survey where 62% of respondents said housing for seniors needed to be improved in Lanark County and 61% noted a need to improve housing for persons with disabilities. This was further reinforced by key housing stakeholders who noted a need for supportive housing for persons who need supports beyond financial supports to live as independently as possible.

Another indicator that suggests that a more diverse housing supply is needed is the comparison of number of bedrooms in dwellings with the size of households. The distribution of number of bedrooms per dwelling for one-, two-, three-, and four- or more-bedrooms was 8.3%, 24.0%, 43.6% and 23.8%, respectively, in 2021. The household size distribution in Lanark County for one-, two-, three-, four-, and five- or more-people was 26.9%, 40.9%, 13.8%, 12.4%, and 6.4%, respectively. Comparing the proportion of dwellings with three-or more-bedrooms with the proportion of households that need that many bedrooms to be adequately housed (households with four-or more-people), we see a significant mismatch of 67.4% versus 18.8%. Figure 4 provides a comparison of the mismatch between household size and housing supply in Lanark County. This suggests that there is the need for smaller homes with less bedrooms. This also suggests that there may be opportunities for shared housing or modifications to existing

⁷ For the purposes of this report, co-housing or shared housing refers to a single dwelling that is shared by several residents, regardless of whether they are related or whether they receive personal support services. In this housing arrangements, residents usually have their own bedrooms but may share some common facilities, such as the kitchen.

dwellings to create additional residential units to more fully use bedrooms that do not have full time occupants. There is also a mismatch at the other end of the spectrum, with 67.8% of households having one or two people, and only 8.3% of the housing stock having one bedroom.

Figure 4: Proportion of Lanark County Households classified as 'Large Households' and dwellings suitable for 'Large Households', 2021



Source: Statistics Canada Community Profiles, 2021

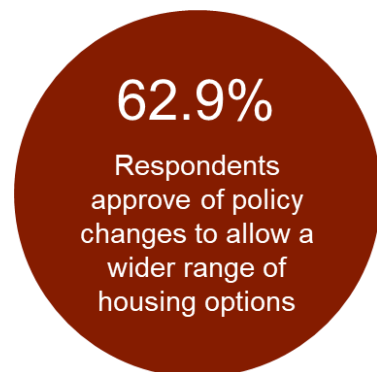
Affordable housing is part of a diverse housing supply and there is a need for housing that is affordable to households with low- and moderate-incomes in Lanark County. In 2021, 17.3% of all households in Lanark (5,405 households) were facing housing affordability issues (i.e., spending 30% or more of their income on housing costs). Among the participating municipalities, Smiths Falls had the highest proportion of households with housing affordability issues at 25.8% of all Smiths Falls households, followed by 22.9% in Perth. The Lanark County figures represent declines from 2016 (23.2%). Additionally, key stakeholders noted that they saw an increase in inquiries related to affordable housing in early 2021 from households with moderate incomes, that is, households who would not qualify for community/ subsidized housing.

While the levels of affordability issues in Lanark County are lower than 2016, this may, in part, be due to the Federal Government's COVID-19 Pandemic relief programs.⁸ These relief programs impacted household incomes for the year (2020) that was reported on for the 2021 Statistics Canada Census. While these incomes were correctly reported, this relief is not permanent and will likely not be available to households in the future. Further, the need for housing that is affordable to households with low- and moderate-incomes has remained high due to increased house price increases in recent years. Through two point-in-time scans of real estate ads taken in 2021 and 2022, the average house price in Lanark County has increased dramatically in recent years. In the scan taken in October 2022, the average house prices was found to be

⁸ Statistics Canada (2022). *Canadian Income Survey*. Retrieved from: <https://www150.statcan.gc.ca/n1/daily-quotidien/220323/dq220323a-eng.htm>

\$622,130.⁹ While this was a decrease from a point-in-time scan taken in November 2021 (\$699,200), this represented an increase of +43.4% from the average value of dwellings reported by Statistics Canada from 2021. In comparison, the Ontario CPI increased by +6.8% year-over-year. The increase in house prices in Lanark County that primarily occurred prior to the original draft of this report (Nov. 2021) may be partly due to the increase in house prices in Ottawa, as home buyers seek more affordable options in the communities surrounding Ottawa. Royal LePage found that the aggregate price of a home in Ottawa increased by 20.7% year-over-year in the third quarter of 2021.¹⁰ These figures continue to climb, as a +9.0% year-over-year increase was reported in 2022.¹¹ Additionally, the trend toward working from home has increased interest in smaller communities and more rural communities close to a major center. These include Smiths Falls, Carleton Place, and Perth. This increased interest coupled with limited inventory contributed to sharp increases in house prices in Lanark County. Ottawa Valley realtors and the Ottawa Real Estate Board have noted the significant increase in the demand for homes in these communities. While the sharp increase in house prices has decreased from highs set in 2021 and early 2022, sale prices for houses in the Ottawa Region appeared to have levelled off.

Key stakeholders noted that while there is interest among developers to build a more diverse housing supply, including smaller, ground-oriented units that could be suitable for seniors and persons with disabilities, as well as more affordable options such as townhouses, policies and regulations in some member municipalities act as barriers to these types of residential development. Both private and non-profit developers have stated that planning application timelines, density limits, parking requirements, and the interpretation of local Official Plan and Zoning By-laws discourage the development of a more diverse housing supply. Municipal staff have also noted that a mix of uses and dwelling types is not permitted in some areas despite the fact that they would still be appropriate without changing the character of the community. Municipal staff have also noted parking requirements as a barrier to permitting increased densities and smaller lots. It should be noted that 62.9% of respondents to the resident survey approve of policy changes to allow a wider range of housing options. This suggests a need to examine current planning policies and revise these where necessary to ensure these are supportive of a more diverse housing supply, including smaller units and affordable housing.



⁹ Please note that this data is from a point in time scan and, as such, should be read with caution as it may not be reflective of the overall housing market.

¹⁰ Royal LePage House Price Survey (October 15, 2021): Ottawa. Accessed from: https://docs.rlpnetwork.com/HousePriceSurvey/RegionalUpdates/2021/Q3/Ottawa_RoyalLePage_House_Price_Survey_Q3_2021_EN.pdf

¹¹ Ottawa Real Estate Board (2022). Ottawa Real Estate Board Statistics – September 2022. Retrieved from: <https://creastats.crea.ca/board/ott>

In addition to municipal planning policies and regulations and timelines for processing planning applications, key stakeholders have identified Provincial timelines for review and fees as other barriers to the development of a more diverse housing supply. Longer timelines, additional fees, and restrictive policies and regulations also impact the cost of construction which results in new dwellings being less affordable. These issues are common across Ontario and were referenced in the Ontario Housing Supply Action Plan in 2019. The More Homes Built Faster Act was introduced in 2022 to support the Ontario Housing Supply Action Plan and increase housing supply in the Province.

Key stakeholders also noted that opposition from existing residents to some proposals is an impediment to developing a diverse housing supply. This suggests a need for educational initiatives to raise awareness of the benefits of having a diverse housing supply in each community as well as the role that all housing stakeholders, including residents, play in meeting housing needs.

In addition, key stakeholders noted that well and septic requirements in rural municipalities were another barrier to the development of a more diverse housing supply in these municipalities. While these requirements may be based on Provincial requirements, key stakeholders suggested a need to consider innovative septic approaches that would allow for smaller lots and/or building more than one dwelling on a lot. However, there are also issues associated with innovative septic approaches that need to be carefully considered.



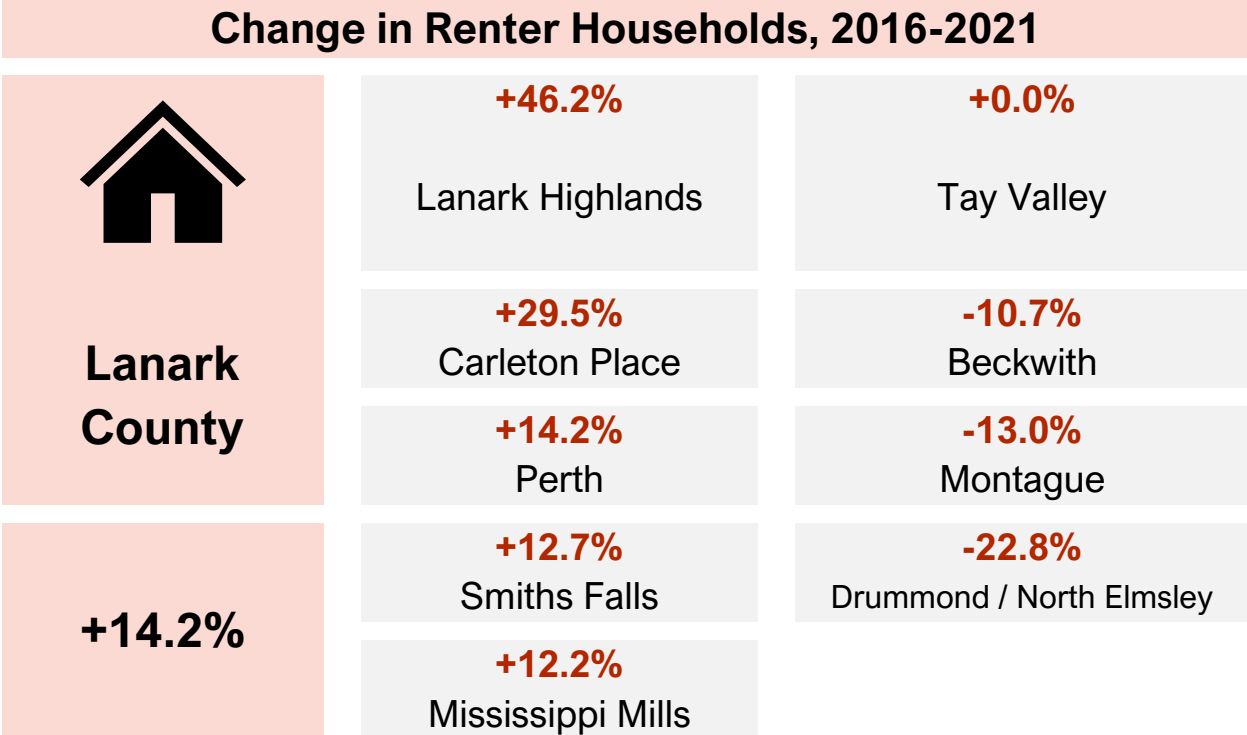
It should also be noted that many homes were designed to be occupied by family-sized households. With the increase in smaller households (i.e., with one or two persons) in all member municipalities, there may also be an opportunity to maximize the capacity of the well and septic systems in these dwellings by permitting an additional residential unit or converting a single-family dwelling to two or more dwellings.

There is a need for rental housing options in a range of dwelling types and affordability levels.

Rental housing is an important component of the housing system in all communities. Rental housing enables both older and younger residents to remain in their communities. Young households, who are looking for housing while they establish their profession or trade, require smaller, lower priced rental units. Many of these households will look to home ownership in the future once they are more financially established, while some may choose to stay renters. Many elderly households will eventually find maintaining their detached house difficult. In this case, renting a smaller home, possibly in a multi-storey apartment building, may be more economical and functional as they age.

In 2021, 21.6% of all households in Lanark County were renters. The number of renter households increased by 855 households (+14.2%) from 2016 where renters made up 21.1% of all Lanark households. The growth rate of renter households exceeded the growth rate of owner households (+14.2% vs. +11.0%) and households overall (+11.7%) from 2016 to 2021. However, the proportion of renter households is not uniform across the area. In Carleton Place (29.9%), Perth (44.3%), and Smiths Falls (45.4%), the proportion of renter households was higher than the Lanark County rate in 2021. Mississippi Mills had 17.1% of its households as renters while all other municipalities had less than 10% of their households as renters. Beckwith had the smallest proportion at 4.9%.

Figure 5: Highlights of the growth of renter households in Lanark County from 2016 to 2021



Source: Statistics Canada Community Profiles, 2016-2021

However, most member municipalities need a much greater share of rental housing to meet current and emerging needs. Rental housing not only provides an option for households who are not ready for home ownership yet or who no longer want the burden of maintaining single detached dwellings, it provides an option for households with low- and moderate-incomes who cannot afford home ownership. This is supported by the fact that 94.1% of survey respondents said there is insufficient rental housing in Lanark County.

In addition, key stakeholders have noted the significant demand for rental housing. As an example, a unit that is advertised for rent will get at least twenty people vying for it. This results in an increase in rents as demand greatly surpasses supply. This also allows landlords to choose the type of tenants they want to rent to. This makes it even more challenging for some population groups, such as people with lower incomes or people with mental health issues or

support service needs, to find affordable and appropriate rental housing. The significant demand for rental housing may be partly due to the sharp increase in house prices in all communities in Lanark County. A point-in-time scan from November 2021 found that house prices in Lanark as a whole increased by 115.5% from 2016 to 2021. The increases ranged from a 100.5% increase in house prices in Lanark West to a 190.9% increase in Carleton Place.¹² Another point-in-time scan, taken October 2022 when the data in this needs assessment was updated, found that house prices had decreased slightly, but generally had maintained these elevated prices. While these may not necessarily be reflective of the overall market, they indicate that ownership housing is becoming unaffordable to households with low and moderate incomes which increases the demand for rental housing.

While the need for rental housing is consistent across all member municipalities, the form that the new supply takes should consider the local context. While multi-unit rental buildings may be more appropriate for the more urban communities such as Carleton Place, Perth, Smiths Falls, and Mississippi Mills, lower density, ground-oriented units such as additional residential units in the form of secondary suites or carriage homes, as well as apartments above or behind stores along main streets, would be more appropriate for the municipalities within Lanark West and Lanark East.

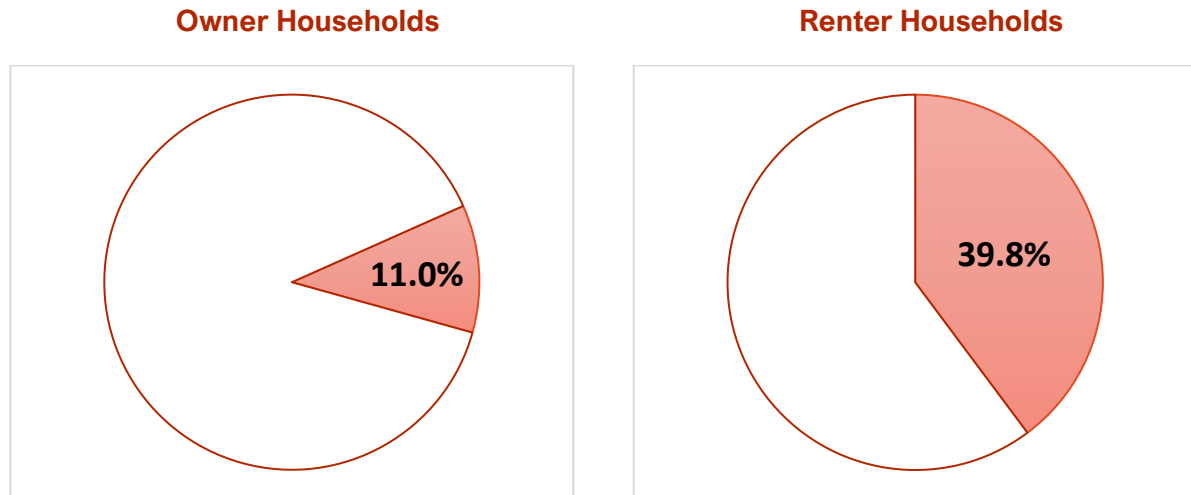
Shared housing may also be an option for increasing rental options, as there are many homes with more bedrooms than residents in many of the municipalities in Lanark County. When asked what type of housing is needed in Lanark County, 14% of respondents identified secondary suites / additional residential units as one of the forms needed. Key stakeholders, including municipal staff from the rural communities in Lanark County, also noted an increased interest in additional residential units although current Zoning By-laws are quite restrictive. Furthermore, 2021 data shows there are 3,532 dwellings not currently occupied as a primary dwelling by a private household in Lanark County. While many of these homes may be seasonal properties, this presents an opportunity to mobilize this housing stock to increase the supply of rental housing without having to add new units.

In terms of rental affordability, of the 94.1% of respondents to the resident survey who noted a need for rental housing, 85% stated that this need was related to affordable rental housing. This is validated by Statistics Canada data which shows that in 2021, 39.8% of all renter households in Lanark County were facing housing affordability issues (i.e., spending 30% or more of their gross annual household income on housing costs). Among the member municipalities, Carleton Place had the highest proportion of renters facing housing affordability issues at 46.0% of all renter households in 2021, followed by Smiths Falls (43.7% of all renters), Montague (42.1%) and Perth (36.7%). The higher proportion of renters facing housing affordability issues in these municipalities may be partly due to the fact that many community organizations and services are located in these municipalities. However, it should be noted that even in Beckwith, with the

¹² This data is from a point in time scan so this should be read with caution as it may not be reflective of the overall market.

smallest share of renters among member municipalities, just under a quarter (23.1%) were facing housing affordability issues.

Figure 6: Proportion of households spending 30% or more of household income on shelter, 2021



Source: Statistics Canada Community Profiles, 2021

Furthermore, using available data from CMHC, average rents for one-bedroom units in Carleton Place are only affordable to households with incomes in the 5th renter income decile or higher (i.e., earning \$39,400 or more in 2021). Two-bedroom units in Carleton Place are only affordable to renters with incomes in the 6th renter income decile (i.e., earning \$47,900 in 2021). In addition, the result of a point-in-time scan showed that the average asking rent in Lanark County (data from Perth, Smiths Falls, Carleton Place, and Mississippi Mills) in November 2021 was \$1,815. A more recent point-in-time scan, taken in October 2022, resulted in the average rent price in Lanark County of \$2,150. This represented a growth of +18.5% and would require a household income of \$85,550 to afford this rent.

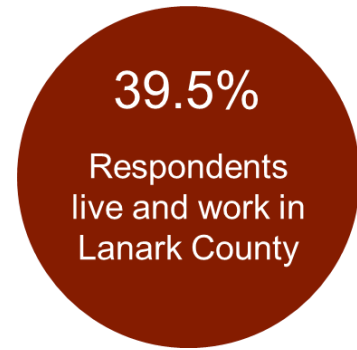
The large proportion of renters facing housing affordability issues in Lanark County is directly related to the supply of rental housing. Key stakeholders from community agencies noted that many of their clients are forced to rent units that they cannot afford because there are no alternatives. This shows a significant need to increase both market rate and affordable rental options in all member municipalities in Lanark.

There is a need for an adequate supply of affordable housing to support economic growth and community wellbeing.

As previously noted, a diverse housing supply which includes housing that is affordable to households with low- and moderate-incomes attracts people from all life stages to a community. This, in turn, increases overall economic activity in that community. Economic benefits from consumer spending are lessened when people live and work in different communities. As such,

having a wide range of housing options, including affordable housing, increases the likelihood that people can live and work in Lanark County.

In 2021, 17.1% of the employed labour force in Lanark County lived and worked in the same member municipality, similar to 2016 levels (18.9%). Furthermore, 20.5% of the employed labour force living in Lanark County commuted to a different member municipality within Lanark County for work, while 22.1% worked outside of Lanark County. Both figures represented decreases from 2016 levels (23.5% and 34.6%, respectively), as working from home increased by +183.3% between 2016 and 2021. This roughly lines up with the results of the resident survey where 39.5% of respondents to the resident survey said they lived and worked in Lanark County. However, 25.7% of the labour force of Lanark County worked from home in 2021, an increase of +183.3% from 2016 levels. This was likely due to the impacts of the COVID-19 pandemic, as more employers moved work to online and remote work. This may present an opportunity for Lanark County to attract these remote workers from more urban municipalities like the City of Ottawa.



Lanark County's Economic Development Strategic Plan identified housing affordability as one of the top five features that make Lanark County a great place to work or do business. Housing was also in the top five features that make the County a great place to live. While house prices and rents may be more affordable when compared to other municipalities such as Ottawa, these are increasing at a rapid rate and, as the previous discussion has shown, no longer affordable to many households.

Having housing that is affordable to households with low- and moderate-incomes also improves the capacity of local businesses to recruit and retain employees and attract new businesses to the community. In 2017, the Economic Development Strategic Plan noted that youth outmigration was an area of concern. This is supported by the data, as the youth population (aged 15 to 24) declined by -4.8% between 2016 to 2021 after declining by -11.3% between 2006 and 2016. However, this trend may be changing in recent years. In 2021, the child population (aged 0 to 14) in Lanark County increased by 10.1% compared to 2016 levels, just under the overall population growth (+10.3%) during this period. Additionally, the number of households led by an individual aged 15 to 44 increased by 17.6% from 2016 to 2021, making up 26.2% of households (compared to 24.8% in 2016). However, these levels are much lower than Ontario as a whole (32.5%).

The low levels of younger households in Lanark County may be partly due to the very limited housing options that are affordable to households starting their careers and those who have lower incomes. This is supported by key stakeholders from community agencies who stated that staff recruitment and retention was an issue because the cost of housing in Lanark County was prohibitive for new staff to live in the same community where they worked. Similarly, private developers also cited labour shortages as an issue, and this was an issue even before the COVID-19 pandemic.

3.2. Key Housing Gaps in the Member Municipalities

The following are the key housing gaps for each of the member municipalities. Detailed key findings can be found in Appendix 1: Housing Needs in Member Municipalities.

3.2.1. Key Housing Gaps in the Town of Smiths Falls

There is a need for a more diverse housing supply in Smiths Falls that includes a range of dwelling sizes with a focus on dwellings for the aging population, households with low incomes, and smaller households.

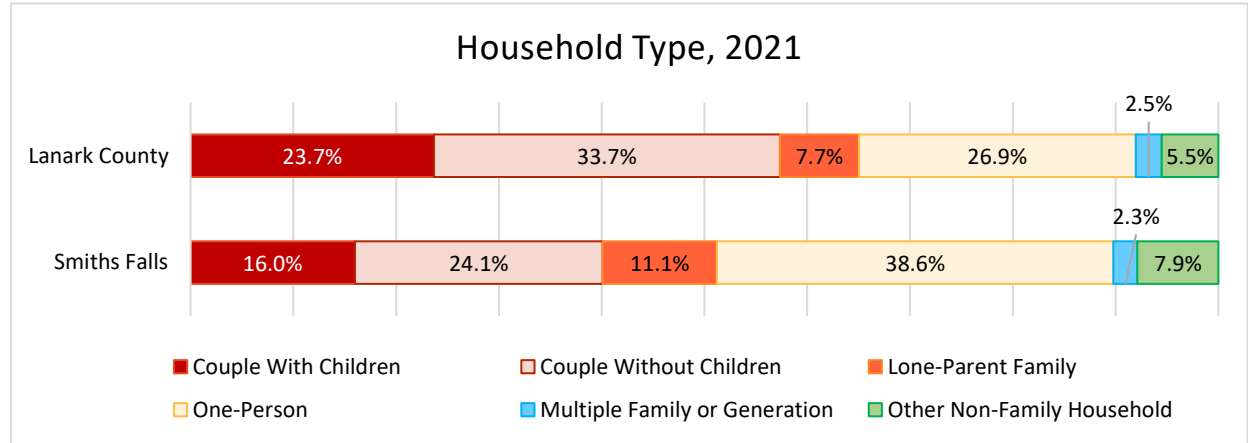
Although most households in Smiths Falls lived in single detached homes (53.0%) in 2021, several indicators from the key findings from the needs assessment would suggest that there is a need for a more diverse housing supply, including dwelling type, tenure, and affordability, in Smiths Falls.

Smiths Falls had the second highest proportion of small households (73.1%) and the second lowest average household size (2.1) in 2021. One-person households were the fastest growing household size between 2016 and 2021, with these households growing by +9.2% as the number of households in Smiths Falls grew by +6.0%. As the number of small households increases, more renter households (+12.7% increase from 2016 to 2021) being added to the municipality than owner households (+1.1% increase). This may be due to the increasing age of the primary household maintainer in Smiths Falls, as these households may be more interested in smaller households and rental housing for convenience. The age of the primary household maintainer is increasingly trending older, with the number of senior (aged 65+) household maintainers increasing by +17.2%.

The age of the primary household maintainer has an impact on the type of housing that is appropriate for a community. While 53.0% of the dwellings in Smiths Falls are single-detached dwellings, there is an opportunity to pursue a more diverse range of housing options for households at all ages and life stages.

One-person households (38.6%) and couples without children (24.1%) were the most common household types in Smiths Falls in 2021 (Figure 7). Addressing the needs of these types of households will be critical to providing appropriate housing options for Smiths Falls. In addition to dwellings in multi-unit buildings, this may include infill development in the downtown area to provide rental options for smaller and older households, co-housing/shared housing options or accessory dwellings for those wishing to age-in-place, or options for families. In the resident survey, 18.6% of respondents from Smiths Falls indicated that accessory dwelling suites are the most needed dwelling type in their community – the second highest proportion of dwelling types.

Figure 7: Household type by proportion for Lanark County and Smiths Falls, 2021¹³



Source: Statistics Canada Community Profiles, 2021

It may be beneficial to include both higher-density options as well as ground-oriented options for smaller households, such as stacked townhouses and quad-plexes. The population in Smiths Falls is not projected to increase dramatically in the period from 2021 to 2038, with an 11.8% increase in population projected in the Lanark County Sustainable Communities Official Plan (SCOP), compared to a County-wide projected growth of 4.6%. This allows the Town of Smiths Falls to be deliberate in its efforts to provide the most appropriate housing options to the community.

There is a need for rental housing options in a range of dwelling types and affordability levels.

Several indicators display a need for more purpose-built rental options in Smiths Falls, specifically affordable options in a range of dwelling types. Smiths Falls has the highest proportion of rental households in Lanark County (45.4%), and this household tenure experienced growth from 2016 to 2021 with a +12.7% proportional increase compared to an owner household growth of +1.1%. These trends make the unaffordability of rental housing in the Town more concerning, with 43.7% of renter households spending 30% or more of their gross household income on shelter costs.

This issue of affordability in Smiths Falls may be due to the current economic conditions and the provision of affordable housing options in the Town, with the 2020 income levels of Smiths Falls indicating the lowest household average (\$72,100) and median (\$61,200) income in the County. In the resident survey, 95.0% of respondents from Smiths Falls indicated there is not sufficient rental housing in their community. Additionally, 81.8% of respondents from Smiths Falls indicated that there is a need for more affordable housing and 88.2% indicated that the main issue with the supply of rental housing in their community was the affordability of the units.

¹³ Household type classifications from Statistics Canada were modified between the 2016 and 2021 Census releases. Therefore, comparisons between the two Census data sets are not applicable.

From a point-in-time scan of rental housing available on the secondary rental market taken in October 2022, the average one-bedroom rental unit was posted for approximately \$1,725 a month. Renter households would need an income level of approximately \$68,558 to afford the average market rent in Smiths Falls. This income level is higher than the median household in Smiths Falls (\$67,610 projected to 2021 income levels). This would indicate the need for more affordable housing for households with low- or moderate-income levels.

The affordability issues faced by renters in Smiths Falls are related to the availability of rental housing in the municipality, particularly purpose-built rental housing. Without the adequate provision of rental housing options appropriate for all ages and life stages, households are forced into renting housing that is beyond their financial means, a point that was discussed during stakeholder engagements with the community. Some households may also choose to leave the community due to a lack of affordable rental options. Increasing market rate and affordable rental supply in the Town would help to address these needs.

Figure 8: Average rent in Smiths Falls compared to affordable rent for median household income



Source: Statistics Canada Community Profiles, 2021; Point-in-time scan taken by SHS in October 2022; Incomes projected based on increase in Ontario CPI from 2020 to 2022.

The affordability of rental housing may also be an issue due to the increasing price of ownership housing. A point-in-time scan found that the average house price in Smiths Falls in October 2022 was approximately \$471,600. While this data may not be reflective of the overall housing market, this shows an increase of more than +40.2% from the average value of dwellings reported in the 2021 Census. This further supports the need for affordable rental options as ownership is becoming unattainable for an increasing number of households in Smiths Falls.

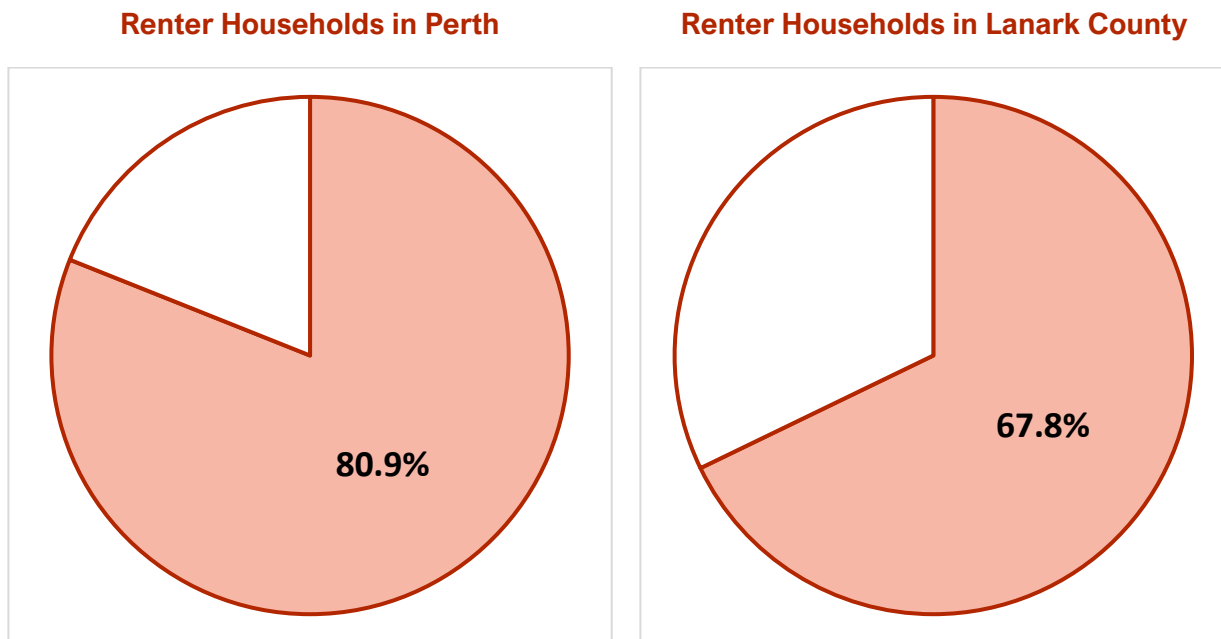
3.2.2. Key Housing Gaps in the Town of Perth

The population of Perth is increasing as households are becoming smaller. This growth is creating a need for a more diverse housing supply, including options for households with lower incomes.

Similar to Smiths Falls, the majority of households in Perth lived in single detached homes (50.6%) in 2021. However, several indicators from the key findings in this report would suggest that there is a need for a more diverse housing supply, including dwelling type, tenure, and affordability, for the residents of Perth.

Perth had the highest proportion of small households (80.9%) and smallest average household size (1.9 persons) in 2021. Trends suggest this will continue, with small households increasing (+9.7%), faster than large households (+3.3%), between 2016 and 2021. In terms of household tenure, Perth experienced a larger increase in households opting to rent (+14.2% in the number of renter households) rather than buy homes (+4.9% in the number of owner households) between 2016 and 2021. Perth ranked second in Lanark County in the share of households as renter households (Figure 9). These trends may be due to the increasing age of the primary household maintainer in Perth, as older households may be more interested in smaller dwellings and rental housing. The number of primary household maintainers over the age of 65 increased by +23.8% in Perth between 2016 and 2021, while those aged between 45 and 65 declined (-2.9%) and those aged between 15 and 44 did not change (+0.0%).

Figure 9: Share of renter households in Perth compared to Lanark County, 2021



Source: Statistics Canada Community Profiles, 2016-2021

The age of the primary household maintainer has an impact on the type of housing that is, and will be, in demand for a community. While 50.6% of the dwellings in Perth are single-detached dwellings, there is an opportunity to use these demographic trends to provide a wider range of housing options for households in Perth.

The most common type of households in Perth in 2021 were one-person households (43.3%) and couples without children (28.9%). Addressing the needs of these types of households will be critical to providing appropriate housing options for Perth. This may include additional units in multi-unit buildings, infill development in the downtown area such as rental apartments above or behind stores, co-housing/shared housing options, or accessory dwellings for those wishing to age-in-place. In the resident survey, 18.8% of respondents from Perth indicated that accessory dwelling suites are the most needed dwelling type in their community – the second highest proportion of dwelling types.

The population in Perth is not projected to increase dramatically in the period from 2021 to 2038, with a 2% increase in population projected in the Lanark County SCOP, compared to a County-wide projected growth of 4.6%. This growth rate allows Perth to address the needs of the current and future population with clear targets for diversity and affordability of a range of dwellings and household tenures.

The current and emerging demand for rental housing options indicates a need to increase the supply of rental housing in Perth.

Several indicators show an increased demand for more rental options in Perth, specifically affordable options for a range of dwelling types. Perth has the second highest proportion of renter households in Lanark County (44.3%), and this household tenure experienced a +14.2% growth between 2016 to 2021 compared to the +4.9% increase for owner households. These trends make the unaffordability of rental housing in the Town more concerning, with 36.7% of renter households spending 30% or more of their gross household income on housing costs.

This issue of rental housing affordability in Perth may be partly due to the current economic conditions and the limited supply of affordable housing options in the Town. Perth households had the second lowest average (\$77,900) and median (\$63,200) household income in Lanark County in 2020. For comparison, the average and median household income in Lanark County in 2020 were \$103,100 and \$88,000 respectively. This suggests that households in Perth may face greater challenges finding affordable housing.

In the resident survey, 90.3% of respondents from Perth indicated there is not sufficient rental housing in their community. Additionally, 81.8% of respondents from Perth indicated that there is a need for more affordable housing and 91.7% indicated that the main issue with the supply of rental housing in their community was the affordability of the units. A point-in-time scan of rental housing ads in October 2022 found that the average one-bedroom rental unit was posted for approximately \$1,600 a month. Households would need a gross household income of approximately \$71,400 to afford the average monthly rental cost (\$1,800), which is greater than

the median household income in Perth (\$71,050 projected for 2021 income levels) to afford these rents. This may mean that most secondary market housing options are not affordable for low- and moderate-income households in Perth.

Figure 10: Average rent in Perth compared to affordable rent for median household income



Source: Statistics Canada Community Profiles, 2021; Point-in-time scan taken by SHS in October 2022; Incomes projected based on increase in Ontario CPI from 2020 to 2022.

The affordability issues faced by renters in Perth are related to the availability of rental housing in the municipality. Without the adequate provision of rental housing options appropriate for all ages and life stages, households are forced into renting housing that is beyond their financial means or leave the community to find more affordable options.

The need to increase rental housing options, particularly affordable rental housing, is essential given the rising cost of home ownership. A point-in-time scan in October 2022 found that the average house price in Perth was approximately \$536,900. While this may not be representative of the overall housing market, it should be noted given that this average increased by more than +24.1% from the average value of dwellings reported in the 2021 census of \$432,800.

3.2.3. Key Housing Gaps in the Town of Carleton Place

There is a need for a more diverse housing supply in Carleton Place that will accommodate a growing and aging population and increasing number of smaller households.

The Town of Carleton Place is the second most populated municipality in Lanark and is quickly growing both in population (+17.6% increase from 2016 to 2021) and households (+21.8% increase). This trend in growth is projected to continue according to the County’s SCOP, with the second fastest population growth rate (+55.1%) and among the highest growth rates for dwellings (+35.6%) projected from 2021 to 2038. These trends indicate that Carleton Place will need to accommodate this growth in population with a range of housing options that are appropriate for the current and future demographics of the Town.

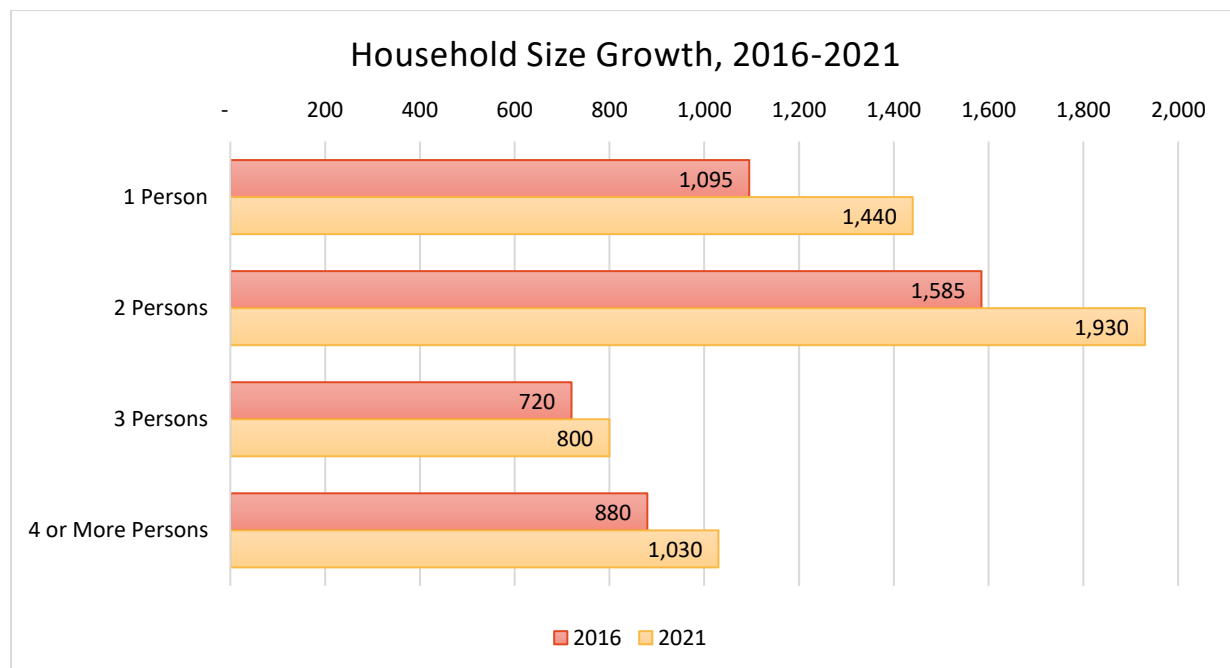
Carleton Place is the only municipality in Lanark County that, according to 2021 figures, had four different dwelling types with shares over 10% of the total dwellings. Single-detached (53.3%), semi-detached (12.1%), row houses (14.7%), and low-rise apartments (19.1%) met this criterion.

This shows that the Town currently has the most diverse housing supply among the member municipalities. However, the Town could utilize high rise apartments (apartment structures over five storeys), which made up under 1% of all dwellings in 2021, to accommodate some of the growth projected in the future. Other ways to accommodate the anticipated growth are by providing for intensification opportunities through redevelopment, reuse, and infill.

The trends in size and type of households in Carleton Place provide insight into the types of dwellings that should be considered for future growth. Couples without children (28.0%) are the most common household type in Carleton Place, while the proportion of small households (64.7%) is higher than only Beckwith (56.5%) and Montague (61.1%) in Lanark County. Additionally, lone parent households make up 10.5% of all households, the second highest figure for this household type in Lanark County.

However, there are signs that this trend of larger households is changing (Figure 11). The growth of small households from 2016 to 2021 (+25.7%) was highest in the County and may indicate that this trend will continue in the next ten years. One-person households increased by +31.5% during this period, the greatest increase for this household type in Lanark, and higher than the overall household growth in Carleton Place (+21.7%). The age of the primary household maintainer is increasingly trending older, with the number of senior (aged 65+) households increasing by +29.9%, the third highest growth rate in Lanark County between 2016 and 2021. The age of households has an impact on the type of housing that is appropriate for a community. While 53.3% of the dwellings in Carleton Place are single-detached dwellings, there is an opportunity to pursue a more diverse range of housing options for households at all ages and life stages but particularly for an aging population and smaller households.

Figure 11: Growth in household size in Carleton Place, 2016 to 2021



Source: Statistics Canada Community Profiles, 2016-2021

The proportion of renters facing housing affordability issues in Carleton Place indicates a need for rental housing options in a range of affordability levels.

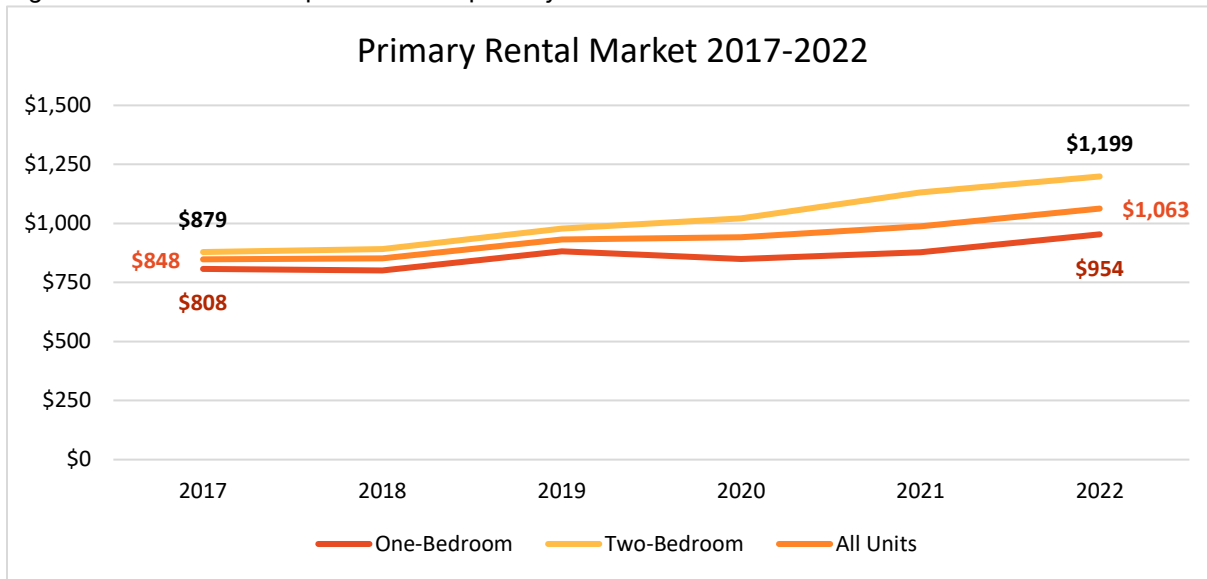
Carleton Place is facing similar trends as other urban municipalities in terms of housing tenure. Rental housing is becoming more in demand and is becoming increasingly unaffordable for most residents of Carleton Place. While most dwellings are owned (70.2% in 2021), there was a trend towards rental housing from 2016 to 2021, as the proportion of renter households increased by +29.5% during this period.

This growth in renter households in Carleton Place was the greatest among member municipalities in Lanark County during this period, indicating there is need for a focused development of rental units to address this growing demand. According to the resident survey, 93.9% of respondents from Carleton Place did not believe there was sufficient rental housing options in their community. Further, 88.3% of respondents believed that the main issue with the rental housing options in their community was the unaffordability of the options.

These responses are substantiated by the data. There is a trend of increasing unaffordability of rental housing in the Town, as 46.0% of all renters spent 30% or more of their income on housing costs in 2021. This value was the highest proportion in Lanark County as the number of renter households who were experiencing affordability issues increased from 2016 to 2021 (+14.7%). In contrast, the proportion of owners who were spending 30% of household income on ownership housing costs had decreased by -12.4% during this period (11.5% in 2021).

From the limited primary rent data available from the CMHC Primary Rental Survey, the trends in rent prices in Carleton Place show a rapidly increasing rent price (Figure 12). This is particularly true for two-bedroom units, where the rent price had increased +36.4% in the last five years.

Figure 12: Trends in rent prices for the primary rental market in Carleton Place.



Source: CMHC Rental Market Survey, 2017-2022

However, rent prices appear even more unaffordable on the secondary rental market. From a point-in-time scan of rental housing available on the secondary rental market from October 2022, the average one-bedroom rental unit was posted for approximately \$1,800 per month. The average rent price from the point-in-time scan (\$2,390) would require a household income of approximately \$95,000 to rent affordability. This is approximately equal to the median income (\$92,100 projected to 2021 income levels) in Carleton Place. This may mean that there is a lack of affordable options for low-income households as well as some households with moderate incomes in Carleton Place.

The need for rental housing will likely keep increasing at a much faster rate to keep up with the projected population increase and the increasing house prices. A point-in-time scan in October 2022 found that the average house price in Carleton Place was \$630,800. While this may not be representative of the overall market and may be skewed by one or two high priced sales, this is a +26.1% increase from the average value of dwellings in Carleton Place in 2021 (\$500,400).

An increase in the supply of rental housing in Carleton Place, both of market and affordable units, may be required to address this need and provide households with an option to live in Carleton Place even if they can no longer afford to buy a home.

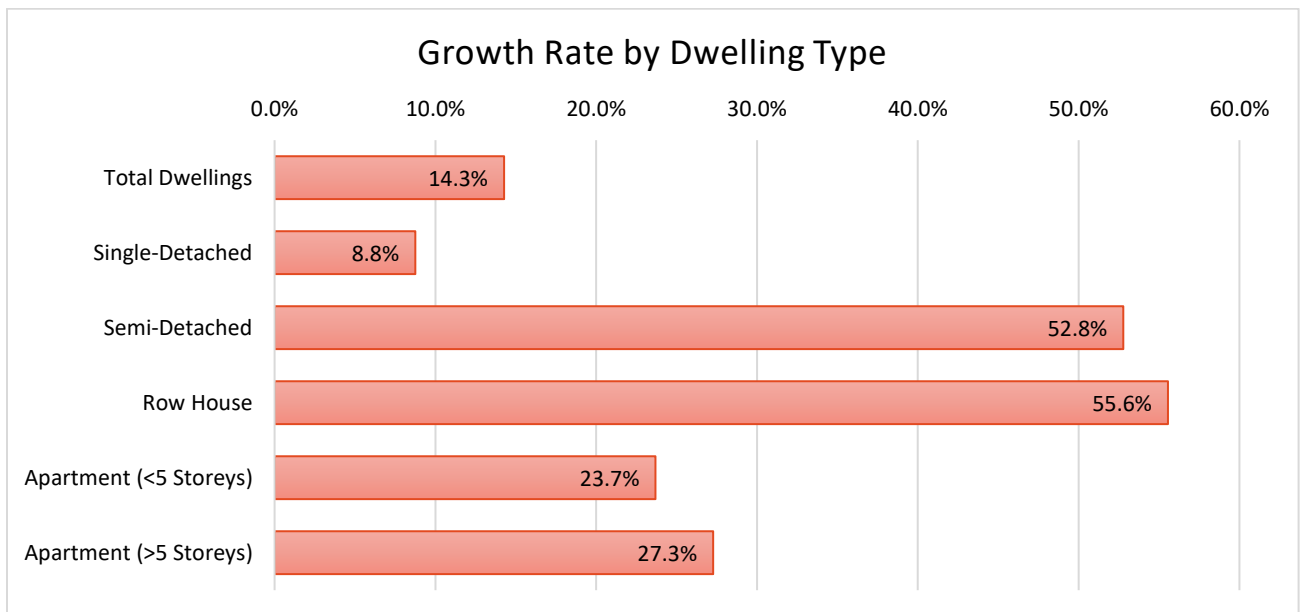
3.2.4. Key Housing Gaps in the Municipality of Mississippi Mills

Mississippi Mills needs a more diverse housing supply that will allow a range of household types to find affordable and appropriate housing options.

The Municipality of Mississippi Mills is the most populated municipality in Lanark (19.5% of the County’s population) and has seen significant growth in population (+12.0% increase from 2016 to 2021). This trend in growth is expected to continue according to the County’s SCOP, with the second fastest population growth rate (+43.3%) and among the highest dwelling growth rates (25.0%) projected from 2021 to 2038. These trends indicate that Mississippi Mills will need to accommodate this growth in population with a range of housing options that are appropriate for the current and future residents of the municipality.

Mississippi Mills is an outlier among the more urban municipalities in Lanark County in that the vast majority (77.1%) of dwellings in 2021 were single-detached homes. However, more dense forms of housing grew faster from 2016 to 2021 than single-detached homes (+8.8%), including semi-detached (+52.8%), low-rise apartments (+23.7%), and high-rise apartments (+27.3%). Housing completions data show that there are more row houses (30.5% of housing completions in 2020) and apartments (29.2% of completions in 2022) being constructed in the municipality in recent years. In 2022, multi-unit dwelling completions (58.3%) outnumbered single detached completions (41.7% in 2022). This proportion for single-detached completions is much lower than 2015, when 94.0% of completions were single-detached dwellings.

Figure 13: Housing completions in Mississippi Mills by dwelling type, 2018-2022



Source: CMHC Housing Starts and Completions Survey, 2018-2022

Trends in the size and type of households in Mississippi Mills show the types of dwellings that should be considered for future growth. Couples without children (36.7%) are the most common household type in Mississippi Mills, followed by couples with children (25.6%). Additionally, the proportion of multi-generational households (2.0%) and lone-parent households (6.6%) in Mississippi Mills follows the trends of the more rural member municipalities. This may indicate there is a need for housing appropriate for families.

While the proportion of small households (66.8%) is among the lowest of the more urban municipalities in Lanark County, there exists a sizeable mismatch between the proportion of large households (33.2%) and large dwelling types (68.8%). This represents an opportunity for several housing options that involve co-housing options, secondary suites, or infill developments. Additionally, the growth of small households from 2016 to 2021 (+19.2%) was the second greatest in the County and may indicate that the need for housing appropriate for smaller households will continue to increase soon.

The age of the primary household maintainer is increasingly trending older, with the number of senior (aged 65+) household maintainers increasing by +38.0%, the highest growth rate in Lanark County between 2016 and 2021. The age of the primary household maintainer has an impact on the type of housing required. While 77.1% of the dwellings in Mississippi Mills are single-detached dwellings, there is an opportunity to pursue a more diverse range of housing options for households at all ages and life stages, including options with accessibility features to facilitate aging in place.

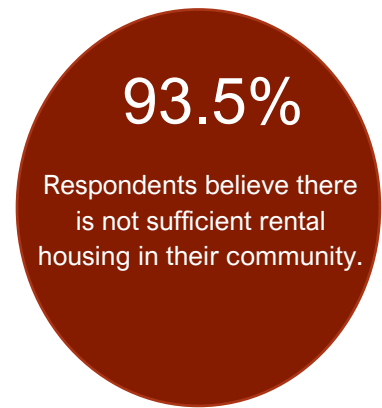
There is a need for rental housing options in a range of dwelling types and affordability levels in Mississippi Mills.

Mississippi Mills is facing similar trends as other urban municipalities in terms of housing tenure. The demand for rental housing is growing and existing rental options are becoming increasingly unaffordable for most residents of Mississippi Mills. While most dwellings are owned (83.2% in 2021), the number of renter households was increasing between 2016 and 2021 (+12.2%), which may suggest a need for a focused development of rental units to address this growing demand. According to the resident survey, 93.5% of respondents from Mississippi Mills did not believe there was sufficient rental housing options in their community. Further, 87.1% of respondents believed that the main issue with the rental housing options in their community was the unaffordability of the options.

These responses are substantiated by the data. There is a trend of increasing unaffordability of rental housing in the municipality, as 35.0% of all renters spent 30% or more of their income on housing costs in 2021. From a point-in-time scan of rental housing available on the secondary rental market in October 2022, the average one-bedroom rental unit was posted for approximately \$2,450 a month. This rent cost would require a gross household income of approximately \$98,500 to remain affordable. While the median household income in Mississippi Mills (\$110,500 in 2022 dollars) would be high enough to afford the average rental unit on the secondary market, there may be a shortage of rental options for those in low-income

households. Additionally, renter households tend to have lower incomes than the municipality as a whole and would require a lower rent to avoid affordability issues.

Due to the current demand in rental housing, and the trends indicating that this is about to increase dramatically along with the projected increase in population, an increase in the supply of rental housing in Mississippi Mills is required to satisfy the growing demand. This provision of rental housing should include market and affordable housing, including options in multi-unit buildings, additional residential units within existing homes, and rental units above or behind commercial spaces. The need for rental housing options is also important given the sharp increase in the cost of homeownership in Mississippi Mills. Based on data from a point-in-time scan from October 2022, the average house price increased by over +30.6% from \$561,000 in 2020 to \$732,800 in 2022.



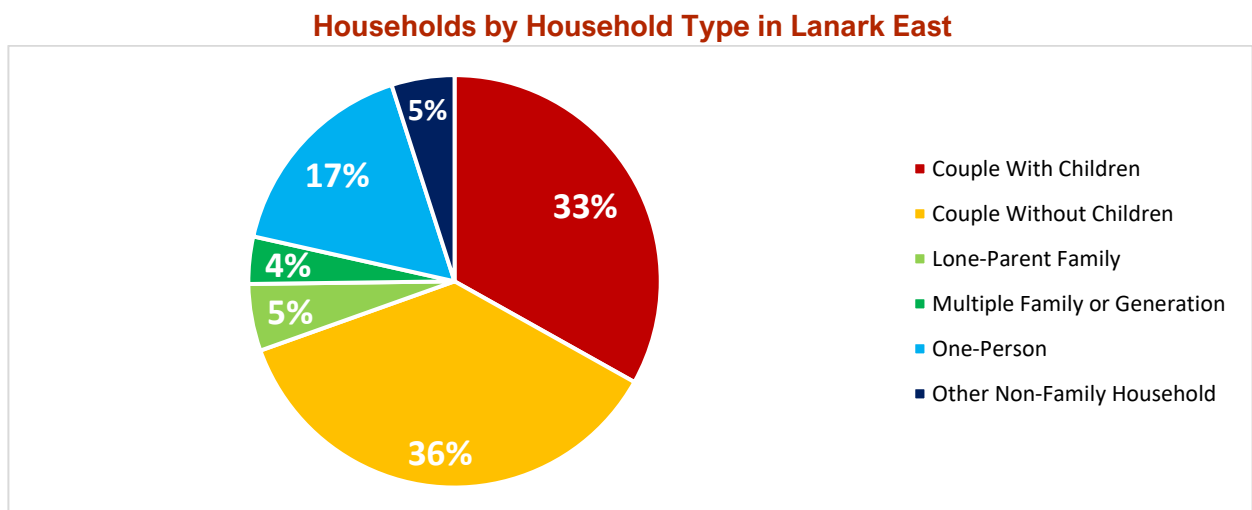
3.2.5. Key Housing Gaps in Lanark East (Beckwith and Montague)

The projected growth in population in Lanark East will require the provision of a diverse range of housing options to accommodate a variety of household types and affordability levels.

Lanark East, consisting of Beckwith and Montague, is one of the fastest growing communities in Lanark County. Despite being the fourth most populated municipality in the County in 2021, Beckwith is projected to experience the highest population growth (+76.5%) that is almost double the projection for Lanark County as a whole (+40.3%) between 2021 and 2038. This amount of growth requires the development of a wide range housing options to accommodate this growth.

While single-detached dwellings may be appropriate for families in Lanark East, there are indicators of growth in other household types that require the communities in Lanark East to consider a wider range of housing options (Figure 14). Couples without children (36.3%) are the most common household type in Lanark East, followed by couples with children (33.0%). Additionally, multi-generational households made up 4.3% of the households in Montague and 2.5% of household sin Beckwith, the two highest proportions for this household type in Lanark County. However, 16.5% of households are one-person households and smaller households have increased (+14.6%) at the faster rate than large households (+11.2%) between 2016 to 2021. One-person households increased by +13.4% between 2016 and 2021. These trends indicate there is a need for both small and large dwellings as the area is growing and a diverse range of housing options should be considered when developing new housing units.

Figure 14: Breakdown of households by household type in Lanark East (Beckwith and Montague combined), 2021



Source: Statistics Canada Community Profiles, 2021

In 2021, 95.1% of the dwellings in Lanark East were single-detached dwellings. Although Beckwith (24.9%) and Montague (29.7%) had two of the lowest proportion of households maintained by seniors in 2021, this household demographic is rapidly growing (+30.2% growth between 2016 and 2021 in Beckwith) and appropriate housing options for seniors must be considered.

The need for a more diverse housing supply is also important given the significant increase in the cost of housing in the communities in Lanark East. A point-in-time scan found that the average house price in Lanark East in October 2022 was \$774,500. While this data may not be reflective of the overall housing market, this shows an increase of more than +33.0% from the average value of dwellings reported in the 2021 census. While the average income in Lanark East is above the County average, if the trends in house prices continue it will make ownership unattainable for many households, including seniors and young families. These households may be forced to move to a different community if more diverse and affordable options are not provided.

3.2.6. Key Housing Gaps in Lanark West (Tay Valley, Lanark Highlands, Drummond/ North Elmsley)

The communities in Lanark West require a broader range of housing options to accommodate the increasing number of seniors and smaller households.

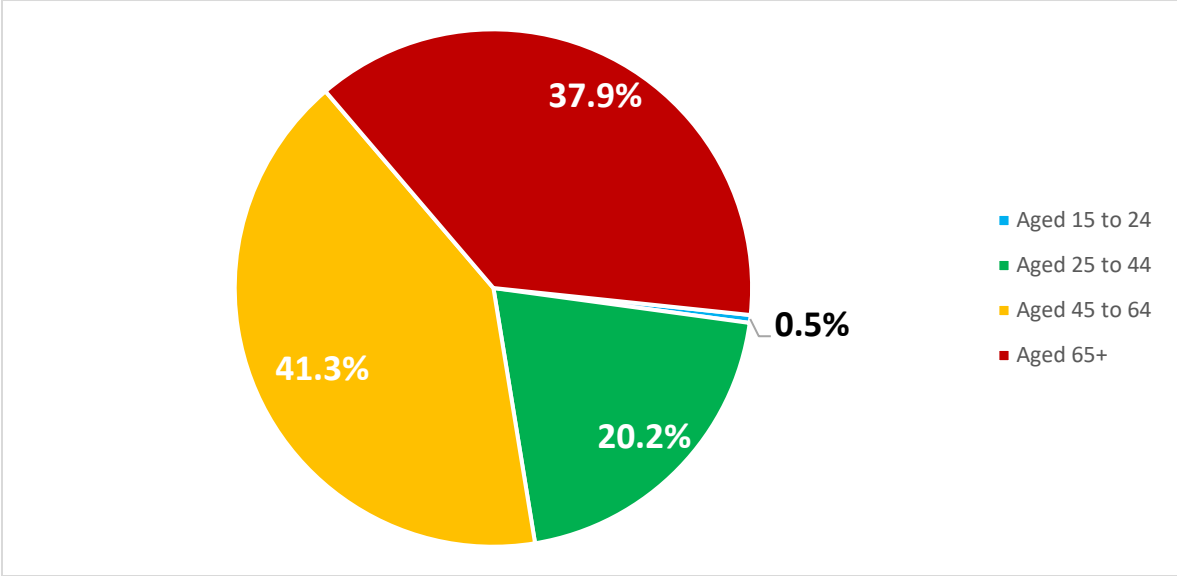
Lanark West, consisting of Tay Valley, Lanark Highlands and Drummond / North Elmsley, is a growing community in Lanark County. This area accounts for 26.2% of the County's population. The population is projected to grow by 47.4% by 2038, greater than the anticipated growth of the population of Lanark County as a whole (40.3%).

In 2021, over 94% of the dwellings in Lanark West were single-detached dwellings. Although single-detached dwellings may be appropriate for growing families in Lanark West, household trends and projections show a need for a wider range of housing options, including options for smaller households and seniors. Couples without children (40.4%) are the most common household type in Lanark West, followed by couples with children (24.0%). Further, 22.1% of households are one-person households and the growth of smaller households has outpaced that of large households (+9.7% and +2.6%, respectively). One-person households experienced the greatest growth (+17.5%) of any household size during this period by a wide margin in Lanark West. This suggests an increasing need for housing options which are appropriate for smaller households.

The proportion of senior households in Lanark West in 2021 (37.9%) was higher than the County average (35.5%). Additionally, only 13.4% of the Lanark West population was children (Figure 15), lower than the Lanark County proportion (15.0%), and proportions of older adults (32.3%) and seniors (27.2%) that are higher than proportions across the County (29.0% and 25.2%, respectively). The senior population in Lanark West increased by +21.4% between 2016 and

2021, the highest increase of any age cohort during this period. These trends indicate a need to plan for housing options more appropriate for an aging population to age in place.

Figure 15: Proportion of age cohorts for household maintainers in Lanark West (Tay Valley, Lanark Highlands, and Drummond / North Elmsley combined), 2021



Source: Statistics Canada Community Profiles, 2021

Having very limited options in terms of dwelling types may also be an issue given that the average house price from a point-in-time scan in Lanark West in October 2022 was \$627,000. While this data was the result of a point-in-time scan and may not be reflective of the overall housing market, this shows an increase of more than +28.0% from the average value of dwellings reported in the 2021 census. While the average income in Lanark West is above the County average, if the trends in housing prices continue it will make ownership unattainable for seniors and young families in Lanark West.

4.0 What We Heard

From October 26 to October 29, 2021, five separate engagement sessions were completed with a variety of stakeholder groups in Lanark County. These stakeholder groups included urban municipal staff, rural municipal staff, community agencies, and two sessions with private developers who are active in Lanark County.

The groups were given a presentation on the key findings of the background research into the housing gaps and policy context in Lanark County. Given this background, the groups were asked several questions pertaining to their experiences in the development of affordable housing. The participants were asked questions regarding barriers and opportunities related to developing housing, impacts of the COVID-19 pandemic, and potential partnerships.

Additionally, an online resident survey was conducted from September 20 to October 11, 2021 to collect more current information for the purposes of this study. The survey consisted of 17 questions to develop a better understanding of residents' views on housing in Lanark County. A total of 503 responses were received.

Following the completion of Phase 1 of the study, three (3) virtual public engagement sessions were held on January 20 and 25, 2022 in coordination with Lanark County staff. The purpose of these sessions was to present the study and approach, findings of the background review and housing gaps analysis, and receive public input on the draft housing vision, goals, and recommended actions. Participants also had the opportunity to ask questions and provide additional comments. There were a total of 94 participants in the three public sessions.

This section outlines the key themes of what we heard during these engagement activities with stakeholder groups and the public.

There is a need and interest for localized definitions of affordable housing across the different municipalities in Lanark County.

- Municipal staff noted that there are differing levels of housing affordability throughout Lanark County due to the varying impacts of Ottawa's housing market as well as the availability of housing in each community.
- Municipal staff expressed that there is a lack of available data for their respective municipalities to track housing prices and rental availability in real time.
- Municipal staff indicated that there is a lack of consistency in terms of planning requirements and processes between the County and among the various lower-tier municipalities, which may present challenges to opportunities for partnerships.

“[It is] impossible for single people to afford housing. Middle-to low- income earners as well.”
– *Survey Respondent*

- Community agencies indicated their preference for an income-based definition of affordable for municipalities in Lanark County, rather than a market-based definition.
- Public engagement participants were supportive of localized definitions for affordable housing, based on recent income data.

Some policies and provisions in the current municipal Official Plans and Zoning By-laws present barriers to the development of a more diverse housing supply.

- Community agencies and developers expressed that there is inconsistency in the interpretation and application of planning policies across the member municipalities, which results in longer review timelines for planning applications and reluctance to create new housing units.
- All stakeholder groups recognized that there is inconsistency in the policies and zoning provisions related to additional residential units. Some municipalities have not updated their Official Plans to authorize additional residential units in both a primary dwelling and ancillary buildings and structures.
- Resident survey results showed that residents believe that the solutions to increasing housing options involve adjusting or easing planning policy to permit a range of housing, incentives to develop affordable housing, and the use of government-held land to build affordable housing.
- Municipalities are investigating specific policies for additional or accessory dwelling units and development in downtown areas above and behind commercial buildings.
- There is an increased demand for alternative housing forms, such as tiny houses, as demonstrated in the resident survey.
- Conversion of lots containing underutilized strip malls to mixed-use lands to include housing could be explored if financially viable.
- Municipal staff and developers noted that parking standards may present constraints to more infill and high-density developments. Stakeholders also noted that parking requirements should be reduced in downtowns where services are walkable.
- Some participants at the public engagement sessions expressed concern over the inconsistencies across local Official Plans and Zoning By-laws of member municipalities.
- Public engagement participants expressed frustration over the development application process and the lack of commitment from member municipalities.

“Please make it easier for us to add granny suites or renovate our garage or [...] build tiny homes [...] to be able to provide affordable housing for our youth and elderly [...]”
 – *Survey Respondent*

There is a demand for affordable housing, including rental and supportive housing options across Lanark County.

- Community agencies explained that there have been numerous supportive housing developments that have recently closed and suggested that there is opportunity for private retirement homes or communities to add supportive housing options. It was also noted that the lack of affordable housing in the County is a barrier to the retention of staff for supportive and seniors housing who may wish to live in the community they work in.
- A portion of rental building stock in the County is declining in quality, which may be resulting in lower rental rates.
- There are underutilized lands throughout the County that could be redeveloped for residential uses. Community agencies suggested that a land trust and community investment fund could provide opportunity for individuals to invest in the provision of new housing in their community.
- There is strong support for new multi-residential development to be required to include affordable rental units, however there may need to be municipal financial tools in place to assist with recouping the cost of developing these affordable units.
- Developers expressed interest in the creation of a brownfield remediation program that would provide incentives to redevelop these lands into mixed uses, including housing.
- Public engagement session participants indicated that the County should be prioritizing initiatives to increase the provision of more affordable and market-rate rental housing, as well as the provision of County-owned surplus land and/or buildings for affordable housing.

“Co-housing for seniors is an up-and-coming scenario gaining popularity. Many of us are interested in this option and could afford to purchase a unit, but don’t even know where to start. Could Lanark County Housing help us get started?”

– *Survey Respondent*

“The lack of affordable housing means younger people [are] leaving the County and [we should be] highlighting the importance of addressing this issue.”

– *Public Engagement Session Participant*

There is a desire for incentives, including financial incentives, and different development standards for affordable units, supportive housing, and/or alternative housing forms.

- Developers recommended flexible parking standards (such as reduced minimum parking requirements for multi-residential, rental, and/or affordable housing developments), minimum dwelling unit sizes, and flexible development standards in return for providing affordable units.
- Developers and community agencies recommended reducing planning fees or development charges and fast-tracking development applications for affordable units.

- The majority of participants at the public sessions felt that the County should be providing incentives, including financial incentives to support the development of affordable and supportive housing.
- Public session participants expressed support for future opportunities for partnerships between the County and private and non-profit organizations as well as senior levels of government.

Servicing constraints in rural villages and hamlets present challenges for developing multi-residential, including affordable developments.

- Rural areas and hamlets present servicing and development challenges as most lots are on private septic systems or wells. Applications for multi-residential development are rare in these areas.
- Municipal staff expressed interest in exploring opportunities for the creation of communal systems to address servicing-related development constraints, however funding support or partnerships would be required to make these options financially viable. It is recognized that improvement of servicing technologies will be required to create new housing opportunities in the rural areas.

The impacts of the COVID-19 pandemic are being felt across all communities in Lanark County.

- COVID-19 pandemic has brought changes to the housing market. With more people working from home, housing costs in Lanark County have risen, pushing households with low and moderate incomes further from the affordability threshold.
- People in precarious housing situations were pushed to homelessness. While COVID-19 financial benefits have assisted some in paying for housing costs, there is great uncertainty as to what financial assistance will be in place once these benefits end.
- Due to the COVID-19 pandemic, building permits and planning applications have been delayed. Developers who have submitted applications are forced to bear the cost of such delays.
- Developers expressed that the availability of labour, shortage of supplies is prolonging project schedules.

“Unprecedented changes taking place in [the] buying [and] renting markets makes everything difficult to plan for.”
 – *Public Engagement Session Participant*

5.0 Municipal Tools to Support Housing

This section includes the housing vision for Lanark County and recommended housing targets and housing actions.

5.1. Housing Vision

The following vision is based on the vision statement in the Lanark County 10-Year Housing and Homelessness Plan and was revised to reflect feedback from Lanark residents during three public engagement sessions.

Lanark County is a safe, attractive, and inclusive community where current and future residents have access to a diverse range of housing options that are safe, appropriate, and affordable.

5.2. Housing Targets

The PPS requires municipalities to set minimum targets for housing which is affordable to households with low and moderate incomes. The Housing Services Act also requires that a municipality's housing and homelessness plan include targets related to housing need. The following section outlines housing targets that have been developed to assist Lanark County in addressing the emerging and future housing needs in its committees. This section has been updated to include updated dwelling counts and progress on housing targets based on updated data collected from the 2021 Census.

The housing targets are calculated using the projected increase in the number of households in Lanark County, based on the household forecasts developed for Lanark County's Sustainable Communities Official Plan Review. Additionally, the Housing and Homelessness Plan includes a target of eighty new rent-geared-to-income and affordable housing units by 2028. It also states that the County will target 25% of all new housing be considered affordable as per the PPS.

This section includes recommended targets by dwelling type, tenure, and affordability for all new dwellings based on the identified housing needs in Lanark County and the County's dwelling projections.

5.2.1. Housing Targets by Type

The key housing gaps for Lanark County as a whole, as well as several member municipalities, outlined the mismatch between the trends for smaller households while dwellings are being built that would be more suitable for large families. To provide housing more appropriate for the

current and future residents of Lanark County, the connection between household size and dwelling type was further explored to derive housing targets for Lanark County based on emerging trends in household size.

In 2021, 80.4% of dwellings in Lanark County were single-detached or semi-detached homes (down from 82.1% in 2016), while large households¹⁴ made up just 32.2% of the households in the County. The trend toward single and semi-detached dwellings continues while the number of small households is increasing (+13.7%) faster than large households (+7.5%) in the County.

Using census data for household size from 1996 to 2016, annual growth rates were calculated that gave more weight to the trends from the most recent ten-year span. These growth rates were generated using the growth trends in large and small households in the twenty-year period. Single-detached and semi-detached dwellings were combined as dwellings appropriate for large households, while row houses and apartment dwellings were combined as housing appropriate for small households. Annual growth rates for these dwelling categories were used to project the total dwellings required for each category. Progress towards this target was calculated by dividing the difference in each dwelling type from the 2016 and 2021 Census figures.


Using this method of projection, there is a need for dwelling types appropriate for smaller households, particularly in urban municipalities. These calculations indicated that Lanark County should be targeting approximately 30% of all units be row/town houses and apartment units to better address the needs of the changing demographics in Lanark by 2031, compared to 16.3% in 2016. To accomplish this, it is recommended that Lanark County aim to have 20% of all new units be row houses or apartment dwelling units in the next ten years. Projections from Lanark County's SCOP show a total of approximately 8,000 new units between 2016 and 2031.¹⁵ Data from the 2021 Census show that Lanark County is currently on pace for these dwelling projections (31,353 projected private dwellings compared to 31,910 actual in 2021). This projected growth represents an increase of approximately 530 new units each year. Of these new units, 160 dwellings per year should be rows or multi-unit dwellings. If these targets are met, the proportion of rows and multis by 2031 will be 20%, a more representative proportion for Lanark County's household trends.


¹⁴ Large households as defined as households containing three or more people. Small households are defined as households with one or two persons.

¹⁵ As household completion data for the County is not available, the growth in privately occupied dwellings was utilized to represent new dwellings created to permanently house new households.

Figure 16 outlines key figures from the housing target by dwelling types and the progress that has been made towards these targets from 2016 to 2021.

Figure 16: Key Figures of Housing Targets by Dwelling Type

March 2022 Targets by Dwelling Type				
		Annual dwelling growth	Annual proportion of dwellings	Proportion of total dwellings in 2031
	Total Dwellings	-	530	-
Multi-Unit Dwellings	-	160	30.0%	20.0%

2023 Update (based on 2021 Census)					
		Total new dwellings	New dwelling growth per year	Proportion of dwellings	Proportion of total dwellings in 2031 (New)
	Total Dwellings	+3,330	+666	-	-
Multi-Unit Dwellings	+1,095	+219	32.9%	21.4%	

Source: Statistics Canada Community Profiles, 2016-2021

Due to the existing housing stock, it will not be feasible to dramatically change the mix of small and large dwelling types, but these targets will aid in addressing this housing gap. While some member municipalities, such as the urban municipalities of Perth, Carleton Place, as well as Smiths Falls, already have a housing mix that is close to these targets, it will require efforts from all Lanark County member municipalities to meet these targets as the need for a more diverse housing supply is consistent across all member municipalities. Providing a more diverse range of housing options will help ensure appropriate options exist for the aging population and smaller households.

According to the 2021 Census figures, Lanark County is exceeding the targets outlined in the original release of this report. The County exceeded the target for total new dwellings (+666 dwellings), annual new multi-unit dwellings (+216), and the proportion of new units being multi-unit (32.9% of new units). This has led to an increased projection of 21.4% of all dwellings being multi-unit by 2031 if this pace continues. In 2021, this figure was 18.1%.

5.2.2. Housing Targets by Tenure

The provision of rental housing is a key housing gap that has been identified through the key findings of this report and through engagements with key stakeholders and the resident survey. To project future demand for rental housing, the ten-year household tenure trends and the County's dwelling projections were utilized to estimate total household projections for each tenure.


Although the current proportion of renter households is down from 1996, there has been a recent surge in rental housing in every municipality throughout the County. Renter households


increased by +14.2% from 2016 to 2021, a faster growth than owner households, who experienced a +11.0% growth rate during this period. This may indicate a trend towards an increased demand for rental housing. These statistics are supported by the resident survey, where over 90% of respondents believed there was insufficient rental housing to satisfy the demand in their community, and the stakeholder engagements, where it was noted that rental housing development has been increasing rapidly in the County.

Annual growth rates were developed using census data for household tenure trends from 2006 to 2016. These annual growth rates were used to project the total dwellings required for each tenure category. As such, it is recommended that Lanark County target 30% of all new units be rental housing starting in 2022.

Projections from Lanark County's SCOP show a total of approximately 8,000 new units between 2016 and 2031. Data from the 2021 Census show that Lanark County is currently on pace for these dwelling projections (31,353 projected private dwellings compared to 31,910 actual in 2021). Of the new projected units, 160 dwellings per year should be rental dwellings. If these targets are met, the proportion of rental housing units by 2031 will be 23.0%, up from 21.1% in 2016 and a more representative proportion for Lanark County's current and emerging household trends. The results of the implementation of these targets are displayed in Figure 17, along with the growth of renter households and total dwellings from 2016 to 2021. Although the alignment with the targets for rows and multi-unit dwellings is coincidental, this allows for the County to implement these targets in tandem.

Figure 17: Key Figures of Housing Targets by Dwelling Tenure

March 2022 Targets by Tenure				
		Annual dwelling growth	Annual proportion of dwellings	Proportion of total dwellings in 2031
Total Dwellings	-	530	-	-
Renter Dwellings¹⁶	-	160	30.0%	23.0%

2023 Update (based on 2021 Census)				
	Total new dwellings	New dwelling growth per year	Proportion of dwellings	Proportion of total dwellings in 2031 (New)
Total Dwellings	+3,330	+666	-	-
Renter Dwellings	+1,095	+171	25.7%	23.0%

Source: Statistics Canada Community Profiles, 2016-2021

¹⁶ As household completion data for the County is not available, the growth in privately occupied tenant dwellings was utilized to represent new rental dwellings created to permanently house new households.

Due to the existing housing tenure, it will not be feasible to dramatically change the mix of rental and ownership dwellings, but these targets will aid in the addressing the housing gap created with the current lack of rental housing options. Some member municipalities, such as the urban municipalities of Perth and Smiths Falls, should continue to work toward increase the supply of rental housing. In addition, other municipalities within Lanark County should strive to meet these targets, as the need for rental housing will only continue to increase in the next ten years.


According to the 2021 Census figures, Lanark County is not meeting all of the targets outlined in the original release of this report. The County exceeded the target for total new dwellings (+666 dwellings) and annual new multi-unit dwellings (+171), however only renter households made up only 25.7% of the growth in dwellings in Lanark from 2016 to 2021. If the County aims for 30% of all new dwellings to be rental housing moving forward, 23.0% of all dwellings will be rental by 2031.

5.2.3. Housing Targets by Affordability

The affordability of housing in Lanark County is a key housing gap that has been identified through the needs assessment, engagements with key stakeholders and the resident survey. The following are the recommended targets for affordable housing that meets the proposed definition outlined in Section 2.0 of this report. These targets are based on targets identified in the Lanark County 10-Year Housing and Homelessness Plan and are meant to address both the current and emerging need for housing that is affordable to households with low- and moderate-incomes.

To gauge the demand for affordable housing, figures for the number of households that spent 30% or more of their gross annual household income on shelter costs were utilized to determine the trends in housing affordability. Census data from 1996 to 2016 was used to calculate per-year growth rates that gave more weight to the trends from the most recent ten-year period. These annual growth rates were then used to project the total dwellings required to address the need. These projections concur with the target set in the Housing and Homelessness Plan where at least 25% of all new units meet the affordability threshold as shown in Figure 18.

Figure 18: Key Figures of Housing Targets by Affordability

March 2022 Targets by Affordability (2023 Update)			
	Annual proportion of dwellings	Approximate number of anticipated dwellings (2021 to 2031)	Target new dwellings per year
Total Dwellings	-	4,660	-
Affordable Dwellings	25.0%	1,160	130¹⁷

¹⁷ Target based on 2016 figures.

It should be noted that several member municipalities within Lanark County have policies that target 25% of new dwellings to be affordable. Communities with higher levels of households that have a much higher rate of households facing housing affordability issues, such as Smiths Falls and Perth, should consider exceeding these targets.

These targets are summarized in Figure 19 below by each target.

Figure 19: Summary of Housing Target key figures

	Target Dwelling Description	Proportion of all New Units per Year	Number of New Units per Year	Proportion of Total 2031 Households (if Targets met)
Target by Type	Rows and Multis	30.0%	160	20.0%
Target by Tenure	Rental	30.0%	160	23.0%
Target by Affordability	Affordable	25.0%	130	N/A

5.3. Housing Goals

The following goals were developed based on the identified key housing gaps in Lanark County, the strategic directions in the updated Lanark County Housing and Homelessness Plan, and the draft housing vision.

Goal 1: To encourage a broad range of housing options which meet the needs of current and future Lanark County residents.

Anticipated outcomes:

- Increased diversification of the housing stock, particularly units appropriate for smaller households and an aging population, in all communities in Lanark County.
- An increase in the number of barrier-free units for people with disabilities and an aging population.

Goal 2: To increase the supply of market-rate and affordable rental housing across all communities in Lanark County.

Anticipated outcomes:

- An increase in the number of purpose-built rental units in Smiths Falls and member municipalities.
- Increased diversity in rental housing forms, including units in multi-unit buildings, additional dwelling units, and units within mixed use buildings.

- An increase in the number of purpose-built rental units that meet the definition of affordable housing in Smiths Falls and member municipalities.

Goal 3: To support economic growth and community wellbeing through an adequate supply of housing which is affordable to households with moderate incomes.

Anticipated outcomes:

- An increase in rental and ownership housing options which are affordable to households with moderate incomes in a range of dwelling types.
- An increase in the proportion of households who live and work in Lanark County.

5.4. Potential Tools

The following recommended actions aim to address the identified housing gaps in Lanark County. These recommendations are based on the housing needs assessment, the results of the resident survey and key stakeholder engagements, the policy review, and the actions identified in the Lanark County Housing and Homelessness Plan. Please refer to Appendix 3: Promising Practices for ideas for implementing some of the recommended actions below.

5.4.1. Recommended Housing Action Plan for Lanark County

The recommended actions for Lanark County are organized in the following categories.

- Policy and regulations
- Funding
- Partnerships
- Awareness and advocacy

Recommended timelines have also been identified and these are as follows.

- Foundational – These actions are priorities and/or the implementation of other actions are dependent on these and should be implemented as soon as possible.
- Short term – These actions should be implemented in the next one to three years, i.e., 2023 – 2025
- Medium term – These actions should be implemented in the next three to five years, i.e. 2025 – 2027
- Ongoing – These actions should be implemented on an ongoing basis.

Recommended Action	Implementation Timelines	Goal Addressed
Policy and Regulations		
1. Add a policy in the Lanark County Sustainable Communities Official Plan (SCOP) to include the recommended definition of affordable housing.	Foundational	Goals 1 and 2
2. Add a policy in the County SCOP to establish, adopt, and implement the recommended targets for affordable housing, rental housing, and a more diverse housing supply.	Foundational	Goals 1 – 3
3. Develop and implement a monitoring process for the annual housing targets.	Short term and ongoing	Goals 1 – 3
4. Encourage Smiths Falls and member municipalities to update their Official Plans to include a definition of affordable housing based on the PPS and the recommended Lanark County definition.	Short term	Goals 1 – 3
5. Encourage Smiths Falls and member municipalities to develop housing targets based on the targets for Lanark County as a whole and include these in their Official Plans.	Short term	Goals 1 – 3
6. Update Section 1.2.2 of the County SCOP to state that municipalities will maintain the ability to accommodate residential growth for a minimum of fifteen years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development. The County SCOP should also state that land with servicing capacity sufficient to provide at least a five-year supply of residential units will be maintained.	Short term	Goals 1 – 3
7. Add a policy in the County SCOP that states the County will sell or lease County-owned surplus land and/or buildings which have been deemed appropriate for residential uses at below market value for the development of affordable and/or supportive housing.	Short term	Goals 1 and 2
8. Encourage Smiths Falls and member municipalities to add a policy in their Official Plans to provide appropriate surplus land and/or buildings for affordable and/or supportive housing at below market value.	Short term	Goals 1 and 2

Recommended Action	Implementation Timelines	Goal Addressed
<p>9. Develop a County of Lanark surplus properties strategy, in collaboration with Smiths Falls and member municipalities, to identify all surplus land and buildings, including vacant land and those owned by school boards and other levels of government, and to identify an approach and criteria for obtaining land that is appropriate for the development of affordable housing.</p>	Medium term	Goals 1 – 3
<p>10. Encourage Smiths Falls and member municipalities to pre-zone surplus land and buildings which have been identified as appropriate for residential development to allow for a range of densities and mixed uses.</p> <p>Pre-zoning will streamline the development process and encourage private and non-profit residential developers to develop a range of housing types as it will reduce the costs associated with rezoning. Pre-zoning will also signal the municipality’s planning objectives for the site.</p>	Medium term	Goals 1 – 3
<p>11. Encourage Smiths Falls, Carleton Place, Mississippi Mills¹⁸, and Perth to ensure their Zoning By-laws allow for mixed use developments in their downtowns, commercial areas and other areas where appropriate to allow for redevelopment, infill and conversion of non-residential to residential uses.</p>	Medium term	Goals 1 – 3
<p>12. Encourage Smiths Falls, Carleton Place, Mississippi Mills, and Perth to re-examine their Zoning By-laws to identify opportunities to increase maximum height and density requirements in their downtowns and other appropriate areas.</p>	Short term	Goals 1 – 3
<p>13. Encourage and support Smiths Falls, Perth, Carleton Place, and Mississippi Mills in developing and implementing a rental retention policy that would require the replacement of rental units lost through demolition or conversion to other tenures.</p> <p>The policies should apply to properties with six (6) or more rental units and the application should not be approved unless the same number, size and type of rental housing units are replaced and maintained with rents similar to</p>	Short term and ongoing	Goal 2

¹⁸ In this context, Mississippi Mills refers to the urban serviced area of Almonte within Mississippi Mills.

Recommended Action	Implementation Timelines	Goal Addressed
<p>those in effect at the time of the development, redevelopment, or conversion application was made. The policy should also include a requirement for a tenant relocation and assistance plan which addresses the right to return to occupy one of the replacement units at similar rents, the provision of alternative accommodation at similar rents, and other assistance to lessen hardships for tenants.</p>		
<p>14. Consider prioritizing member municipalities where policies have been updated to be more supportive of a diverse housing supply, including affordable housing, in decisions regarding infrastructure investments.</p>	Ongoing	Goals 1 – 3
<p>15. To ensure conformity with provincial legislation, require Smiths Falls and member municipalities to update their Official Plans and Zoning By-laws to permit up to two additional residential units (for a total of three dwelling units) on all lots where single- and semi-detached dwellings are permitted, subject to water and sewer capacity and replace all references to “accessory apartments” with “additional residential units”.</p> <p>If lots are only partially or un-serviced, the County should encourage member municipalities to develop policies and guidelines which permit at least one additional residential unit given that household sizes are decreasing and existing services are likely not being used to full capacity. The County may also want to work with Smiths Falls and member municipalities to create a guide for additional residential units to make it consistent across the county.</p>	Short term	Goals 1 and 2
<p>16. Encourage Smiths Falls and member municipalities to identify other residential areas where additional residential units can be permitted, subject to water and sewer capacity.</p>	Short term	Goals 1 and 2
<p>17. Encourage Smiths Falls and member municipalities to develop and implement alternative development and design standards for affordable and supportive housing.</p> <p>Alternative development and design standards include reduced or flexible parking requirements, smaller lot sizes, and increased densities.</p>	Medium term	Goals 1 and 2

Recommended Action	Implementation Timelines	Goal Addressed
18. Update the County SCOP to add a policy statement that the County encourages and supports the development of accessible housing ¹⁹ .	Short term	Goal 1
19. Update the County SCOP to add a policy that requires all affordable housing developments which receive financial or non-financial assistance from the County to have a minimum of 25% of affordable housing units meet or exceed the accessibility requirements of the Ontario Building Code and all common areas be barrier-free.	Short term	Goal 1
20. Encourage Smiths Falls and member municipalities to develop and implement Official Plan policies which support the development of accessible housing to facilitate aging in place and housing for persons with disabilities.	Short term	Goal 1
<p>21. Consider updating the SCOP to add a definition of shared housing and a policy to encourage and support the development of shared housing in all communities in Lanark.</p> <p>Shared housing is a form of housing where unrelated individuals share accommodation for economic, support, or lifestyle reasons. This form includes housing with and without support services. Some examples of shared housing include cohousing arrangements and group homes.</p>	Short term	Goals 1 – 3
22. Encourage Smiths Falls and member municipalities to remove all references to special needs housing, boarding or rooming houses, and group homes in their Official Plans and Zoning By-laws and replace these with the term ‘shared housing’ with a definition consistent with the County’s definition as part of an Official Plan review process.	Medium term	Goals 1 – 3
23. Encourage Smiths Falls and member municipalities to update their Official Plans and Zoning By-laws to permit	Medium term	Goals 1 – 3

¹⁹ For the purpose of this study, accessible housing refers to barrier-free housing and housing with accessibility features for persons with disabilities.

Recommended Action	Implementation Timelines	Goal Addressed
shared housing in all areas where dwellings are permitted.		
<p>24. Encourage member municipalities to add Official Plan policies which support energy efficiency and environmental sustainability in housing design and development and should be consistent with the PPS with regard to considering and preparing for impacts of climate change.</p> <p>Consider requiring all new dwellings to achieve Energy Star for New Homes requirements at a minimum.</p>	Short term	Goals 1 – 3
Funding		
<p>25. Consider establishing an Affordable Housing Fund to finance incentives and other initiatives related to affordable housing.</p> <p>The fund may be financed through an annual budget allocation from County Council, funding from senior levels of government, and revenue from the sale or lease of County-owned surplus property.</p>	Short term	Goal 2
26. Consider developing a Municipal Housing Facilities By-law to facilitate the provision of incentives for affordable housing.	Short term	Goals 1 – 3
27. Revise SCOP policy 8.2.6 to include reference to affordable housing with regard to community improvement plans.	Short term	Goals 1 – 3
<p>28. Develop an affordable housing incentive program to encourage the development of affordable rental housing, affordable ownership housing, and supportive housing. Incentives may include the following.</p> <ul style="list-style-type: none"> a. Grant in lieu of County development charges b. Grant in lieu of the County portion of property taxes for the length of the affordability period c. Capital grant for the construction or renovation of additional dwelling units which will be rented out for a specific time frame <p>Incentives should only be provided for rental units which meet the recommended definition of affordable housing.</p>	Medium term	Goals 2 and 3

Recommended Action	Implementation Timelines	Goal Addressed
<p>Consider providing the incentives on a sliding scale based on the depth of affordability achieved, whether the proposed project exceeds Ontario Building Code requirements for the number of accessible units and/or accessibility features and the requirements for energy efficiency. The County may also want to consider setting an annual budget for this program to increase predictability among residential developers.</p>		
<p>29. Encourage Smiths Falls and member municipalities to implement incentive programs for affordable housing that build on the County’s incentive program. Incentives may include the following and should only be provided for the units which meet the recommended definition of affordable housing.</p> <ul style="list-style-type: none"> a. Grant in lieu of local development charges b. Grant in lieu of property taxes for the length of the affordability period c. Grant in lieu of planning application and building permit fees and charges d. Capital grant for the construction or renovation of additional dwelling units which will be rented out for a specific time frame <p>The County may want to facilitate a working group among Smiths Falls and member municipalities to ensure the requirements and approach to the incentive programs are consistent throughout the county. This will optimize limited resources, simplify the process, and increase predictability for developers.</p>	<p>Medium term</p>	<p>Goal 2</p>
<p>30. Strongly encourage Smiths Falls and member municipalities to ensure additional residential units are exempted from local development charges to conform with provincial legislation.</p>	<p>Short term</p>	<p>Goal 2</p>
<p>31. Work with Smiths Falls and member municipalities to develop a brownfield revitalization program to provide incentives for the revitalization of brownfields in serviced settlement areas for residential and mixed-use development where appropriate.</p>	<p>Medium term</p>	<p>Goals 1 – 3</p>

Recommended Action	Implementation Timelines	Goal Addressed
The program should leverage the province's Brownfields Tax Incentive Program.		
32. Work with community agencies to explore the feasibility of developing a community investment fund to provide opportunities for local philanthropists and investors seeking more ethical investments to donate toward the development of affordable housing in their communities.	Medium term	Goal 2
33. Encourage Smiths Falls and member municipalities to provide any homes obtained by the municipality due to tax arrears at below market value for affordable housing.	Medium term	Goals 1 and 2
<p>34. Examine the feasibility of providing a small grant to homeowners who rent out homes which are currently vacant and have been vacant for the last two years.</p> <p>There are currently over 4,000 vacant homes in Lanark County. While many of these may be vacation properties, there is an opportunity to mobilize some of these vacant properties for rental housing. Eligibility should be based on whether the rents meet the recommended definition of affordable housing and whether the property is leased for a minimum of one year. The grant should equate to at least a month's rent and an additional grant may be provided to homeowners who rent the property for at least two years.</p>	Short term	Goals 2 and 3
Partnerships		
<p>35. Facilitate partnerships among non-profit and for-profit residential developers, community agencies, private owners, faith groups, and member municipalities to renovate, redevelop, or convert vacant or underutilized land or buildings to increase the supply of affordable and supportive housing.</p> <p>This may include vacant homes, commercial property, motels, inns and hotels, underutilized parking lots, and vacant or underutilized property owned by faith-based groups.</p>	Short term and ongoing	Goals 1 – 3

Recommended Action	Implementation Timelines	Goal Addressed
<p>36. Consider developing a County-wide rental housing database in partnership with Smiths Falls, member municipalities and community agencies.</p> <p>The database should be linked to the registration process for additional dwelling units. The database should include links to ads for rental housing, average asking rents in the different communities, and the number of new units added each year based on building permits.</p>	Short term and ongoing	Goal 2
<p>37. As part of the work on the rental housing database, work with Smiths Falls, member municipalities and community agencies to implement a bi-annual County-wide survey on rental housing to better understand the rental housing market in all Lanark communities and to monitor short term rentals.</p>	Short term and ongoing	Goal 2
<p>38. Encourage community agencies to develop a home sharing pilot program among seniors and persons with low and moderate incomes who are looking for affordable rental housing.</p>	Short – medium term	Goal 2
Awareness and Advocacy		
<p>39. Convene a Yes In My Backyard (YIMBY) Team to lead awareness and advocacy initiatives related to raising awareness of the need for a diverse housing supply, including affordable and supportive housing, for a complete, inclusive community and economic prosperity.</p> <p>The team should include municipal staff, local representatives of the non-profit and private housing sectors, municipal councilors, and Lanark residents.</p>	Foundational	Goals 1 – 3
<p>40. As part of an awareness campaign, work with CMHC, Smiths Falls and member municipalities to host a housing summit to present the results of this study, share knowledge and experience, and to raise awareness of how Lanark residents and housing partners can contribute to the development of a more diverse housing supply, including affordable housing.</p>	Short term	Goals 1 – 3
<p>41. As part of an awareness campaign, work with community agencies and CMHC to host 'housing</p>	Short term	Goals 1 – 3

Recommended Action	Implementation Timelines	Goal Addressed
<p>conversations’ on a regular basis to increase awareness of the need for a diverse housing supply, including affordable and supportive housing.</p> <p>These housing conversations would be informal events hosted in the different member municipalities with a goal to share knowledge and brainstorm on local solutions. Ideally, this should be a mix of virtual and in-person events hosted in community centres, libraries, and other facilities in central locations and should include all housing stakeholders, including Lanark residents.</p>		
<p>42. As part of an awareness campaign, develop and share an annual housing report card to report on progress toward the housing targets.</p>	<p>Short term and ongoing</p>	<p>Goals 1 – 3</p>
<p>43. Advocate strongly to the provincial government for increased capital and operational funding for affordable housing.</p>	<p>Ongoing</p>	<p>Goal 2</p>
<p>44. Advocate to the federal government for increased funding for affordable housing for deeper levels of affordability.</p>	<p>Ongoing</p>	<p>Goal 2</p>

5.4.2. Draft County Official Plan Policies

The review of the current Lanark County Sustainable Communities Official Plan (adopted June 27, 2012) (SCOP) confirms that a range of housing policies have already been established, including policies which address the creation of affordable housing, the establishment of housing density targets, and accessory apartments (i.e., additional residential units).

The following table lists recommended draft policy additions and revisions to update the County SCOP to ensure consistency with relevant provincial legislation and strategic documents. A recommended monitoring strategy is included in Section 0 of this Report, which provides additional details on a suggested approach to monitor these recommended policies.

While Smiths Falls is not part of Lanark County and is therefore not included in these recommended policies, the County encourages the Town of Smiths Falls to implement Official Plan policies that encourage and support the development of a diverse range of housing options, including housing that is affordable to households with low and moderate incomes.

Recommended Action	Recommended Policy	Relevant Section in Current SCOP
Adequate Land Supply		
6	<p>To ensure that an adequate supply of housing is available at all times, the County will:</p> <ul style="list-style-type: none"> a) Maintain at all times at least a 15-year supply of land designated and available for residential development, redevelopment, and residential intensification; and b) Endeavor to maintain a minimum five (5) year supply of residential units with servicing capacity through lands zoned to facilitate residential intensification and redevelopment, and through lands in draft approved or registered plans of subdivision; c) Local municipalities, will in a fiscally and environmentally responsible manner, maintain a three (3) year supply of serviced land at all times as part of the fifteen-year supply of land designated for residential development through lands suitably zoned to facilitate residential intensification, and land in draft approved and registered plans. This objective does not apply where local municipalities do not provide public piped services or where such services 	1.2.2

Recommended Action	Recommended Policy	Relevant Section in Current SCOP
	are constrained by environmental or financial conditions.	
6	Ensuring a minimum 15-year supply of residential land supply at all times.	8.2.9.3
Residential Intensification		
10 – 12	The County shall encourage local municipalities to establish Official Plan policies that promote residential intensification and identification of areas appropriate for intensification.	New
2	To encourage the development or redevelopment of residential rental housing, 30% of all new residential units built annually shall comprise of purpose-built rental units.	New
13	The County shall support local municipalities in the development and implementation of a rental retention policy that would require the replacement of rental units lost through demolition or conversion to other tenures.	New
Diversified Housing Stock		
5	The County encourages local municipalities to adopt and implement the annual housing targets to support the development of a range of housing options and densities to meet projected requirements of current and future residents.	New
2	To support the diversification of the housing stock in Lanark County, 30% of all new residential units shall be in the form of row/town houses and apartment dwellings.	New
24	The County encourages local municipalities to adopt Official Plan policies which support environmental sustainability and energy efficiency with regard to residential development.	New
Additional Residential Units		
15	All references to “accessory apartments” are to be deleted and replaced with “additional residential units”.	2.6.2.4.7 and 3.3.4.5
15 – 16	Additional residential units are self-contained residential units with a private kitchen, bathroom facilities, and sleeping areas, within dwellings or within structures ancillary to a dwelling. These units have commonly been referred to by	New

Recommended Action	Recommended Policy	Relevant Section in Current SCOP
	<p>other terms such as “second units”, “secondary dwelling units”, and “accessory apartments”.</p> <p>Additional residential units are an effective form of intensification and increase the stock of affordable rental housing, provide home owners with additional sources of income, and offer alternative housing options in the community.</p> <p>Garden suites are temporary dwellings and are not considered additional residential units under this Official Plan.</p> <p>Local municipalities are required to establish local Official Plan policies that permit a maximum of two (2) additional residential units in new and existing residential development, redevelopment, and infill subject to water and sewer capacity.</p> <p>This Official Plan shall authorize the use of:</p> <ul style="list-style-type: none"> a) One (1) additional residential units in a single-detached dwelling, semi-detached dwelling, or row/townhouse dwelling in addition to the primary residential unit; and b) One (1) additional residential unit in a building or structure ancillary to a single-detached dwelling, semi-detached dwelling, or row/townhouse dwelling. 	
Supportive or Special Needs Housing		
18	The County encourages and supports the development of accessible housing throughout Lanark County.	New
20	<p>The County encourages local municipalities to support the development of accessible housing to facilitate aging in place and housing for persons with disabilities through:</p> <ul style="list-style-type: none"> a) the establishment of local Official Plan policies which support universal accessibility features in existing and new residential development; and b) collaboration with the development industry and local municipal accessibility advisory committees or similar, to develop and implement guidelines for 	New

Recommended Action	Recommended Policy	Relevant Section in Current SCOP
	universal accessibility features in new residential development.	
21	Shared housing is a form of housing where unrelated individuals share accommodation for economic, support, or lifestyle reasons. This form includes housing with and without support services.	New
22	The County encourages local municipalities to remove all references to special needs housing, boarding or rooming houses, and group homes in their local Official Plans and Zoning By-laws and replace these with “shared housing” with a definition which is consistent with the definition in the County SCOP.	New
23	The County encourages local municipalities to update their Official Plans and Zoning By-laws to permit shared housing in all areas where residential dwellings are permitted or currently exist.	New
Affordable Housing		
1	<p>For the purpose of this Official Plan, the definition of affordable housing will be based on the Provincial Policy Statement, 2020 (PPS) definition of affordable housing and will be updated on an annual basis as required.</p> <p>In the case of ownership housing, the least expensive of:</p> <ul style="list-style-type: none"> a) Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate incomes households; or b) Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area. <p>In the case of rental housing, the least expensive of:</p> <ul style="list-style-type: none"> a) A unit for which the rent does not exceed 30% of gross annual household income for low- and moderate-income households; or b) A unit for which the rent is at or below the average market rent of a unit in the regional market area. 	New to be added in Section 8.2.9

Recommended Action	Recommended Policy	Relevant Section in Current SCOP
	<p>Low- and moderate-income households are defined in the Provincial Policy Statement, 2020 as:</p> <ul style="list-style-type: none"> a) In the case of ownership housing, households with incomes in the lowest 60% of the income distribution for the regional market area; or b) In the case of rental housing, households with incomes in the lowest 60% of the income distribution for renter households for the regional market area. <p>The above definition of affordable housing does not preclude local municipalities from being more specific in their definitions of affordable housing so long as such definitions are consistent with the Provincial Policy Statement.</p>	
2	The minimum annual target for the provision of housing which meets the definition of affordable housing in Lanark County is 25% of all new housing units.	New to be added in Section 8.2.9
4	The County encourages local municipalities to adopt the definition of affordable housing in their local Official Plans.	New to be added in Section 8.2.9
7	County Council will consider selling or leasing County-owned surplus land and/or buildings which have been deemed appropriate for residential uses at below market value for the development of affordable and/or supportive housing.	New to be added in Section 8.2.9
8	The County encourages local municipalities to consider selling or leasing municipally owned surplus land and/or buildings which have been deemed appropriate for residential uses at below market value for the development of affordable and/or supportive housing.	New to be added in Section 8.2.9
17	Considering the characteristics of existing communities, local municipalities are encouraged to develop and implement alternative development and design standards for affordable housing and supportive housing, including, but not limited to, reduced or flexible parking requirements, smaller lot sizes, and increased residential density.	New

Recommended Action	Recommended Policy	Relevant Section in Current SCOP
19	<p>New residential developments that contain affordable housing units which receive financial or non-financial assistance from the County are required to:</p> <ul style="list-style-type: none"> a) Have a minimum of 25% of such affordable units meet or exceed the accessibility requirements of the Ontario Building Code; and b) Be designed as such that all common areas be barrier-free. 	New to be added in Section 8.2.9
25, 26 and 28	The County will consider providing financial and non-financial assistance for the development of affordable and supportive housing.	New to be added in Section 8.2.9
27	<p>The intent of the Community Improvement Plan policies at the County level is to achieve and maintain a standard of physical infrastructure, associated facilities, and property that form the foundation of development including:</p> <ul style="list-style-type: none"> • transportation corridors and facilities • communications systems • electric power systems, oil and gas pipelines, alternative energy systems and renewable energy systems • affordable housing <p>Local municipalities are encouraged to develop policies in their Official Plans regarding Community Improvement Plans and plan areas.</p>	8.2.6
27	Lanark County encourages local municipalities to develop Community Improvement Plans that consider opportunities for the creation of affordable housing.	8.2.6

5.4.3. Monitoring Strategy

The following are the recommended indicators that Lanark County, Smiths Falls, member municipalities, and other housing partners collect on a regular basis to monitor the progress on the recommended actions. This data should be collected for Smiths Falls and each of the member municipalities. This monitoring strategy will also allow Lanark County to ensure the recommended actions are still appropriate as the housing needs and gaps shift and evolve.

It is recommended that Lanark County, Smiths Falls, the member municipalities, and other housing partners collaborate on and publish an **annual Housing Report Card** to show progress on the recommended strategies, thus increasing awareness of the housing situation and ensure accountability. The annual Housing Report Card could include the following indicators.

1. Residential building permits (Smiths Falls and member municipalities):
 - a. Total residential building permits
 - b. Permits for single- and semi-detached dwellings
 - c. Permits for row/townhouses, multi-residential buildings, and other medium and high-density residential developments
 - d. Permits for purpose-built rental developments (ideally by number of bedrooms)
 - e. Permits for accessible housing units
 - f. Permits for additional dwelling units / secondary suites
 - g. Permits for affordable housing units (i.e., units which have received funding/ incentives or those that meet the definition of affordable)
 - h. Permits for innovative housing options, such as tiny homes or modular units
2. Total number of rental supplements (Lanark County data)
3. Total number of portable housing benefit recipients (Lanark County data)
4. Average house price (Point-in-time Scan; CMHC Absorption Survey Data)
5. Average House Re-sale Price (MMAH annual PPS tables)
6. Average market rent (Point-in-time Scan; CMHC Rental Survey Data, MMAH annual PPS tables for the total AMR)
 - a. Bachelor units
 - b. One-bedroom
 - c. Two-Bedroom
 - d. Three or more Bedrooms
 - e. Total AMR

It is recommended that Lanark County compile building permit data for Smiths Falls and the member municipalities to track progress on the housing targets and recommended action plan on an annual basis. For a snapshot of the trends for rental prices and housing costs, it is recommended that Lanark County staff undertake a point-in-time scan annually to capture the housing costs for the range of dwelling sizes available to rent or own in the County and validated with the Rideau-St. Lawrence Real Estate Board data.

Finally, it is recommended that Lanark County undertake a fulsome update of the needs assessment as part of the update to the 10-Year Housing and Homelessness Plan. This will allow the community to ensure initiatives and policies are still relevant and appropriate. In addition to the indicators identified above, it is recommended that the following Statistics Canada Census data be collected and analyzed as part of the updates to the Housing and Homelessness Plan. This data appears in the Census Profiles for Census Subdivisions and Census Divisions.

1. Household trends by size, tenure, and type
2. Dwelling trends by number of bedrooms, type, and condition
3. Average and median value of dwellings
4. Average and median monthly shelter costs for rented dwellings
5. Commuting trends for residents and labour force to show the proportion of Lanark residents who live and work in the same municipality
6. Number of total private dwellings and dwellings occupied by usual residents to determine number of vacant units
7. Proportion of households spending 30% or more on housing costs
8. Trends in core housing need

5.4.4. Ideas for Consideration for Member Municipalities

The following are ideas that member municipalities may want to consider as they develop and/or update their policies and strategies. These are based on the housing needs assessment undertaken for Smiths Falls each member municipality, a review of member municipal Official Plans, Zoning By-laws and Strategic Plans, input from the resident survey, and feedback from the key stakeholder sessions.

Diverse Housing Supply

- Encourage and support the provision of a full range of housing options by type, size, and tenure to meet the needs of all current and future residents. Housing options should include options for seniors and persons with disabilities.
- Ensure local Official Plans and Zoning By-laws permit up to two (2) additional residential units (these include secondary suites, permanent garden suites, coach houses, apartments over garages, tiny homes, and other secondary dwelling types) on a lot. This would permit one (1) additional residential unit in a principal dwelling and one (1) in an ancillary building such as a detached garage or coach house as per provincial legislation and direction.
- Consider removing minimum dwelling unit areas in local Zoning By-laws to support and encourage a more diverse housing supply and broaden opportunities for alternative housing types, such as tiny homes.
- Consider reducing minimum lot size requirements to support intensification and infill.
- Explore opportunities in local Official Plans and Zoning By-laws to broaden permissions for residential uses in commercial zones to allow for a mix of uses.
- Explore opportunities to increase greater densities in urban areas.

Purpose-Built Rental Housing

- Consider implementing a rental conversion and demolition policy to protect the supply of rental housing.
- Consider developing and implementing alternative design and development standards for purpose-built rental housing as long as these units still meet the Ontario Building Code and other health and safety standards. These alternative standards may include flexible parking requirements (e.g., reduced parking requirements, allowing non-residential and residential uses to share spaces, permitting tandem parking), smaller lot sizes, and smaller unit sizes.

Affordable Housing

- Update local Official Plans to include a definition of affordable housing that conforms with the PPS and supports the recommended County definition.

- Consider setting a local target for affordable housing based on the recommended target for Lanark County.
- Consider adding policies in local Official Plans that state that local municipalities will prioritize affordable housing in the sale or lease of municipally-owned land or buildings and, if deemed appropriate for housing, these will be provided at below market value.
- Consider developing and implementing alternative design and development standards for affordable rental and ownership housing as long as these units still meet the Ontario Building Code and other health and safety standards. These alternative standards may include flexible parking requirements (e.g., reduced parking requirements, allowing non-residential and residential uses to share spaces, permitting tandem parking), smaller lot sizes, and smaller unit sizes.

Supportive/Special Needs Housing

- Encourage and support the development of housing which integrates age-friendly and accessible design features to facilitate aging in place for seniors and persons with disabilities.
- Consider removing all references to special needs housing, supportive housing, group homes, and assisted housing in local Official Plans and Zoning By-laws and replacing these terms with “shared housing” and allowing this housing form in all areas where dwellings are permitted.

Strategic Considerations

- Consider providing incentives for affordable housing and purpose-built rental housing through a community improvement plan (CIP).
- Facilitate partnerships among private homeowners and landowners, community agencies, faith groups, non-profit and for-profit residential developers to renovate, redevelop, or convert vacant or underutilized properties (e.g., commercial property, vacant homes, parking lots, etc.) to increase the supply of rental housing, affordable rental and ownership housing, shared housing, and/or supportive housing.
- Explore opportunities to include affordable housing and shared housing in major infrastructure projects in local municipalities.

6.0 Appendix 1: Housing Needs in Lanark County

This section will build on the 2018 Lanark County Housing Study and the previously submitted Housing Needs report from March 2022, with updated census data, household incomes data, and the housing affordability analysis.

6.1. Key Findings for Lanark County

The following are the key findings for Lanark County based on the housing needs assessment.

6.1.1. Key Findings on Housing Need

- Population growth in Lanark County between 2016 and 2021 was +10.3%; this was greater than the rate of growth in Ontario as a whole (+5.8%). The County grew from 68,700 in 2016 to 75,760 in 2021.
 - The change in population from 2016 to 2021 differs between communities, with the highest growth occurring in the eastern portion of the County along the Highway 7 corridor with Beckwith (+18.0%), Carleton Place (+17.6%), and Mississippi Mills (12.0%) all growing much faster than the rest of the County.
- According to the County's population projections, by the year 2038 the County's population will be 96,443 and total 106,262 when Smiths Falls is included.²⁰
 - This estimate should be considered a conservative estimate, as the County has already exceeded the projected population for 2034 (72,734).
- In terms of households, in 2021 there were 31,910 households in Lanark County, with the County growing +11.6% since 2016. During this same period, the number of Ontario households grew at just +6.2%.
 - Carleton Place had the largest growth in households during this period, as households increased by +21.8%. Beckwith (+17.7%) and Mississippi Mills (+14.2%) had noteworthy increase in households, while Smiths Falls (+6.0%) and Drummond / North Elmsley (+6.1%) grew at the slowest pace.
- In terms of population distributions by age and municipality, Carleton Place has a relatively young population with a high proportion of children (age 0 to 14 years) at 17.9% in comparison to Perth at only 10.7%. Perth has a very high senior population with 38.9% of the Town's population being over the age of 65. For comparison, Beckwith had only 16.3% of its population being over age 65. Accordingly, Perth had the highest

²⁰ Lanark County (2018) *Housing Study* (Table 4).

average and median age in the County (52.7 years and 58.4 years, respectively), well higher than Lanark County levels (45.6 years and 48.8 years, respectively).

- In terms of Indigenous populations, in 2021, 4.4% (or 3,245 people) of the County's population identified as Indigenous, higher than 2016 levels (3.9%). The average age of the Indigenous population in Lanark County was 45.0 years old in 2021, lower than the average for the whole County population (45.6 years old).
- In 2021, the average household size in Lanark County was 2.3 persons, down from 2.4 persons in 2016. Beckwith has the largest average household size at 2.7 persons per household, while Perth has the lowest at 1.9. This aligns with expectations based on the average age in these communities, where Beckwith has a high proportion of children within larger family units and Perth has a high proportion of seniors who often have smaller family constructs.
 - The distribution of number of bedrooms per dwelling in Lanark County for 1, 2, 3, and 4 or more bedrooms was 8.3%, 24.0%, 43.6% and 23.8%. The household size distribution in Lanark County for 1 through 5 or more people was 26.9%, 40.9%, 13.8%, 12.0% and 6.4%.
- Median household incomes in Lanark County rose by +22.8% between 2015 and 2020 from \$71,660 to \$88,000 and are estimated to be approximately \$97,220 in 2022. Average household incomes across the County rose by +21.6% from \$84,789 to \$103,100 over the same period and are estimated to be approximately \$113,900 in 2022.
 - Three local municipalities, Mississippi Mills, Drummond/North Elmsley and Beckwith have median and average incomes that are more than 10% above the County incomes. Two local municipalities, Perth and Smiths Falls, have median and average incomes that are more 20% below the County incomes. This suggests that housing affordability issues may vary greatly between local communities. Income details for each municipality can be found in their respective sections.
- In 2021, unemployment in Lanark County was 8.5%, an increase from 2016 (6.3%). This occurred as the employed labour force grew by +4.0% to 34,015 and the number of people aged 15 and over not participating in the labour force increased by +17.3%.

6.1.2. Key Findings on Housing Supply

- In 2021, 31,905 private dwellings were occupied in Lanark County, with 74.5% of these being single-detached homes, 12.3% were units in apartment buildings less than five storeys high, and 5.9% were semi-detached homes. Overall, the County has very few row homes, apartments in duplexes, or multi-storey apartments, dwellings that tend to be less expensive housing options.
 - In Beckwith, Montage, Drummond/North Elmsley, Tay Valley, and Lanark Highlands single-detached homes constitute over 90% of their dwelling types' whereas approximately half of the dwellings in Smiths Falls (53.0%), Carleton Place (53.3%), and Perth (50.6%) are single-detached homes.

- Housing condition in Lanark County has been steadily improving each census, with 9.1% of homes needing major repairs in 1996 compared to 6.6% in 2021. However, this proportion is still higher than the Ontario rate (5.7%).
- Lanark County has a substantially higher share of households that own their home compared with renting. Approximately 78.4% of the County's households are homeowners, while 21.6% are renters. Further, 13.2% of renter households were renting in subsidized housing.
- The average resale house price across the County in 2020 was \$431,580 and the average rent was \$951, as provided in the annual *Provincial Policy Statement – Housing Table*.
- A point-in-time scan of rental ads was undertaken in early November 2021 to augment the very limited rental data available for Lanark County. The scan showed that the average asking rents for Lanark County for November 2021 were: \$833 for a bachelor unit, \$1,614 for a one-bedroom unit, \$1,991 for a two-bedroom unit, and \$2,190 for a three-bedroom unit with a total average of \$1,819.
- A second point-in-time scan of rental ads was undertaken in October 2022 to augment the limited rental data available for Lanark County. The scan showed that the average asking rents for Lanark County²¹ for October 2022 were approximately: \$1,800 for a one-bedroom unit, \$2,300 for a two-bedroom unit, and \$2,350 for a three-or more-bedroom unit with a total average of \$2,150. This average was higher than the average found during the October 2021 scan (\$1,800).
- A point-in-time scan of housing prices was undertaken in early November 2021 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Lanark County for November 2021 were 699,200 – an over 115% increase from household values from the 2016 Census.
 - Given this house price, a household would require an annual gross income of \$192,300 to afford home ownership based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Lanark County (\$95,454).
- A second point-in-time scan of housing prices was undertaken in October 2022 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Lanark County for October 2022 were \$622,130, a decrease of -11.0% from the point-in-time scan from November 2021 (\$699,200).
 - Given this house price, a household would require an annual gross income of \$169,170 to afford home ownership based on the PPS affordability figures for

²¹ Please note that this only includes data for Carleton Place, Mississippi Mills, Perth and Smiths Falls as rental ads could not be found for the member municipalities in Lanark East and Lanark West.

Lanark County. This is much higher than the average household income in Lanark County (\$103,100).

6.1.3. Key Findings on Housing Affordability

- Statistics Canada defines “income spent on shelter” as the proportion of a household’s average monthly income which is spent on housing costs.^{22, 23} In 2021, 17.3% of all households in Lanark County were spending 30% or more of their before-tax household income on housing costs. This proportion is down from 23.2% in 2016. The number of households facing housing affordability issues (i.e., spending 30% or more of household income on housing costs) decreased by -16.8% from 6,500 in 2016 to 5,405 in 2021. This occurred as the number of households Lanark County increased from 2016 to 2021, suggesting that housing affordability is becoming less challenging in recent years in the County. However, while the levels of affordability issues in Lanark County are lower than 2016, this may partly be due to the Federal Government’s COVID-19 Pandemic relief programs²⁴. These relief programs impacted household incomes for the year (2020) that was reported on for the 2021. While these incomes were correctly reported, this relief is not permanent and will likely not be available to households in the future.
 - As the cost of purchasing a house has recently begun to decline in Lanark County, the growth of incomes has outpaced the cost of shelter for owner households. As the average household income in Lanark increased +21.6% for all households between 2016 to 2021, the average monthly shelter costs for owner households only increased by +6.2% during this period. However, the average monthly shelter costs for renter households increased by +22.1%, signaling continuing affordability issues for renter households.
 - Among the member municipalities, Smiths Falls (25.8%), Perth (22.9%), and Carleton Place (21.8%) had higher shares of households facing housing affordability issues compared to Lanark County as a whole. These affordability issues are more pronounced for renter households, with renter households in these three communities experiencing affordability issues at rates of 43.7%, 36.7%, and 46.0% respectively, compared to 39.8% for renter households in Lanark County as a whole.
 - In contrast, Beckwith (11.6%) and Drummond/North Elmsley (9.1%) had the lowest rates of households facing housing affordability issues in Lanark County in 2021. This could partly be explained by the relatively higher incomes in these areas compared to the other member municipalities in the County.

²² The proportion of income spent on shelter is calculated by dividing the total shelter-related expenses by the household’s total monthly income. These expenses include the monthly rent or mortgage payments, property taxes and condominium fees, the cost of electricity, heat, water and other municipal services.

²³ CMHC defines affordable housing as housing that costs less than 30% of before-tax household income.

²⁴ Statistics Canada (2022). *Canadian Income Survey*. Retrieved from: <https://www150.statcan.gc.ca/n1/daily-quotidien/220323/dq220323a-eng.htm>

- Examining the proportions of renter households experiencing affordability issues, there were several indicators that are notable. Though the proportion of renter households spending more than 30% of their income on housing costs decreased by -6.7% between 2016 and 2021 in Lanark County, this trend was not experienced evenly in the member municipalities. In Carleton Place, the number of renter households facing affordability issues increased +14.7%. Smiths Falls (+0.9%) and Lanark Highlands (+33.2%) also experienced increases in the number of renter households facing affordability issues.
 - Renter households generally have lower incomes compared to owner households and have seen shelter costs continue to increase. This partially explains why 39.8% of all renters in Lanark County in 2021 were facing housing affordability issues compared to 11.0% of all owners.
- There are also some positive indicators in the household spending on shelter costs data. Montague (-38.6%), Drummond / North Elmsley (-28.0%), Tay Valley (-26.5%), and Perth (-20.2%) saw reductions in total households facing housing affordability issues that exceeded the County's trends (-16.8%). These data points highlight that housing affordability issues are not uniform across the County.
- In 2021, 6.2% of all households in Lanark County fell below one or more of the core housing need standards (Table 1: Total number of households in core housing need within each municipality and the proportion that met each core housing need standard.). For comparison, 12.1% of all households in Ontario were considered to be core housing need in 2021.
 - Among the member municipalities, Smiths Falls had the highest share of households in core housing need (13.0%) followed by Perth (11.4%) and Carleton Place (6.4%). This may partly be explained by the fact that many of the community agencies providing housing-related supports are located in these member municipalities.

Table 1: Total number of households in core housing need within each municipality and the proportion that met each core housing need standard.

Municipality	In Core Housing Need			
	Total	Below Affordability Standard	Below Adequacy Standard	Below Unsuitability Standard
Lanark County	1,905	91.3%	11.5%	5.8%
Carleton Place	330	89.4%	13.6%	9.1%
Mississippi Mills	265	92.5%	3.8%	3.8%
Perth	370	94.6%	6.8%	0.0%
Smiths Falls	550	90.0%	13.6%	9.1%
Drummond / North Elmsley	95	84.2%	15.8%	0.0%
Tay Valley	70	100.0%	0.0%	0.0%
Lanark Highlands	115	91.3%	21.7%	0.0%
Beckwith	60	100.0%	0.0%	0.0%
Montague	35	100.0%	0.0%	0.0%

Note: households may be below one or more standard.

Source: Statistics Canada Community Profiles, 2021

Rental Housing Affordability

- The following table shows the top range of each renter household income decile and what monthly rent is affordable for each income decile. Renter household income deciles were used as renter household incomes are lower than owner household incomes and total household incomes. In addition, the Provincial Policy Statement (PPS) defines affordable rental housing as housing which is affordable to renters with low and moderate incomes.²⁵
- It is important to note that CMHC does not have data for all Lanark County member municipalities. The 2021 data from CMHC for Carleton Place is shown alongside PPS income decile and average rent data. There is not enough data to publish data for all unit sizes, with reportable data limited to one- and two-bedroom units provided for the County and Carleton Place.
- Renters with low incomes (i.e., in the 1st to 3rd income deciles and earning \$26,100 or less in 2021) would not be able to afford rental housing in the private rental housing market. Additionally, renter households in the 4th income decile would not be able to affordably enter the rental housing market in Carleton Place and potentially other parts of Lanark County. Renter households in the 5th income decile or higher would be able to afford a one-bedroom unit in Carleton Place and potentially in parts of the rest of the County. Renter households would have to be earning at or above the top of the moderate-income deciles (i.e., \$47,900 or more in 2021) to be able to afford a rental unit with two or more bedrooms. This means that families with moderate incomes would likely have to spend more than 30% of their household income on rent to afford a suitable unit (i.e., with enough bedrooms).

Table 2: Affordable Rent Price by Renter Household Income Deciles Compared to Average Rental Prices: Lanark County; 2021

	Lanark County (2021)		Lanark County		Carleton Place	
	Incomes (2021)	Affordable Rent	One-Bedroom	Two-Bedroom	One-Bedroom	Two-Bedroom
			\$ 864	\$ 1,110	\$ 878	\$ 1,132
Decile 1	\$ 15,500	\$390	N	N	N	N
Decile 2	\$ 20,900	\$520	N	N	N	N
Decile 3	\$ 26,100	\$650	N	N	N	N
Decile 4	\$ 32,300	\$810	N	N	N	N
Decile 5	\$ 39,400	\$990	Y	N	Y	N
Decile 6	\$ 47,900	\$1,200	Y	Y	Y	Y
Decile 7	\$ 58,800	\$1,470	Y	Y	Y	Y

²⁵ Government of Ontario (2020). *Provincial Policy Statement, 2020*. Retrieved from: <https://files.ontario.ca/mmah-provincial-policy-statement-2020-accessible-final-en-2020-02-14.pdf>

Decile 8	\$ 71,600	\$1,790	Y	Y	Y	Y
Decile 9	\$ 93,600	\$2,340	Y	Y	Y	Y

Source: Provincial Policy Statement – Housing Table, 2021; CMHC Rental Market Survey, 2021

Ownership Housing Affordability

- The following table shows a comparison of the maximum affordable house price for each of the household income deciles compared to the average resale price for Lanark County for 2020, as provided by the PPS. When the affordable house price is compared to the average house price, only households with incomes in the 8th income decile or higher would be able to afford housing in Lanark County without spending more than 30% of their income on housing costs.

Table 3: Affordable House Price by Household Income Deciles Compared to Average Resale Price of Dwellings: Lanark County; 2021

Lanark County (2021)			Lanark County Average Resale Price (2021)
	Total Household Income	Affordable House Price	\$ 431,580
Decile 1	\$ 24,500	\$ 90,100	N
Decile 2	\$ 39,000	\$ 143,500	N
Decile 3	\$ 52,100	\$ 191,700	N
Decile 4	\$ 66,300	\$ 243,900	N
Decile 5	\$ 80,500	\$ 296,100	N
Decile 6	\$ 96,900	\$ 356,500	N
Decile 7	\$ 115,600	\$ 425,300	N
Decile 8	\$ 140,100	\$ 515,400	Y
Decile 9	\$ 178,700	\$ 657,400	Y

Source: Provincial Policy Statement – Housing Table, 2021

6.2. Key Findings for Smiths Falls and Member Municipalities

6.2.1. Key Findings for the Town of Smiths Falls

Housing Demand in Smiths Falls

- After recent trends of declining population, Smiths Falls grew by +5.4% between 2016 and 2021, from 8,780 in 2016 to 9,254 in 2021. For comparison, the population of Lanark County overall increased by +10.3% over the same period. The population of Smiths Falls is projected to increase from 2021 levels to 9,820 in 2038, a +6.1% growth rate, well below the projected growth for Lanark County of +40.3% in the same period.
- The proportion of seniors (aged 65+) in Smiths Falls (26.3% of the population in 2021) is slightly higher than the proportion in Lanark County (25.2%) which could indicate the need for greater housing options for seniors in Smith Falls. However, the median age is slightly lower than Lanark County (47.2 years compared to 48.8 for the County).
- The most common household type in Smiths Falls in 2021 was one-person households (38.6%). These households grew by +9.2% from 2016 to 2021. This may indicate the need for more one-bedroom units within Smiths Falls.
- The average household size in Smiths Falls (2.1) is the second lowest of all the municipalities in Lanark County.
- The number of renter households has increased at a slower rate (+12.7% from 2016-2021) than Lanark County (+14.2%), while the number of owner households has increased at a rate (+1.1%) much slower than Lanark County during the same period (11.0%).
- The proportion of renter households is the highest of any municipality in Lanark County (45.4% of all households).
- Smiths Falls has the lowest average (\$74,600) and median (\$63,325) household incomes projected to 2021 values. The proportion of low-income individuals from 2021, based on LICO-AT cutoff values, is the highest in Smiths Falls among all age groups (16.4% of total population, 22.0% of young children (aged 0 to 5 years old), 9.6% of children (aged 6 to 17), 15.5% of adults (aged 18 to 64), and 15.9% of seniors (aged 65 and over). This may indicate need for financial housing supports for low-income households.
- In terms of occupations by industry, the most common occupation in Smiths Falls in 2021 was retail trade (16.2% of the labour force), followed by health care and social assistance (15.6%) and public administration (12.2%).
- The fastest growing occupations from 2016 to 2021 in Smiths Falls were public administration (+305 jobs, +164.9%), construction (+185 jobs, +72.5%), and finance and insurance (+40 jobs, +57.1%).

- In 2021, almost half (43.5%) of the labour force in Smiths Falls commuted to work within the municipality. This was consistent with 2016 levels (44.9%). Additionally, due to the impacts of the COVID-19 pandemic, there was a notable trend of labour force working from home. In Smiths Falls, there was an increase of 260 workers, or +152.9%, working from home in 2021 compared to 2016 levels.

Housing Supply in Smiths Falls

- The majority of dwellings in Smiths Falls were single detached homes (53.0%) in 2021, a slight decline from 54.6% in 2006. Low-rise apartments (+11.9%) and row houses (+11.1%) were the dwelling type to see the highest grow rates from 2016 to 2021. Dwellings grew by 245, or +6.0%, during this period.
- Approximately 80% of private dwellings in Smiths Falls were built before 1980, with dwellings built before 1960 (55.6%) and dwellings built between 1961 and 1980 (24.2%) making up the two most common construction periods.
- A point-in-time scan of rental ads was undertaken in early November 2021 to augment the very limited rental data available for Lanark County. The scan showed that the average asking rents for Smiths Falls for November 2021 were: \$850 for a bachelor unit, \$1,470 for a one-bedroom unit, \$1,870 for a two-bedroom unit, and \$1,150 for a three-bedroom unit with a total average of \$1,570.
- A second point-in-time scan of rental ads was undertaken in October 2022 to augment the rental data available for Lanark County. The scan showed that the average asking rents for Smiths Falls were approximately: \$1,725 for a one-bedroom unit, \$2,150 for a two-bedroom unit, and \$2,200 for a three-bedroom unit with a total average of \$2,050.
 - Given this rent price, a household would require an annual gross income of \$82,130 to afford rent in Smiths Falls based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Smiths Falls.
- A point-in-time scan of housing prices was undertaken in early November 2021 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Smiths Falls for November 2021 were \$453,700 – an over 128% increase from household values from the 2016 Census.
 - Given this house price, a household would require an annual gross income of \$124,800 to afford home ownership in Smiths Falls based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Smiths Falls (\$64,656).
- A second point-in-time scan of housing prices was undertaken in October 2022 to augment the limited housing price data available. The scan showed that the average asking prices for homes in Smiths Falls were approximately \$471,610.
 - Given this house price, a household would require an annual gross income of \$128,240 to afford home ownership in Smiths Falls based on the PPS affordability

figures for Lanark County. This is much higher than the average household income in Smiths Falls.

Housing Affordability in Smiths Falls

- In 2021, 25.8% of all households in Smiths Falls were spending more than 30% of their gross income on housing costs, down from 33.6% in 2016. This represented a decrease of -19.0% in this period.
 - Broken down by tenure, 10.9% of homeowners and 43.7% of renters met this threshold in 2021. These figures are both decreases from 2016 (22.1% and 48.8% respectively).
- In 2021, 13.0% of all households met one of the criteria for core housing need in Smiths Falls, down from 20.3% in 2016.
 - Of the 550 households in core housing need, 19.3% were owner households (4.5% of all owner households) and 80.7% were renter households (23.5% of all renter households).

6.2.2. Key Findings for the Town of Perth

Housing Demand in Perth

- After a period of little growth in the population of Perth between 2006 and 2016, the municipality has recently seen increased growth that is expected to continue. Between 2016 and 2021, the population of Perth grew from 5,930 to 6,469 (+9.1% increase compared to 10.3% increase in all of Lanark County). The projected population for 2038 is 8,085, representing a growth rate of +25.0%.
- Perth contains the highest proportion of seniors (aged 65+, 38.9% of Perth's population) and the second lowest proportion of youth (aged 15 to 24, 7.4% of Perth's population) in Lanark County and has the highest median age (52.7 years). Lanark County is 25.2% seniors with a median age of 48.8. This suggests a need for housing options for seniors.
- Perth contained the highest rate of one-person households (43.2%) in Lanark County in 2021.
- Recent trends show a slower growth in owner households within Perth when compared to other municipalities in Lanark County. This could indicate a lack of housing options for larger households looking to own. The number of renter households has increased at the same rate (+14.2%) as Lanark County, while the number of owner households has increased at a rate (+4.9%) much slower than Lanark County during the same period (+11.0%).
- The households in Perth tend to be smaller in size and are more likely to be renters than most municipalities in Lanark County.
 - The average household size in Perth (1.9) is the lowest of all the municipalities in Lanark County (average household size of 2.3).
 - The proportion of renter households (44.3%) is the second highest of any municipality in Lanark County (21.6% of all households).
- Perth has the second lowest average (\$80,600) and median (\$65,390) household incomes projected to 2021 values. The proportion of low-income individuals from 2021, based on LICO-AT cutoff values, is the second highest in Perth among all age groups except seniors (14.0% of total population, 15.1% of young children, 7.8% of children, 14.1% of adults, and 13.7% of seniors). This may indicate the need for financial housing support for low-income households.
- In terms of occupations by industry, the most common occupation in Perth in 2021 was health care and social assistance (14.3% of the labour force), followed by retail trade (11.9%) and public administration (11.6%).
- The fastest growing industries from 2016 to 2021 in Perth were professional, scientific, and technical services (+105 jobs, +116.7%); public administration (+125 jobs, +71.4%); and art, entertainment, and recreation services (+30 jobs, +85.7%)
- In 2021, almost half (42.7%) of the labour force in Perth commuted to work within the municipality. This was lower than 2016 levels (53.7%). Additionally, due to the impacts of the

COVID-19 pandemic, there was a notable trend of labour force working from home. In Perth, there was an increase of 335 workers, or +279.2%, working from home in 2021 compared to 2016 levels.

Housing Supply in Perth

- Approximately half of the 3,270 dwellings in Perth in 2021 were single detached houses (50.6%). However, these types of dwellings grew slower in number (+5.8%) compared to low-rise apartments (+16.6%), and row houses (+14.3%) between 2016 and 2021.
- The average age of dwellings is trending to be among the oldest in the County. Among municipalities in Lanark County in 2021, Perth had the second lowest proportion of dwellings built between 2001 and 2021 (14.8%) and the second highest built prior to 1960 (41.4%).
- A point-in-time scan of rental ads was undertaken in early November 2021 to augment the very limited rental data available for Perth. The scan showed that the average asking rents for Perth for November 2021 were: \$1,540 for a one-bedroom unit, \$2,230 for a two-bedroom unit, and \$2,500 for a three-bedroom unit with a total average of \$2,050.
- A point-in-time scan of rental ads was undertaken in October 2022 to augment the very limited rental data available for Perth. The scan showed that the average asking rents for Perth were approximately: \$1,600 for a one-bedroom unit, \$1,770 for a two-bedroom unit, and \$2,250 for a three-bedroom unit with a total average of \$1,800.
 - Given this rent price, a household would require an annual gross income of \$71,400 to afford rent in Perth, based on the PPS affordability figures for Lanark County. This is higher than the average household income in Perth.
- A point-in-time scan of housing prices was undertaken in early November 2021 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Perth for November 2021 were \$705,000 – an over 153% increase from household values from the 2016 Census.
 - Given this house price, a household would require an annual gross income of \$193,700 to afford home ownership in Perth, based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Perth (\$73,127).
- A point-in-time scan of housing prices was undertaken in October 2022 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Perth were approximately \$540,000.
 - Given this house price, a household would require an annual gross income of \$146,000 to afford home ownership in Perth, based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Perth.

Housing Affordability in Perth

- Overall, 22.9% of all households are spending more than 30% of the household's gross income on shelter costs in 2021. In absolute terms, this was a decrease of -20.2% from 2016 levels.
 - Considered by tenure, 12.1% of owner households were found to be facing affordability issues, while 36.7% of renter households were.
- In 2021, 11.4% of households in Perth met one of the criteria for core housing need. Of the 370 households in core housing need, 20.0% were owner households (4.2% of all owner households) and 80.0% were renter households (21.0% of all renter households).

6.2.3. Key Findings for the Town of Carleton Place

Housing Demand in Carleton Place

- Carleton Place, the second most populated community (12,517 in 2021), has seen the second fastest population growth (17.6%) in Lanark County from 2016 to 2021. Further, the population of Carleton Place is projected to grow by +51.1% between 2021 and 2038. The demand for housing in Carleton Place will continue to grow rapidly if these trends continue.
- The number of households has increased +21.8% between 2016 and 2021, the highest rate in the County. The number of dwellings is projected to grow +35.6% between 2021 and 2038.
- In terms of household types, couples without children represented 28.0% of all households in Carleton Place in 2021. This was the highest proportion among all household types in Carleton Place, but this figure was lower than the Lanark County level (33.7%). One-person households (27.6%), on the other hand, were more common in Carleton Place than Lanark County (26.9%)
- The proportion of owner households (70.2%) is lower than the Lanark County average (78.4%). However, the growth rate of the number of owner households (19.1%) is higher than the Lanark County growth rate (+11.0%) between 2016 and 2021. Additionally, the growth rate of number of renter households (+29.5%) is much higher than Lanark County (+14.2%) during this period.
- The average size of household (2.4) in 2021 was greater than the Lanark County average (2.3).
- Carleton Place is roughly equal to Lanark County in terms of most economic indicators. Average and median household income projected to 2021 dollars for Carleton Place are \$104,190 and \$92,090 respectively, compared to \$106,680 and \$91,050 for Lanark County. In 2021, the prevalence of low-income individuals in Carleton Place was 7.2% (compared to 8.7% for Lanark County).
- In terms of occupations by industry, the most common occupation in Carleton Place in 2021 was retail trade (13.4% of the labour force), followed by health care and social assistance (13.2%) and construction (9.6%).
- The fastest growing industries from 2016 to 2021 in Carleton Place were professional, scientific, and technical services (+200 jobs, +58.0%); health care and social assistance (+175 jobs, +24.8%); and retail trade (+120 jobs, +16.1%)
- In 2021, almost a quarter (24.5%) of the labour force in Carleton Place commuted to work within the municipality. This was lower than 2016 levels (27.8%). Over a quarter (26.5%) of the labour force commutes outside of Lanark County for work, presumably to the City of Ottawa; however, this proportion represents a dramatic decrease from 2016 levels (40.9%). Additionally, due to the impacts of the COVID-19 pandemic, there was a notable trend of

labour force working from home. In Carleton Place, there was an increase of 1,365 workers, or +420.0%, working from home in 2021 compared to 2016 levels.

Housing Supply in Carleton Place

- The housing supply in Carleton Place is among the newest in Lanark County. In 2021, 25.0% of the housing supply was built before 1960 (fourth lowest in Lanark County). At the same time, 17.1% of the housing stock was built after 2016 – the highest total in Lanark County.
- A point-in-time scan of rental ads was undertaken in early November 2021 to augment the very limited rental data available for Lanark County. The scan showed that the average asking rents for Carleton Place for November 2021 were: \$800 for a bachelor unit, \$2,100 for a one-bedroom unit, \$1,720 for a two-bedroom unit, and \$2,200 for a three-bedroom unit with a total average of \$1,900.
- A second point-in-time scan of rental ads was undertaken in October 2022 to augment the limited rental data available for Carleton Place. The scan showed that the average asking rents for Carleton Place were approximately: \$1,800 for a one-bedroom unit, \$2,450 for a two-bedroom unit, and \$2,600 for a three-bedroom unit with a total average of \$2,390.
 - Given this rent price, a household would require an annual gross income of \$95,000 to afford rent in Carleton Place based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Carleton Place.
- A point-in-time scan of housing prices was undertaken in early November 2021 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Carleton Place for November 2021 were \$884,000 – an over 190% increase from household values from the 2016 Census.
 - Given this house price, a household would require an annual gross income of \$243,100 to afford home ownership in Carleton Place based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Carleton Place (\$93,566).
- A second point-in-time scan of housing prices was undertaken in October 2022 to augment the limited housing price data available for Carleton Place. The scan showed that the average asking price for homes in Carleton Place was approximately \$630,800.
 - Given this house price, a household would require an annual gross income of \$171,500 to afford home ownership in Carleton Place based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Carleton Place.

Housing Affordability in Carleton Place

- In 2021, 21.8% of Carleton Place households were spending more than 30% of their gross household income on shelter costs, one of the highest proportions in Lanark County. However, this figure is down from 26.0% in 2016.

- This unaffordability disproportionately impacts renters, with 46.0% of renter households meeting this threshold, while only 11.5% of owner households do.
- In 2021, 6.4% of households were in core housing need in Carleton Place. Of these 330 households, 23.1% were owner households (2.2% of all owner households) and 76.9% were renter households (17.1% of all renter households).

6.2.4. Key Findings for the Municipality of Mississippi Mills

Housing Demand in Mississippi Mills

- Mississippi Mills contains approximately 19.5% of Lanark County's 2021 population, the highest of any member municipality (14,740) and has experienced a higher growth rate (+12.0%) between 2016 and 2021 than the Lanark County average (+10.3%).
- Projecting to 2038, the population of Mississippi Mills is expected to grow by +43.3 from 2021 levels.
- Household projections have the number of dwellings in Mississippi Mills increasing by +24.9% households from 2021 to 2038.
- Mississippi Mills had a higher proportion of its population that falls into the older adult (29.1%) and senior (26.6%) age cohorts than the Lanark County rates (29.0% and 25.2%, respectively) in 2021.
- In 2021, 36.7% of households were couples without children while 25.6% were couples with children – both figures higher than the Lanark County averages (33.7% and 23.7%, respectively). One-person households (24.2%) made up smaller proportions of all households compared to Lanark County averages (26.9%).
- In terms of household tenure, 83.2% of households in Mississippi Mills were owner households, slightly higher than the Lanark County average (78.4%) and an outlier in the more urban municipalities in the County.
- The average size of household (2.4) was greater Lanark County (2.3) average in 2021.
- Average and median incomes were the second highest in Lanark County (\$120,020 and \$103,470, respectively) projected to 2021 dollars. The prevalence of low-income individuals in Mississippi Mills was 6.3%, lower than the 8.7% for Lanark County.
- In terms of occupations by industry, the most common occupation in Mississippi Mills in 2021 was construction (13.6% of the labour force), followed by health care and social assistance (11.7%) and retail trade (10.6%).
- The fastest growing industries from 2016 to 2021 in Mississippi Mills were construction (+220 jobs, +28.2%); professional, scientific, and technical services (+60 jobs, +9.7%); and utilities services (+40 jobs, +80.0%)
- In 2021, 18.3% of the labour force in Mississippi Mills commuted to work within the municipality. This was consistent with 2016 levels (18.1%). Additionally, due to the impacts of the COVID-19 pandemic, there was a notable trend of labour force working from home. In Mississippi Mills, there was an increase of +1,505 workers, or +212.0%, working from home in 2021 compared to 2016 levels.

Housing Supply in Mississippi Mills

- The housing supply in Mississippi Mills is among the newest in Lanark County, with 31.8% of the housing stock built between 2001 and 2021, the third highest proportion in Lanark County.
- In 2021, 77.1% of dwellings in Mississippi Mills were single detached dwellings. However, this dwelling type was the slowest growing between 2016 and 2021 (+8.8% increase), with row house dwellings (+55.6%), high-rise apartments (+27.3%), low-rise apartments (+23.7%), and semi-detached dwellings (+52.8%) all experienced higher growth rates in this period.
- A point-in-time scan of rental ads was undertaken in early November 2021 to augment the very limited rental data available for Lanark County. The scan showed that the average asking rents for Mississippi Mills for November 2021 were: \$1,250 for a one-bedroom unit, \$2,000 for a two-bedroom unit, and \$2,150 for a three-bedroom unit with a total average of \$1,770.
- A second point-in-time scan of rental ads was undertaken in October 2022 to augment the very limited rental data available for Mississippi Mills. The scan showed that the average asking rents for Mississippi Mills were approximately: \$2,200 for a one-bedroom unit, \$2,650 for a two-bedroom unit, and \$2,900 for a three-bedroom unit with a total average of \$2,500.
 - Given this rent price, a household would require an annual gross income of \$98,500 to afford rent in Mississippi Mills based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Mississippi Mills.
- A point-in-time scan of housing prices was undertaken in early November 2021 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Mississippi Mills for November 2021 were \$840,000 – an over 121% increase from household values from the 2016 Census.
 - Given this housing price, a household would require an annual gross income of \$231,900 to afford home ownership in Mississippi Mills based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Mississippi Mills (\$110,096).
- A point-in-time scan of housing prices was undertaken in October 2022 to augment the limited housing price data available for Mississippi Mills. The scan showed that the average asking price for homes in Mississippi Mills was approximately \$732,800.
 - Given this housing price, a household would require an annual gross income of \$199,250 to afford home ownership in Mississippi Mills based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Mississippi Mills.

Housing Affordability in Mississippi Mills

- In 2021, 14.1% of all households in Mississippi Mills spent at least 30% of their household gross income on shelters costs. This was the third lowest rate in Lanark County and below

the County average. These trends were consistent when broken down by tenure, with 9.9% of owner households (lowest rate) and 35.0% of renter households meeting this threshold (third lowest rate).

- The number of households that met this criterion decreased between 2016 and 2021 (-17.8%). This decrease was greater than the Lanark County trend (-16.8%). This trend was not consistent across tenures, as owner households that were facing affordability issues decreased (-25.3%) much more than renter households (-4.4%).
- In 2021, 4.5% of households were deemed to be in core housing need, the fourth lowest proportion in Lanark County and below the County average of 6.2%.
 - Of these 265 households in core housing need, 37.7% were owner households (2.1% of all owner households) and 62.3% were renter households (16.8% of all renter households).

6.2.5. Key Findings for Lanark East (Beckwith and Montague)

Housing Demand in Lanark East

- Lanark East contains approximately 17.1% of Lanark County's 2021 population and has experienced a +13.5% increase in population between 2016 and 2021, greater than the Lanark County average (+10.3%) during this period. Beckwith contained 9,020 people in 2021, the fourth highest population among municipalities. This growth was in large part due to the population increase in Beckwith, as the municipality grew by +18.0% over this period.
- Projecting to 2038, the population of Lanark East is expected to continue to grow at a rate (+62.8%) greater than the County as a whole (+40.3%).
- Dwelling projections have the rate of dwelling growth in Lanark East (+56.3%) almost double the rate of the County as a whole (+26.1%) between 2021 and 2038.
- The population of municipalities tended to be younger than the Lanark County average in 2021. Both the average and median ages in Beckwith (41.8 years and 44.4 years, respectively) and Montague (42.7 years and 44.4 years, respectively) were both below the Lanark County levels (45.6 years and 48.8 years, respectively). The proportion of children (aged 14 and under) and youth (aged 15 to 24) were both above the County levels.
- In 2021, the most common household types in Lanark East were couples without children, where both Beckwith (36.6%) and Montague (35.7%) had higher rates of this household type than Lanark County levels (33.7%). Additionally, both Beckwith (15.6%) and Montague (18.7%) had lower rates of one-person households than Lanark County overall (26.9% of all households).
- In terms of household tenure, 95.5% of Lanark East households were owner households, higher than the Lanark County average of 78.4%. The number of owner households increased by +15.2% from 2016 to 2021. The number of renter households in Lanark East decreased by -11.8% in this period, while these households grew by +14.2% throughout the County.
- The average household size in Beckwith (2.7 persons per household) and Montague (2.6) in 2021 were higher than the Lanark County average of 2.3.
- Lanark East municipalities had among the highest average household income, with incomes of \$144,440 in Beckwith and \$113,710 in Montague projected to 2021 levels. The prevalence of low-income individuals in Lanark East is the among the lowest in Lanark County, with 3.2% of the Beckwith population meeting LICO-AT thresholds for low-income individuals (lowest level in Lanark County).
- In terms of occupations by industry, the most common occupation in Lanark East in 2021 was construction (13.1% of the labour force), followed by health care and social assistance (12.6%) and retail trade (10.7%). There was some difference between the two municipalities,

with 8.1% of Beckwith's labour force working in the professional, scientific, and technical services compared to 4.4% for Montague.

- The fastest growing industries from 2016 to 2021 in Lanark East were construction (+215 jobs, +30.1%), health care and social assistance (+210 jobs, +30.9%), and finance and insurance (+100 jobs, +83.3%).
- In 2021, workers in Lanark East tended to commute outside of their municipality of residence for work. Only 3.9% of workers in Beckwith and 2.9% of workers in Montague commuted to work within their respective municipalities. The majority of the labour force either works elsewhere in Lanark County (25.6%) or elsewhere within Ontario (26.5%). Additionally, due to the impacts of the COVID-19 pandemic, there was a notable trend of labour force working from home. In Lanark East, there was an increase of +1,280 workers, or +222.6%, working from home in 2021 compared to 2016 levels.

Housing Supply in Lanark East

- The housing supply in Lanark East is among the newest in Lanark County. In Beckwith in 2021, 11.9% of all dwellings were constructed after 2016, the third highest total in any municipality, and 9.6% of dwellings were constructed before 1960, the least amount of any municipality. This proportion is much higher than the Lanark County average of 50.8%. Only 9.6% of the housing stock in Beckwith was built before 1960, the lowest proportion for any municipality by a large margin.
- In 2021, single-detached dwellings constituted the vast majority of dwellings in Lanark East. Approximately 96.3% of the Montague housing stock was single-detached dwellings, the second most in Lanark County. Additionally, these dwelling types grew by +17.7% in Beckwith from 2016 to 2021, the highest growth rate for single-detached dwellings in Lanark County. As only semi-detached dwellings (2.3% in Montague) made up more than 1% of the total occupied dwellings in either municipality in 2021, it is difficult to assess the trends for these other types of dwellings for this period.
- A point-in-time scan of housing prices was undertaken in early November 2021 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Lanark East for November 2021 were \$815,800 – an over 135% increase from household values from the 2016 Census.
 - Given this housing price, a household would require an annual gross income of \$224,300 to afford home ownership in Lanark East based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Lanark East (\$112,657).
- A second point-in-time scan of housing prices was undertaken in October 2022 to augment the limited housing price data available for Lanark East. The scan showed that the average asking price for homes in Lanark East was approximately \$774,450.
 - Given this housing price, a household would require an annual gross income of \$210,500 to afford home ownership in Lanark East based on the PPS affordability

figures for Lanark County. This is much higher than the average household income in Lanark East.

Housing Affordability in Lanark East

- In 2021, Lanark East had some of the lowest proportions of household who spent at least 30% of their household gross income on shelter costs. Beckwith (11.6%) and Montague (12.0%) ranked second and third lowest in this measurement in Lanark County. However, affordability issues varied by household tenure. In Montague, 42.1% of renter households surpassed this affordability threshold, the third highest rate in the County, while only 10.3% of owner households did.
- In 2021, 178 households were deemed to be in core housing need across Lanark East. Beckwith (1.8%) and Montague (2.4%) were the two municipalities with the lowest rate of core housing need in the County in 2021.

6.2.6. Key Findings for Lanark West (Tay Valley, Lanark Highlands, and Drummond / North Elmsley)

Housing Demand in Lanark West

- Lanark West contained 26.2% of the population of Lanark County in 2021. This population grew at almost half the rate (+5.7%) as the Lanark County rate (+10.3%) between 2016 and 2021.
- Projecting to 2038, Lanark West is expected to grow by +47.4% from 2021 levels, slightly higher than the projected growth rate of the County-wide population (+40.3%).
- Household projections have the number of dwellings in Lanark West increasing by +29.1% between 2021 and 2038, which is in line with the County average growth projected for this period (+26.1%).
- Lanark West contains a lower proportion of children (aged 14 and under) and youth (aged 15 to 24) aged population than the County average. Tay Valley had the second lowest proportion of children (11.5%), while Lanark Highlands had the lowest proportion of youth (7.1%). Additionally, the senior (aged 65 and older) population was the fastest growing age cohort in all three municipalities.
- Couples without children were the most common household type in Lanark West in 2021. Tay Valley (44.3%), Drummond / North Elmsley (39.1%), and Lanark Highlands (38.3%) had the three highest proportion of this household type in 2021.
- In terms of household tenure, the vast majority of households in Lanark West were owner households in 2021, including 93.3% of households in Drummond / North Elmsley. This ranked third in the County. However, there was some disparity in the growth of renter households throughout Lanark West. From 2016 to 2021, Drummond / North Elmsley saw a decline in renter households (-65 households, -22.8%), Tay Valley remained unchanged (180 households), and Lanark Highlands saw a growth in renter households (+90, +46.2%).
- The average household size in Drummond / North Elmsley (2.5 persons per household) in 2021 was higher than the Lanark County average of 2.3, while Tay Valley and Lanark Highlands were consistent with the County average.
- The average income, in 2021 dollars, of households varied across Lanark West, with Drummond / North Elmsley (\$117,850) averaging a higher household income than the County average (\$106,680), Tay Valley (\$106,780) was consistent with the County average, while Lanark Highlands (\$98,920) fell below the County average.
- In terms of occupations by industry, the most common occupation in Lanark West in 2021 was construction (14.7% of the labour force), followed by health care and social assistance (13.3%) and retail trade (10.9%).

- The fastest growing industries from 2016 to 2021 in Lanark West were professional, scientific, and technical services (+155 jobs, +34.1%); health care and social assistance (+95 jobs, +8.1%); and construction (+60 jobs, +4.4%).
- In 2021, the vast majority of workers in Lanark West tended to commute out of their municipality of residence for work. Only Lanark Highlands (6.1% of workers) had at least 3% of its labour force work within their municipality of residence. The majority of workers in Lanark West tended to work elsewhere in Lanark County (for example Tay Valley had 50.7% of its workers commute elsewhere in the County) or work from home. Due to the impacts of the COVID-19 pandemic, there was a notable trend of labour force working from home. In Lanark West, there was an increase of +905 workers, or +76.7%, working from home in 2021 compared to 2016 levels.

Housing Supply in Lanark West

- The housing supply in Lanark West is on the newer side compared to the average in Lanark County. Only 17.2% of the dwellings in Drummond / North Elmsley were built before 1960, the second lowest in Lanark County. Lanark West is lacking more current supply, as Lanark Highlands (4.8%), Drummond / North Elmsley (4.4%), and Tay Valley (2.7%) have some of the lowest proportion of dwellings constructed since 2016 among their housing supply.
- However, this may be changing as recent building permit applications suggest that Lanark West is growing at a much faster rate than in previous years. According to municipal staff, there are an average of 11-16 building permit applications but there were sixty applications since 2020.
- In 2021, 94.6% of all dwellings in Lanark West were single-detached dwellings. These dwelling types experienced a +6.9% growth between 2016 and 2021. However, low-rise apartments (1.8% of all dwellings) were the only other dwelling type that made up 1% of the housing stock in Lanark West.
- Tay Valley municipality staff noted an increased interest in additional residential units in recent years.
- A point-in-time scan of housing prices was undertaken in early November 2021 to augment the limited housing price data available for Lanark County. The scan showed that the average asking prices for homes in Lanark West for November 2021 were \$656,000 – an over 100% increase from household values from the 2016 Census.
 - Given this housing price, a household would require an annual gross income of \$180,400 to afford home ownership in Lanark West based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Lanark West (\$98,399).
- A second point-in-time scan of housing prices was undertaken in October 2022 to augment the limited housing price data available for Lanark West. The scan showed that the average asking price for homes in Lanark West was approximately \$626,800.

- Given this housing price, a household would require an annual gross income of \$170,450 to afford home ownership in Lanark West based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Lanark West.

Housing Affordability in Lanark West

- In 2021, households in Lanark West were less likely to be facing affordability issues than the County average (17.3%). Drummond / North Elmsley (11.3%) had the lowest rate of households spending 30% or more of their household gross income on shelter costs. Tay Valley (13.1%) and Lanark Highlands (15.3%) were not far off.
- However, there was some disparity in the affordability issues of households between tenures. While only 9.1% of owner households in Drummond / North Elmsley spent 30% or more on shelter, this rate was 39.5% for renters. Similar trends existed in Lanark Highlands (12.6% and 35.7%, respectively).
- In 2021, the rate of core housing need in Lanark West fell below the County rate (6.2% of households). Drummond / North Elmsley (3.0%), Tay Valley (3.1%), and Lanark Highlands (4.8%) were among the lowest rate for core housing need in the County.

7.0 Appendix 2: Housing Policy Context

Housing in Canada operates within a framework of legislation, policies and programs. This section provides an overview of the planning and housing policies which influence residential development in Lanark County.

7.1. Provincial Policies and Strategies

This section provides a brief overview of the provincial policies and strategies which affect the development of housing in a community. Municipal policies, including the policies of Lanark County, Smiths Falls, and member municipalities, have to conform with these provincial policies.

7.1.1. Provincial Policy Statement, 2020

The Provincial Policy Statement (PPS) outlines the Province’s policies on land use planning and is issued under Section 3 of the Planning Act. It provides policy direction on land use planning to promote strong, healthy communities and all local decisions affecting land use planning matters “shall be consistent with” the PPS.

The Provincial Policy Statement, 2020 (PPS, 2020) came into effect on May 1, 2020, replacing the previous PPS, 2014. The PPS provides direction on key Provincial interests related to land use planning and development in Ontario. The Township’s Official Plan and subsequent land use planning decisions are required to be “consistent with” the PPS. The PPS, 2020 retains the structure of the PPS, 2014 and provides policy direction related to three key themes:

- Building Strong Healthy Communities (Section 1.0), to promote efficient land use and development patterns; promote strong, livable, healthy, and resilient communities; and ensure appropriate opportunities for employment and residential development.
- The Wise Use and Management of Resources (Section 2.0), to protect natural heritage, water, agricultural, mineral and cultural heritage and archaeological resources for their economic, environmental and social benefits.
- Protecting Public Health and Safety (Section 3.0), to reduce the potential for public cost or risk to Ontario’s residents from natural or human-made hazards.

Many of the key changes introduced in the updated PPS 2020 fall under the auspices of the government’s broader “More Homes, More Choice: Ontario’s Housing Supply Action Plan”, the Province’s overarching framework for a series of legislative and policy changes aimed at streamlining the land use planning process and cutting red tape to make housing more affordable.

Section 1.4 of the PPS includes housing-related policies. Some important changes from the 2014 PPS include the following.

- The PPS 2020 increases the requirement for municipalities to maintain the ability to accommodate residential growth for a minimum of 15 years (from 10 years) through residential intensification and redevelopment (1.4.1.a). The new PPS also provides upper-tier and single-tier municipalities the choice of maintaining land with servicing capacity to provide at least a five-year supply of residential units (1.4.1.b).
- The PPS 2020 also clarified the requirement for planning authorities to provide an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents of the regional market area by (1.4.3): (a) establishing and implementing minimum affordable housing targets which align with applicable housing and homelessness plans; and (b) permitting and facilitating all housing options required to meet the social, health, economic and wellbeing requirements and needs arising from demographic changes and employment opportunities and all types of residential intensification, including additional residential units. Revised language throughout creates greater flexibility, for example, by stating that municipalities “should” rather than “shall,” require new development to have a compact form, mix of uses and densities and establish and implement phasing policies.
- The definition of affordable housing remains the same in the PPS 2020. However, The PPS 2020 added a new definition for “Housing Options”, clarifying the range of housing forms and tenures to be accounted for:

A range of housing types such as, but not limited to single-detached, semi-detached, rowhouses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi-residential buildings and uses such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses.

7.1.2. Municipal Act, 2001

The Municipal Act, 2001 sets out the rules for all municipalities in Ontario (except for the City of Toronto) and gives municipalities broad powers to pass by-laws on matters such as health, safety and wellbeing, and to protect persons and property within their jurisdiction. The Act provides direction for land use planning purposes, but it does not directly legislate Official Plans or Zoning By-laws as these are legislated through the Ontario Planning Act. There are several sections of the Municipal Act which influence the provision of housing in a municipality. These include the following sections.

Section 99.1 of the Act provides municipalities with the power to prohibit and regulate the demolition and conversion of residential rental properties with at least six dwelling units.

Section 110 of the Act provides direction on agreements entered into by a municipality for the provision of municipal capital facilities by any person, including another municipality, if the agreement provides for lease payments in foreign currencies, assistance (including financial or other assistance at less than fair market value or at no cost to the person who has entered into the agreement to provide facilities), tax exemptions, and/or development charges exemptions.

Section 163 of the Act sets out the definition and requirements for group homes within municipalities in Ontario. The Act defines group homes as:

A group home is a residence licensed or funded under a federal or provincial statute for the accommodation of three to ten persons, exclusive of staff, living under supervision in a single housekeeping unit and who, by reason of their emotional, mental, social or physical condition or legal status, require a group living arrangement for their wellbeing.

The Act allows municipalities to enact a business licensing by-law for group homes only if the municipality permits the establishment and use of group homes under section 34 of the Planning Act. A business licensing by-law for group homes can restrict the establishment of group homes to only those with a license and may be required to pay license fees.

Section 99.1 of the Act allows municipalities to prohibit and regulate the demolition of residential rental property and the conversion of residential rental property to a purpose other than the purpose of a residential rental property. However, this power does not apply to residential rental property that contains less than six dwelling units.

7.1.3. Housing Supply Action Plan

The Provincial government released More Homes, More Choice: Ontario's Housing Supply Action Plan on May 2, 2019. At the same time, the Minister of Municipal Affairs and Housing introduced omnibus legislation which is central to the action plan, and which makes changes to 13 Provincial Acts, including the Planning Act, Development Charges Act, Conservation Authorities Act, Environmental Assessment Act, and Environmental Protection Act. The More Homes, More Choice Act (formerly Bill 108) received Royal Assent on June 6, 2019, and most of the Act has come into effect. Regulations have also been introduced to provide further direction on changes resulting from the More Homes, More Choice Act and most of these regulations have been adopted. The changes to the Provincial Acts are outlined below and these changes provide municipalities with additional tools to encourage and support the development of a more diverse housing supply.

Changes to the Planning Act

The changes to the Planning Act include shorter timelines for making planning decisions; requiring inclusionary zoning (IZ) to be focused on areas known as Protected Major Transit Station Areas (PMTSA) that are generally high-growth and are near higher order transit; allowing a total of three residential units on one property (which would include a primary dwelling and two additional residential units); introducing the community benefits charge which replaces the density bonusing provision (Section 37), development charges for soft costs, and

parkland dedication requirements; limiting third party appeals of plans of subdivisions; and allowing the Minister to require that a municipality implement a community planning permit system in a specified area.

Changes to the Development Charges Act

The changes to the Development Charges Act includes a change to when development charges are paid for five types of developments: rental housing, institutional developments, industrial developments, and commercial developments. Instead of paying the development charge upon the issuance of a building permit, these developments will be allowed to pay the development charges over six installments, beginning at the issuance of an occupancy permit or when the building is first occupied (whichever is earlier) and every year for the next five years. In addition, non-profit housing developments will be allowed to pay development charges over 21 installments, beginning at the issuance of an occupancy permit or when the building is first occupied and every year for the next 20 years.

Furthermore, development charges will now be determined on the day an application for an approval of development in a site plan control area was made or the day an application for an amendment to a by-law was made.

The More Homes, More Choice Act also exempts second dwelling units in new or existing dwellings or structures from development charges.

Changes to the Local Planning Appeal Tribunal Act

The More Homes, More Choice Act also includes changes to the way the Local Planning Appeal Tribunal (LPAT) functions and its authority over planning decisions. Most of the changes are related to the practices and procedures of the Tribunal, including requirements for participation in alternative dispute resolution and limiting submissions by non-parties to written submissions.

Bill 197 - The COVID-19 Economic Recovery Act

On July 21, 2020, the Government passed Bill 197, an omnibus bill that introduced more key changes to the Planning Act. One such change was finalizing the community benefits charges-related provisions of the Act, including a reversal of a Bill 108 change that would have also included parkland dedication within the charges.

The most significant change was the expansion and enhancement of the power of the Minister of Municipal Affairs and Housing to undertake Minister's Zoning Orders (MZOs) under Section 47 of the Planning Act. Though rarely used by previous governments, the MZO allows the Minister to establish zoning permissions for any land (outside the Greenbelt) irrespective of locally adopted zoning by-laws or official plan policies. Under Bill 197, the Minister may now also make an order with regards to site plan control and inclusionary zoning, including the power to require the provision of affordable housing units in a development. An MZO does not require any prior public notice or consultation and is not subject to appeal to the LPAT.

The government has made the use of MZOs a key part of its housing and economic development efforts. A total of 33 new MZOs have been issued and in 2020 alone, 14 were issues for residential/ mixed commercial residential projects. Though these represent a range of developments, affordable and seniors housing projects account for a significant percentage, and the Province has indicated a clear interest in expediting such projects through use of the MZO, particularly where municipal councils have indicated their support.

7.1.4. More Home Built Faster: Ontario's Housing Supply Action Plan 2022-2023

On October 25, 2022, the Ontario Government introduced More Homes, Built Faster: Ontario's Housing Supply Action Plan 2022 – 2023. This Plan sets out several initiatives and commitments the government intends to take to support the creation of 1.5 million homes over the next 10 years.

Several of the proposed changes will require legislative or regulatory amendments, some of which were simultaneously introduced. Most relevantly for Lanark County, the government has proposed:

- Amendments to 10 pieces of existing legislation through *Bill 23: An Act to amend various statutes, to revoke various regulations and to enact the Supporting Growth and Housing in York and Durham Regions Act, 2022* (short title – Bill 23, More Homes Built Faster Act, 2022).
- Amendments to O. Reg 232/138: Inclusionary Zoning

There are also other proposed changes that the government has committed to developing regulation for and/or reviewing and consulting on. Several of these proposed changes or consultations were also launched simultaneously on October 25.

There were several changes to key Provincial legislation that may impact the residential development within Lanark County and the County's ability to encourage the development of affordable rental and ownership housing by private and not-for-profit developers. Key highlights are outlined below:

- **Exemptions from Development Charges:** New sections are proposed to be added to fully exempt the following from development charges: affordable residential units and attainable residential units; non-profit housing developments; and inclusionary zoning residential units. The criteria for what constitutes an “affordable residential unit,” an “attainable residential unit” and a definition of “non-profit housing development” are set out. Future regulations will prescribe developments or classes of developments that will be considered “attainable housing units.”

Lanark County may utilize this new legislation to promote the development of affordable, attainable, and non-profit residential development throughout the County.

- **Reduced Development Charges for Rental Housing Development:** Bill 23 proposes to reduce development charges for rental housing development. Specifically, the total development charge determined under the development charge by-law for a residential unit intended for use as a rented residential premises with three- or more-bedrooms is proposed to be reduced by 25%, reduced by 20% for two-bedroom units and reduced by 15% for all other residential units intended for use as a rented residential premises.

Lanark County may utilize this new legislation to promote the development of rental housing developments throughout the County.

- **Dismissal of Appeals:** Under both the Ontario Land Tribunal Act and the Planning Act, the Ontario Land Tribunal currently possesses the power to dismiss appeals without a full hearing for various reasons. Bill 23 proposes to further expand the Tribunal’s authority to dismiss proceedings without a hearing. Bill 23 will now allow the Tribunal to dismiss a proceeding without a hearing on the basis that:
 - the party who brought the proceeding has contributed to undue delay; or
 - if the Tribunal is of the opinion that a party has failed to comply with a Tribunal order.

This new legislation regarding appeals may limit community opposition to affordable or supportive housing being developed in the County.

- **New Forms of Development Excluded from Site Plan Control:** Bill 23 now expands the list of exempted forms of development that are not subject to site plan control. Previously, only the placement of portable classrooms on school sites that existed prior to January 1, 2007, were excluded from the need to obtain site plan approval. Now, Bill 23 exempts any residential development that contains no more than 10 residential units. Another new subsection was added to clarify that a land lease community home with any number of residential units is a form of development subject to site plan control.

7.1.5. Community Housing Renewal Strategy

The Provincial government announced a new Community Housing Renewal Strategy with \$1 billion in 2019 – 2020 to help sustain, repair and build community housing and end homelessness. The Strategy includes the following elements:

- Removing existing penalties for tenants who work more hours or who are going to college or university;
- Simplifying rent calculations;
- Freeing up the waitlist by having tenants prioritize their first choice and accept the first unit they are offered;
- Ensuring rent calculations do not include child support payments;
- Requiring an asset test; and,

- Making housing safer by empowering housing providers to turn away tenants who have been evicted for criminal activity.

The funding priorities for the first three years are:

- Protect rent-geared-to-income tenants in no-profit and co-operate housing projects with expiring operating agreements/ mortgages through:
 - An ongoing rent-geared-to-income rent where the provider continues to receive an operating subsidy or enters into a rent supplement agreement
 - Funding a household to transition to a portable housing benefit through the Canada-Ontario Housing Benefit or another funding source
 - Funding a household to transition to market rent where feasible and appropriate.
- Assist community housing providers with expiring operating agreements/ mortgages up to 2021-2022 to transition to an operationally sustainable approach to providing high quality community housing.
- Achieve no net loss of Urban Native Housing units, through repair, capital replacement, household affordability support and/or operating subsidies to achieve provider sustainability.

The Province also launched two new programs in 2019 – 2020. These are:

- Canada-Ontario Community Housing Initiative (COCHI) – provides funding to Service Managers to replace the federal Social Housing Agreement funding which expires each year beginning in April 2019.
- Ontario Priorities Housing Initiative (OPHI) – provides flexible funding to all Service Managers and the two Indigenous Program Administrators to address local priorities in the areas of housing supply and affordability, including new affordable rental construction, community housing repair, rental assistance, tenant supports, and affordable ownership. Housing providers can dedicate a percentage of spending for supports that will keep people housed and prevent homelessness.

7.2. Lanark County Policies and Strategies

7.2.1. Sustainable Communities Official Plan (Adopted June 27, 2012) (SCOP)

Lanark County developed their first Official Plan in 2010, with a “plan regionally, act locally” approach to land use decisions. The Lanark County Sustainable Communities Official Plan (SCOP) was adopted in June 2012 and is a combined Integrated Community Sustainability Plan (ICSP) and Official Plan.

The SCOP is structured into four parts:

Part I – Sustainable Communities discusses the overall settlement pattern in Lanark County and provides general direction on managing land use in a sustainable manner, and addresses the required infrastructure needs to ensure long term sustainability

Part II – Sustainable Environment speaks to natural heritage features such as significant wetlands, endangered species and wildlife habitat as well as natural resources such as agricultural lands and mineral aggregates. This section also addresses hazardous features such as floodplains.

Part III – General Policies includes policies that generally apply across the County and includes the various tools available to the County and local municipalities for the implementation of the SCOP's policies.

Part IV – Land Use Schedule describes the land use designations used in this plan, which for this analysis consist of Settlement Areas and Rural Areas.

One intent of the SCOP is to link the County's Integrated Community Sustainability Plan to the Official Plan and to use the SCOP to implement portions of the ICSP.

The SCOP was updated in 2018 to amend the population projections to 2038, anticipating the population of the County to rise from 56,689 in 2011 to 70,434 by 2031 and 96,443 by the year 2038. The distribution of the population was also shifted more towards the urban municipalities of Perth and Carleton Place, with 20% of the project growth in the five most rural municipalities reallocated to these urban communities.

Adequate Land Supply

The SCOP requires, in Section 1.2, that local municipalities will, maintain a three-year supply of serviced land at all times as part of the ten-year supply of land designated for residential development. The plan notes that this objective does not apply where local municipalities do not provide public piped services or where such services are constrained by environmental or financial conditions. Policy 5 in Section 8.2.9 is that the population projections and residential development targets will be monitored, and in Section 1.2 clarifies that the residential development targets are objectives, not requirements, and that the targets “will be considered when making decisions on new lot creation, the expansion of existing settlement areas, or the creation of new settlement areas within the County.”

Section 2.3.1 General Policies of the SCOP provides direction for local municipalities on ensuring sufficient land will be available into the future “to accommodate a broad range of land uses [...] and expected population growth over a maximum twenty-year timeframe”. That Local Official Plans “distinguish between fully serviced, partially serviced and un-serviced settlement areas” and “promote intensification in existing built-up areas” which “to optimize the use of land, resources, infrastructure and public service facilities”. This section also provides direction that

local land use policies “shall provide for mixed use development including residential, commercial, employment lands, parks and open space and institutional uses”.

Residential Intensification

Section 2.6.2.4 includes direction for local Official Plans, zoning regulations and other regulations to “permit increased housing densities through redevelopment of existing residential and non-residential buildings to meet locally established intensification targets where infrastructures permits” in Settlement Areas. Section 8.2.9 also provides direction to encourage “infill and housing intensification [...] through conversion of single detached dwellings to multiple units [...] land severances [...] and infill on vacant lands [...] particularly in urban core areas.”

In Rural Areas, Section 3.3.4.5 requires local regulations to “permit accessory apartments in accordance with Section 16(3) of the Planning Act” and does not provide direction to intensify further than that.

Diversified Housing Stock

Section 2.6.2.4 of the SCOP includes direction, in Settlement Areas, to “permit and zone a range of residential housing types and sizes” and “where applicable identify and zone mixed-use areas in selected areas of the municipality”.

In Rural Areas, Section 3.3.4.5 includes direction to “permit and zone a range of housing types and sizes” and does not include direction for mixed-use zoning.

Mix of Land Uses

Section 2.6.1 provides two policies that speak to mixed use of land in Settlement Areas: “to provide for a range and mix of low, medium and high density housing types in accordance with servicing capacities” and “to provide for mixed use communities with appropriate *residential* (per bullet 6 of Section 2.3.1) commercial, institutional and employment uses.”

In Rural Areas the direction in the SCOP (Section 3.3.4.5) is to ensure that there is “adequate buffering of residential areas from incompatible non-residential uses”, and to “ensure the protection of resources from incompatible uses”.

Affordable Housing

Section 8.2.9 of the SCOP addresses affordable housing, with direction for “Council and local Councils [to] provide for affordable housing by enabling a full range of housing types and densities”, “encouraging infill and housing intensification [...] through conversion of single detached dwellings to multiple units [...] land severances [...] and infill on vacant lands [...] particularly in urban core areas.” This intensification direction is accompanied by the SCOP “encouraging cost-effective development standards and densities for new residential development to reduce the cost of housing”.

Supportive or Special Needs Housing

In Section 8.2.9 Affordable Housing, there is direction to monitor the need for social assisted housing for households and seniors through periodic surveys in co-operation with area municipalities.

Other Relevant Policies

Section 8.2.6 of the SCOP supports creation of Community Improvement Plans that will achieve and maintain a standard of physical infrastructure and associated facilities, including:

- transportation corridors and facilities
- communications systems
- electric power systems, oil and gas pipelines, alternative energy systems and renewable energy systems

7.2.2. 10-Year Housing and Homelessness Plan and Housing and Homelessness Report (Foundations for the Future)

In 2014, Lanark County launched its 10-Year Housing and Homelessness Plan. The vision is “a county where residents have access to safe and healthy homes that help to build strong local communities”. The plan describes five guiding principles:

- Housing is a key social determinant of health
- People have the right to housing, including informed choices and personal safety
- Sustainability is important for the environment and to make the best use of resources
- Inclusiveness and involvement are key to building trust
- More money is necessary, but creative solutions can be found through service integration and community coordination.

As of 2019 the Lanark County Social Services department offers 10 different programs to help address housing needs:

1. Housing Options Program – Applicants are eligible for \$1,000 once per calendar year to obtain or retain housing.
2. The Domiciliary Hostel Program – The County subsidizes the providers’ cost to residents that require some support with activities of daily living for people with special needs.
3. The Rent Supplement Program – Helps low-income households to offset high shelter costs by providing up to \$200 per month to the landlord.

4. Homeownership – Down payment assistance of up to 5% of the purchase price.
5. Renovate Lanark – Financial assistance, in the form of a 10-year forgivable loan of up to \$10,000, to low to moderate-income homeowners to conduct essential home repairs.
6. Rent-Geared-to-Income (RGI) – Funding to 5 non-profit housing providers and the Lanark County Housing Corporation to allow qualifying tenants to pay 30% of their income as rent.
7. Affordable Housing – Lanark County has facilitated the development of four affordable housing projects with rents 20% below average market rent.
8. Portable Housing Benefit – A monthly subsidy to low-income households to assist with housing costs.
9. Coordination of Housing Services - Caseworkers work with applicants, tenants, social services staff and partner agencies to ensure current programs are best meeting the needs of the community.
10. Housing Coalition - The purpose of the housing coalition is to improve service integration, which will promote positive development in Lanark County's housing and homelessness situation and improve client service.

Foundations for the Future identifies four housing gaps and priorities, that the plan addresses through its strategies and actions.

1. There is a need to improve access to affordable housing for low-income individuals and families.
2. There is a need to improve housing options across the housing spectrum.
3. There is a need for additional supportive services partnered with permanent housing.
4. There is a need to improve coordination and collaboration among stakeholders and educate the community on affordable housing needs and demands in the community.

The Housing and Homelessness Plan identified five Strategic Directions, with 46 recommended actions. Actions that influence, or impact potential housing tools include: direction to support affordable homeownership opportunities through supporting partnership opportunities for home ownership, promoting alternative forms of home ownership and working with local municipalities to enable tiny homes. The HHP also suggests a number of potential Official Plan policies to encourage development of affordable housing including: setting a target that 25% of new housing sell for below the affordable housing threshold, that 15% of new housing in settlement areas be multi-residential and 15% be semi-detached and townhouses, creation of a rental conversion and demolition, and adding policy statements that support accessible housing forms to facilitate aging in place, and shared housing such as rooming and boarding houses, group homes. The policy recommendations to increase the variety, particularly of affordable, housing include: encouraging developers to build a range of housing options for seniors and older adults, ensuring lower-tier municipalities allow secondary suites, and encouraging lower-tier

municipalities to waive associated charges for new secondary suites. The HHP also has a set of recommendations on incentives to build new affordable rental housing including: full or partial waivers of development fees, expediting development reviews and waiving or reducing property taxes for a period of time.

7.2.3. Economic Development Strategic Plan

In May of 2017, Lanark County (County), Valley Heartland Community Futures Development Corporation (Valley Heartland) and the Ontario Ministry of Agriculture, Food and Rural Affairs Regional Economic Development (OMAFRA) launched the county-wide collaborative economic development strategic planning process. The County contracts Valley Heartland to deliver economic development services and to act as the primary economic development body on behalf of Lanark County.

Evidence-based action plans were developed after numerous and extensive reviews by the Leadership Team, working groups, and through consultations and feedback from community economic development stakeholders. The action plans were grouped under these 5 main themes:

- Support Entrepreneurs and Business Owners
- Position and Plan for Business Growth and Investment
- Develop Key Sectors as Identified in a Marketing Plan
- Invest in Infrastructure
- Focus on Foundational Community Economic Development

During the analysis phase of the creation of the Economic Development Strategic Plan, observations were made that have implications for housing need:

- Lanark County has an aging population, with the bulk of the population between the ages of 50 and 69 years, and females outnumbering males in all segments within this group
- Total farms in Lanark County has dropped 10.65% since 2011
- Lanark County is an overall net exporter of labour in all industries
- Well over half of our population is over 45 years old, and youth outmigration is an area of concern.

These observations suggest that the county has an older working demographic which means that current residents tend to be further along in their careers, more established, ability to work/consult from home, while also suggesting that there will be an increased need for seniors friendly housing, higher healthcare needs and need for other social services for seniors.

One theme of the Economic Development Strategic Plan has actions that have implications for land use planning and housing. The theme *Focus on Foundational Community Economic*

Development includes short- and long-term actions to “Develop family and business-friendly land use planning policies, and streamline regulatory processes for businesses.” The short-term action is to:

- “Develop Land Use Planning policies that supports whole and extended families, and secondary dwelling units within residential’
- The longer-term action is to “Develop policies that reflect our strategic plan for growth and development (mixed residential and commercial zones – for families to live and work in same areas).”

7.2.4. Integrated Community Sustainability Plan (2012)

The Integrated Community Sustainability Plan (ICSP) was developed in parallel with the SCOP and is intended to provide additional insight into the long-term direction(s) that County and Local land use policies are intended to move towards.

Theme 14 of the ICSP is “Housing”. The Strategic Objectives identified in this section include:

- Support the upgrade of the existing housing stock to increase resource efficiency (energy, water).
- Encourage efforts to build houses and residential buildings that are equivalent to or achieve LEED Silver for New Homes or New Construction.
- Support efforts to provide for the development of a range of housing types including mixed residential and commercial developments that promote walkability and are affordable, well built, well designed and secure.
- Educate residents about how the design of homes and residences can accommodate a range of mobility and aging in place.
- Support efforts to develop affordable housing.
- Work together as a community to alleviate rural homelessness.

Observations on County Policies

Lanark County has created a vision for affordable and sustainable housing through Foundations for the Future, the Integrated Community Sustainability Plan, and the Economic Development Strategic Plan. These documents have identified many actions that the County can pursue in terms of new official plan policies, changes to local zoning by-laws, and new or modified programs offered by the County.

The key observations from the review of Lanark County policies are:

- The SCOP includes direction for residential intensification that supports achieving the population growth forecasts, a full mix of housing types and general direction to support creation of new affordable housing.
 - The plan enables locally established intensification targets, focusing development where infrastructures permits in Settlement Areas, and avoids intensification in rural areas to preserve farmland and minimize the need for municipal servicing.
- The land supply policy in Section 1.2 of the Official Plan does not meet the direction in the new Provincial Policy Statement, 2020 to have sufficient land available to meet projected needs for a time horizon of 25 years.
- Intensification in Rural Areas (Section 3.3.4.5) requires local regulations to “permit accessory apartments in accordance with Section 16(3) of the Planning Act” and does not provide direction to intensify further than that.
- Section 8.2.6 of the SCOP “Community Improvement Plans”, does not include affordable housing as one of the goals of CIPs in the County.
- The SCOP does not include policies for the retention of existing rental housing stock, though this is identified as a desirable policy in Action 17 of *Foundations for the Future*, the County’s Housing and Homelessness Plan.
- The aspirational objectives in the ICSP on housing affordability and sustainability, phrased as “support or encourage” have not yet been incorporated into enforceable official policies and regulations.

7.2.5. Policy Considerations for Lanark County

The following are policy and zoning considerations that Lanark County may wish to consider. These considerations have been identified through the review of the County’s Official Plan, and other strategic documents, and should be considered in conjunction with the recommendations put forth in the Housing and Homelessness Plan.

- Consider revising the land supply policy in Section 1.2 of the Official Plan to align with the direction in the *Provincial Policy Statement, 2020* to have sufficient land available to meet projected needs for a time horizon of 25 years.
- Consider creating a rental retention policy in the SCOP that requires rental units to be replaced when demolition or redevelopment of 4 or more rental units is proposed, to retain larger rental locations while avoiding limitations on properties with second suites, and houses that have been converted to duplexes and triplexes.
- To create enforceable policies for the objectives in the ICSP, consider creating Official Plan policies that require lower-tier municipalities to have sustainability policies and regulations that would enable the ICSP objective. Some example policies and regulations are:

- The Town of Perth has included sustainability objectives in Section 5.9 “Energy and Resource Efficiency and Community Sustainability” of their Official Plan
- Examples of how regulation can move sustainability objectives forward, include the work done in the cities of Richmond Hill and Toronto. Each have sustainability checklists and scorecards that are used when evaluating development applications, with minimum requirements for approval of the applications.
 - Richmond Hill: Sustainability Assessment Tool²⁶
 - Toronto: Toronto Green Standard²⁷
- When analyzing potential new housing tools, it will be important to keep in mind the existing ten housing and homelessness programs that are offered by Lanark County Social Services department (as of 2019), as these programs are intended to provide aid to households in the lowest income deciles. Municipal housing tools aim at providing housing that is affordable for middle income households, which by adding housing supply may reduce demand for community housing.

²⁶ <https://www.richmondhill.ca/en/find-or-learn-about/sustainability-metrics.aspx>

²⁷ [Toronto Green Standard – City of Toronto](#)

7.3. Roles and Responsibilities

All housing partners have a role to play in the housing system in Lanark County and with addressing the key housing needs and gaps. This section summarizes the roles of each of the housing partners.

Federal Government

The federal government sets the overall direction for housing in Canada through the National Housing Strategy, which was released in 2017. The goal of this strategy is to ensure all Canadians have access to housing that meets their needs and that they can afford. The federal government, through Canada Mortgage and Housing Corporation (CMHC), provides funding for specific programs such as the National Co-Investment Fund, the Rental Construction Financing Initiative and the Canada Housing Benefit. CMHC also provides funding for programs related to repair and retrofit of community housing units, funding for supportive housing, and supports to make home ownership more affordable.

The federal government also provides funding to address homelessness. Reaching Home is the federal government's homelessness strategy. It is a community-based program with the goal to prevent and reduce homelessness across Canada. The federal government, through CMHC, also launched the Rapid Housing Initiative (RHI) in October 2020 to help address the urgent housing needs of vulnerable Canadians in the context of COVID 19 through the rapid construction of permanent affordable housing. The first round (October 27, 2020 – March 31, 2021) provided a total of \$1 billion under two streams while the second round (June 30, 2021 – March 31, 2022) provides an additional investment of \$1,5 billion. The program encourages the use of modular construction and requires that projects be ready for occupancy within twelve months.

Provincial Government

The Ontario government has a broad role in housing through legislation, regulation and funding programs. The Provincial government helps set the housing agenda for the province and promotes Provincial interests, including providing for adequate housing and employment opportunities and promoting development that is designed to be sustainable, supportive of public transit, and designed for the needs of pedestrians.

The Province provides municipalities with legislative tools to meet the housing need in communities through the Planning Act, Municipal Act, More Homes More Choice Act, and Provincial Policy Statement. The Province also provides advice to municipalities and the public on land use planning issues and gives approval where required.

The Province assists communities in meeting housing needs through the provision of transfer payments to the municipalities and the funding of programs for housing and homelessness. These programs include funding for the Canada-Ontario Community Housing Initiative, which replaced the federal Social Housing Agreement funding, Canada-Ontario Housing Benefit, and

Ontario Priorities Housing Initiative. The Province also legislates and provides funding for long term care homes, group homes, supportive housing, and support services through the Ministry of Health, Ministry of Children, Community and Social Services, and the Ministry of Municipal Affairs and Housing.

Lanark County

The County, as Service Manager, is primarily responsible for funding and operating subsidized housing for households with low- and moderate-incomes. The County is also responsible for the administration of funding from senior levels of government, including funding for rent supplement programs. As the Service Manager, the County is also responsible for administering the annual funding provided by the Province to address homelessness. This includes funding for people experiencing homeless or who are at-risk of homelessness. As part of its role as Service Manager, the County is also required to develop comprehensive, 10-year housing and homelessness plans. These plans aim to assess the current and future local housing needs, set out a plan to address these needs, and measure and report on progress.

Member Municipalities

The member municipalities are responsible for local decisions which guide future land use, development, and growth in each community. The member municipalities are responsible for preparing evidence-based land use planning documents, such as the Official Plan and Zoning By-law. The Official Plans sets out the general planning goals and policies that guide overall land use while the Zoning By-laws set the rules and regulations that control development as it occurs. The Township is responsible for ensuring that planning decisions and planning documents are consistent with the Provincial Policy Statement. This includes the provision of an appropriate range and mix of housing options, including affordable housing, and densities to meet the needs of current and future residents. The member municipalities are also responsible for ensuring that planning decisions and documents conform to legislation and strategic directions set by the Provincial and County governments through the Planning Act, Municipal Act, County Official Plan, and other policies and strategies.

Non-Profit Sector

The non-profit sector plays a major role in the provision of affordable housing, supportive housing and/or support services to residents. In Canada, affordable and supportive housing units which are not provided by governments are generally owned and/or operated by non-profit organizations. The non-profit sector also provides a large portion of support services. This sector is also responsible for raising awareness of housing need; they also are often advocates for housing and homelessness programs.

Private Sector

The private sector includes property owners, residential developers, private landlords, investors, and funders. This sector builds and operates the majority of housing in a community and

includes both ownership and rental housing. Investors and funders also contribute to the construction and operation of affordable housing projects.

Lanark County Residents

Lanark residents play a big role in their community as they advocate for safe, appropriate, affordable, and attainable housing. Residents can also choose to create rental units and provide land or buildings for additional housing units. Lanark residents are also the foundation upon which the community is built and they are responsible for ensuring that decision makers are accountable for meeting the needs of the community.

8.0 Appendix 3: Promising Practices

The following are selected promising practices to provide examples for some of the recommended actions in Section 5.4.1 Recommended Housing Action Plan for Lanark County.

Incentives for Affordable Housing

Affordable Housing Grant Program – Northumberland County, Ontario

The [Northumberland Affordable Housing Grant Program](#) provides a forgivable loan of up to \$20,000 per unit for affordable rental housing, a letter of support with conditional approval, and other incentives such as a waiver, deferral or grant in lieu of County development charges and/or a tax increment equivalent grant. Eligible projects include new rental housing construction, acquisition and/or rehabilitation of existing residential buildings to increase or prevent the loss of affordable housing stock, conversion of non-residential buildings to affordable residential rental buildings, and additional residential units.

If approved, rents for units have to meet the County's definition of affordable rental housing for a minimum of 25 years, inclusive of a five-year phase out period. The landlord must follow the County's requirements for tenant selection, income verification, reporting, and administration of units. Additionally, the gross household income of residents at initial tenant selection must not exceed the maximum incomes identified by the County.

This program is one of the outcomes of the Northumberland County Affordable Housing Strategy. To provide stability for the program, County Council set a budget for the pilot program which will be re-examined on an annual basis.

Affordable and Rental Housing Community Improvement Plan (CIP) – Cobourg, Ontario

The [Cobourg Affordable and Rental Housing CIP](#) provides financial incentives to help stimulate the provision of affordable and rental housing in Cobourg. This CIP is one of the outcomes of the Northumberland County Affordable Housing Strategy and Town of Cobourg Affordable Housing Strategy. The CIP includes a building and planning fee waiver/reduction program, development charge grant program, property tax increment grant program, renovation and construction grant/loan program for second suites (additional residential units), cash-in-lieu of parking reduction program, Universal Design grant/loan program, sustainable design grant/loan program, and brownfield redevelopment grant program.

Tax Increment Based (or Equivalent) Grant Program – Guelph, Ontario

The [City of Guelph Brownfield Redevelopment Community Improvement Plan \(CIP\)](#) was approved by the Ontario Ministry of Municipal Affairs and Housing in March of 2004. The financial incentive programs contained in the CIP were drawn from the City of Guelph's Brownfield Strategy which was adopted by Council in May of 2002. These incentive programs

were designed to stimulate private sector investment in the reuse and redevelopment of brownfield sites.

One incentive tool used in the CIP is the Tax Increment-Based (or Equivalent) Grant. The purpose of this grant program is to attract private-sector investment and stimulate development in targeted areas of the City of Guelph. The amount of the grant is based on the difference between property taxes collected on a property before development and the estimated taxes that will be collected after development. They are reconfirmed against actual taxes before any grant monies are paid. Guelph's tax increment-based grant for brownfields pays property owners 80% of the tax increment, in installments, over a maximum of 10 years. The remaining 20% of the tax increment is used to fund other Brownfield CIP related programs.

The tax increment-based grant helps to achieve Guelph's community improvement goals of reducing the number of contaminated sites, maintaining more heritage buildings and renewing Guelph's downtown. They also contribute to the growth of the City's assessment base by attracting real private sector projects.

Tax Increment Equivalent Grants and Property Tax Exemptions: City of Peterborough, Ontario

Peterborough offers financial incentives within the City's Affordable Housing Community Improvement Project Area for affordable rental housing projects. Non-profit organizations who intend to build affordable ownership housing may also be considered for some or all of the programs on a case by case basis. In addition to waiving planning application fees, parkland dedication fees, and cash-in-lieu of parking fees, and development charges for affordable housing projects, the City offers an annual grant to property owners to reimburse a portion of the municipal property tax increase resulting from increased assessment. The tax increment grant program is implemented over a period of 9 years. For the first 5 years, the grant is equivalent to 100% of the municipal tax increase with the property owner gradually paying the full amount of taxes from years 6 to 9.

Affordable housing projects located in the City's Central Area may also qualify for additional funding under the Central Area CIP incentives programs. This includes full or partial property tax exemptions for up to 10 years for affordable housing projects that provide rents at or less than 90% of average market rents (in addition to the TIEG offered under the CIP).

Strathroy-Caradoc, Ontario

The Strathroy-Caradoc Community Improvement Plan contains five main guiding principles, one of which being Housing for All. The goal of the CIP is to increase the number of attainable rental housing units and the stock, density, and diversity of housing units in Strathroy-Caradoc. The CIP includes financial incentives such as professional fee matching.

The CIP also included several new programs to achieve the housing goals of the municipality. The Additional Unit Program, a program designed to assist property owners with the cost of creating new residential rental units on eligible properties, is included to increase the stock and

diversity of housing in built-up areas of the municipality. The Downtown Rental Housing Program is a program designed to assist property owners with the costs of developing rental housing units within the downtown areas of the municipality. This plan aims to increase the stock of rental housing and decrease the expansion of urban settlement areas. Finally, the Attainable Housing Program, a program intended to encourage the development of attainable rental housing in the municipality, included a range of financial incentives to ease the financial burden of those looking to build attainable housing. This program is intended to encourage an increase in the stock, density, and diversity of attainable rental housing in urban settlement areas.

Development Charge Deferrals – York Region

In 2019, York Region adopted measures outlined in the Development Charges Act for Affordable, Purpose-Built Rental Buildings policy, in which affordable and purpose-built rental buildings were offered a 36-month interest free deferral on Development Charges. The policy looked to incentivize the development of purpose-built rental housing to address key housing gaps in the Region.

Development Charge Exemptions - City of Oshawa, Ontario

In 2021, the City of Oshawa undertook a Development Charges Update Study. Among the recommendations were to exempt development charges for lands used solely for the purposes of a non-profit institution. This provision allows for non-profit and charitable housing providers to be exempt from development charges on new housing developments within the City of Oshawa.

Adaptive Reuse and Infill

Brownfields Redevelopment Program – Ottawa, Ontario

The City of Ottawa's [Brownfields Redevelopment CIP Program](#) is the implementing vehicle for the Ottawa Brownfields Redevelopment Strategy. It provides a framework for financial incentives programs and municipal leadership to encourage the remediation, rehabilitation, and adaptive reuse of brownfield properties in Ottawa. The program provides grants for a project feasibility study (up to \$5,000), environmental site assessment (up to \$25,000), property tax assistance (cancellation of municipal property tax and education property tax increases for up to three years), rehabilitation (grant equivalent to 50% of municipal property tax increase for up to 10 years, 50% demolition cost, 50% rehabilitation cost, and 50% on-site infrastructure costs), building permit fees (up to 30% of building permit fee in priority areas), and development charges (up to 50% deferral for priority areas and 25% for non-priority areas).

Ontario Investment Ready Certified Site Program

The [Investment Ready Certified Site Program](#) for industrial lands aims to attract investment by reducing the number of unknowns associated with development. The program helps speed up development by compiling information on a site's availability, utilities servicing, access, and environmental concerns for prospective buyers and lessors. The Ontario government also provides financial and marketing support for those properties which are accepted into the

program. Property owners may receive up to 50% of their eligible expenses, up to a maximum of \$25,000, back per site. In addition, the province helps promote these sites as part of their comprehensive international marketing strategy.

373 Princeton Avenue, Cornerstone Housing for Women – Ottawa, Ontario

[Cornerstone Housing for Women](#) is a community organization that keeps women off the streets or out of abusive homes by providing them with emergency shelter and supportive and affordable housing. In 2016, The Sisters of Jeanne d’Arc in Ottawa sold their former “Mother House” or convent to Cornerstone Housing for Women to be redeveloped into housing.

In order to [fund the project](#), Cornerstone received \$3.97 million from the federal government and \$1.3 million from the Canada-Ontario Investment in Affordable Housing Program. Additional funds were raised through a fundraising campaign.

The previous Mother House property at [373 Princeton Avenue](#) was converted into supportive housing for 42 women who need moderate support. Of the units, 10% were designated for Indigenous women.

Reside Initiative – Greater Toronto Area, Ontario

[Raising the Roof’s Reside](#) initiative renovates vacant or underutilized buildings, such as heritage homes as well as other kinds of properties to be new affordable housing options for low-income households at risk of homelessness or people who are homeless. The organization works with several partners to refurbish each home, including Building Up, a non-profit construction contractor who trains and creates employment opportunities for individuals facing barriers to employment. Once the home is renovated, it is leased to a community non-profit housing provider who operates the space and provides housing stability support for the tenants.

The Reside model is designed to bring exciting, innovative partnerships together in one clear, cohesive model while using currently underused or vacant properties.

Mature Neighborhood Overlay – Edmonton, Alberta

The City of Edmonton’s [Mature Neighbourhood Overlay \(MNO\)](#) are a set of 24 regulations on top of the existing zoning intended to ensure that new development in Edmonton’s older neighborhoods are sensitive and cohesive with its existing character. The model was a response to a trend of suburban-style new builds in the area that were inconsistent with the existing mature households in the community. While the MNO began as a model to ensure development was consistent with the mature character of residential neighbourhoods, the model has since been reviewed to serve as a more effective piece in providing sensitive infill in mature neighbourhoods, reducing the need for variances and Class B Development Permits, and improving the approvals process.

The City of Edmonton believes that while supporting infill is important for adding housing stock in established neighbourhoods and beyond, infill should nonetheless respond to the context of neighbouring properties.

United Church – British Columbia

Some faith groups in Canada are seeing a decline in their congregation. As a result, some dioceses have started to consider identifying church properties that can be redeveloped for affordable housing projects. In early 2018, the British Columbia Conference of the United Church [announced a partnership](#) with the government of British Columbia which will result in a total of 414 units of below-market rental housing being built on current church sites. This partnership is being facilitated by [HousingHub](#), a new division of BC Housing.

The first 75 units are being built by the Como Lake United Church in Coquitlam as part of a redevelopment plan for the church. This project will serve low- and moderate-income households and the estimated time of occupancy is late summer 2020. While this project will not provide subsidized housing, it is aimed at renters with household incomes of \$48,520 to \$72,000 with monthly rents for one- and two-bedroom units projected to be between \$1,200 to \$2,000.

Genosha Hotel – Oshawa, Ontario

The Genosha Hotel in Oshawa, Ontario, was originally erected in 1929 in Oshawa's downtown main street of King Street. However, for the past 20 years, the building has been derelict and vacant. Throughout its long lifespan, there have been several attempts at re-developing the building that ultimately wound up unsuccessful, until Oshawa City Council provided funding assistance. The City provided \$700,000 in tax breaks over ten years along with a \$750,000 façade improvement grant. The hotel, now containing six floors of luxury apartments, opened its doors to residents in 2019.

Mobilising Vacant Homes – Eurometropole de Strasbourg

In 2015, the [Eurometropole](#) launched an evaluation to determine the number of private dwellings that were vacant. It found 3,314 dwellings that were vacant for at least three years. Further studies found that many of these dwellings were owned by small landlords, those with only one or two properties and/or elderly landlords. These landlords had chosen to keep their property vacant due to negative rental experiences such as unpaid rent or damage. While there were systems in place to deal with these issues, these landlords found these to be too complex.

The solution was to create a toolbox of easy-to-understand documents and access to financial assistance. This was done through a partnership with the National Habitat Agency (ANAH). ANAH offers free advice to determine the value of a property, its heritage significance, and the types of grants owners could be eligible for. It also provides assistance finding tenants and act as an intermediary when there are issues with current tenants. The Eurometropole also provides grants of up to €3,000 to incentivise owners to put their homes on the market. The city also helped to negotiate special rates with banks, some of which are now offering zero-interest

loans to owners for the purpose of carrying out work to improve their buildings and make them suitable for tenants. The city also compiled a list of companies, classified by the types of services they offer and the areas they operate in.

Land for Affordable Housing

Pembroke, Ontario

Surplus school lands are another form of surplus land that can be used for affordable housing. McKenzie Heights is an old school that was redeveloped as an 18-unit home for low-income seniors. There are one- and two-bedroom units, most of which have exits directly to the parkland outside. Many of the units have gardens that the residents worked on themselves. There is also a central corridor that functions as a common area where residents can walk and interact with their neighbours during the winter. The support service provider uses the former principal's office. Due to the location of the school, the residents have easy access to a hospital, grocery store, and transit.

Minden Hills, Ontario

The Kawartha Lakes Haliburton Housing Corporation developed twelve units under the Investment in Affordable Housing Program Extension. The Township donated land, waived planning and building fees, and reduced property taxes while the County made a cash donation.

Dysart, et al, Ontario

The Township of Dysart, et. al. provided land to the Kawartha Lakes Haliburton Housing Corporation for the cost of remediation of the site. This, in combination with additional contributions from the County of Haliburton, City of Kawartha Lakes, and the Township in terms of waiving planning and building fees, resulted in twelve affordable family townhouses.

Habitat for Humanity GTA, Affordable Housing Land Trust – Toronto, Ontario

Habitat for Humanity GTA launched a historic \$17 million [land trust](#) seeded by Toronto developers to create new affordable housing for Toronto residents on November 26th, 2019. The land trust is the result of a collaboration between Toronto development companies Capital Developments and Metropia, the City of Toronto, Habitat for Humanity GTA, St. Clare's Multifaith homes, and community group Build a Better Bloor Dufferin.

Capital Developments and Metropia will contribute \$9 million in cash and will provide a further \$8 million via an interest-free revolving loan that will be paid back in 10 years. The \$17 million will be used to establish a non-profit land trust, \$15 million of which will be leveraged to develop up to 180 new affordable housing units by a non-profit partnership. The remaining \$2 million will be invested by the land trust to provide additional community space.

Finding new and innovative partnerships is critical for Toronto's efforts to effectively address housing needs and respond to local development pressures. The initiative is an example of how

partnerships between government, the private sector, non-profit groups, and community residents can generate innovative solutions to achieve affordable housing.

Toronto “Housing Now” Surplus Land – Toronto, Ontario

In December 2018, Toronto City Council unanimously approved the new [Housing Now](#) Initiative to activate [11 City of Toronto-owned sites](#) for the development of affordable housing within mixed-income, mixed-use and transit-oriented communities. The goal of the initiative is to stimulate the creation of complete communities with a range of new mixed-income housing in close proximity to commercial and employment areas and transit hubs. The initiative proposes a minimum of two-thirds of all residential units created on these 11 properties be purpose-built rental housing with at least 50% of the rental units as affordable rental housing (approximately 3,700 units) with rents set at 80% of Toronto’s average market rent. These units would be in addition to the units created under [Toronto’s Open Door Program](#). The Co-Investment Fund and Rental Construction Financing Initiative administered by CMHC will be taken into account in the business case developed for each of the 11 properties, considering the net benefit of financing through these National Housing Strategy initiatives.

Pre-Zoning Lands

Pre-zoning lands would increase the certainty and allow for a more expeditious approvals process by eliminating the need for a site specific zoning by-law amendment for a development that would conform to the Official Plan policies. As this relates to the context of housing, reducing regulation for a diverse range of housing options is critical to ensuring that by-laws do not limit the potential to implement new forms of development. It is very important for municipalities to maintain up to date zoning by-laws and pre-zone where appropriate. For example, pre-zoning and pre-designating lands within identified growth areas would allow for a greater range of housing, higher densities, and more compact development within these areas and significantly reduce/ eliminate the need for site specific amendments.

City of Kitchener, Ontario

The City of Kitchener has created PARTS (Planning Around Rapid Transit Stations) which sets proactive land-use designations, including pre-zoning areas around the LRT corridor, and enhances infrastructure. The City has also exempted development charges for new development within the pre-zoned corridor as an incentive to support transit and meet the urban growth centre targets in the Growth Plan.

Second Unit Zoning By-law - City of Mississauga, Ontario

In 2013, City Council approved a zoning by-law (0158-2013) which permits a second dwelling unit in the following housing forms: a detached, semi-detached, or linked dwelling, a street townhouse or a townhouse on a private road in a common element condominium subject to certain zone standards. By pre-zoning to allow second units there are lower costs and increased incentives for the homeowner or investor to create them.

Alternative Development Standards – Parking Requirements

Parking can be a costly feature for construction in any housing development, especially an affordable housing development. Adjusting the parking standards for affordable housing developments may include the reduction or removal of required parking or introducing flexible parking standards. Adjusting or blending parking requirements for other types of housing developments, such that the provision of 3-bedroom units is not a disincentive to the developer may also be an option to consider. The reduction or removal of parking requirements may apply to residential parking, guest parking, or non-residential parking. Flexible parking considers the reduction or elimination of separated parking requirements for residential and non-residential uses, particularly for mixed-use buildings, or between affordable and market rate unit parking. Using this tool can allow for parking to be more efficiently utilized in peak hours for each residential and non-residential use.

Alternative Parking Standards – Cobourg, Ontario and Belleville, Ontario

The Town of Cobourg's Zoning By-law allows for a 50% reduction in the parking requirements for residential dwellings within their Downtown Areas.

The City of Belleville's Guidelines for the Reduction of Parking Requirements for Affordable Rental Housing reduces the parking requirements in the current Zoning By-law for Belleville of 1.25 parking spaces per unit for apartment style developments and two spaces per unit in the Thurlow and Sidney Zoning By-laws to the following requirements for below average market and average market purpose built medium and high-density rental housing.

- 0.5 – 0.75 parking spaces per unit in walkable and transit accessible neighbourhoods (where amenities are within a five-to-ten-minute walk or 400-800-m radius of the proposed development); and,
- 0.75 – 1 parking space per unit in less walkable (more than 800-m to amenities) neighbourhoods.

Shared Housing

Women's Housing Initiative Manitoba - Winnipeg, Manitoba

The [Women's Housing Initiative Manitoba \(WHIM\)](#) offers shared housing for women who are retired, or nearing retirement, and living on a low to moderate fixed income. The home sharing initiative's primary goal is to help alleviate [seniors' social isolation](#) by creating an intentional community of women who live and work together to prevent the need for institutional living.

WHIM is located in south-central Winnipeg. It is housed in a large three-storey brick home, with five bedrooms, three bathrooms, two living rooms, and two guest rooms in the basement. Currently there are four women who share the home, who span in age from 58 to 71. There is one owner of the home, and the roommates all share the monthly costs based on a percentage related to the size of each personal room and its amenities. Monthly costs includes the cost of utilities, a housekeeper every 2 weeks, snow shovelling, as well as cable, water, taxes, heat, and landline telephone.

Solterra Co-Housing

[Solterra](#) is a developer-led network of co-housing projects in purpose-built or renovated homes. Each property has four to six residents who purchase a percentage interest in the shared home and who register as a Tenant in Common on the title/deed. This allows residents to retain equity in the property and have the option to sell their share when they leave or pass away.

Co-owners are jointly responsible for ongoing expenses such as utilities, taxes and maintenance and household decisions. Each resident has private space in the form of a bedroom, sitting area and bathroom and have access to shared space, including a kitchen, dining, sitting and outdoor areas. Support for housekeeping, shopping and household administration is provided by Solterra In-Home Support Services.

The estimated monthly mortgage and service fees at Solterra's homes are slightly higher than average rents in local semi-private seniors housing facilities. However, this model allows seniors to build equity and have a say in the management of their home. Solterra has co-housing properties all across Canada.

HomeSharing Program, Northumberland County, Ontario

As illustrated by the most recent Census results, many older women living alone encounter financial challenges after their spouse or partner has passed away. Other challenges with living alone are the potential for isolation, and, in some instances, are compounded by concerns about an ability to maintain their homes in a state of good repair.

The HomeSharing program in Northumberland addresses these issues by connecting women aged 55 years and older who are willing to share their homes with other women living in the community. Participants benefit from companionship and are able to share living costs and household responsibilities.

Interested women participate in a five-step admission process, the basis of which is used to identify suitable candidates willing to share their homes (sharers) as well as finding suitable candidates (shares).

The process includes contacting the HomeShare Coordinator and submitting an application; an interview; background and reference checks; searching for a match; and, once a potentially suitable match had been found, a two-week trial period. If the trial period is a success, an agreement is drawn up which outlines individual preferences, accommodation costs, household responsibilities and other aspects. The Coordinator provides ongoing support to both the homesharer and the homeowner through regular contact.

Funding for Affordable Housing

Guelph Affordable Housing Reserve Fund - Guelph, Ontario

The City's Affordable Housing Reserve Fund was established in 2002 to encourage the development of affordable housing. Incentives provided through this fund have focused on property tax exemptions, property tax reclassifications, deferred Development Charge payments and grants to offset Development Charges, and capital funding to match funding from senior levels of government. As of November 2020, the fund had \$1.6 million available with another \$500,000 contribution expected from the 2021 budget.

Community Investment Funds

A [community investment fund](#) helps empower communities by allowing them to invest in a community fund which in turn invests in ventures, projects and social enterprises. A community investment fund can be more scalable because it can potentially raise an unlimited amount of money which can then finance an unlimited number of local ventures. It is also more efficient because each investor only needs to do due diligence once on the fund and then the fund does due diligence on outgoing investments. A community investment fund also provides opportunities for investors who wish to invest locally and/or more ethically.

New Dawn Enterprises – Nova Scotia

The [Nova Scotia Community Economic Development Investment Fund](#) (CEDIF) program was the first of its kind in Canada and there are now 47 different CEDIFs in Nova Scotia. These are structures as share issuing cooperatives or companies that sell shares to the public and use the capital to reinvest in eligible business. Investments in CEDIFs are pre-approved holdings for inclusion in a self-directed RRSP.

[New Dawn Enterprises](#) is a community development corporation founded in 1976 to revitalize Cape Breton's regional economy which collapsed with the closure of coal mines and a steel plant. It started with housing and real estate development and now has an annualized budget of \$8 million. It operates a real estate company that has 193 rental units, four commercial buildings, and 28 supported housing units.

Regional Housing Trust Fund – British Columbia

The Capital Regional District created the [Regional Housing Trust Fund](#) (RHTF) in 2005 to address the growing need for affordable housing. The fund provides capital grants for the acquisition, development and retention of affordable housing units for households with low and moderate incomes in the Capital Region. The thirteen municipalities that make up the Capital Region voluntarily contribute to the fund.

Halton Region Community Investment Fund – Ontario

The [Halton Region Community Investment Fund](#) (HRCIF) supports non-profit human service programs and provides a total of \$3.5 million in annual funding. The fund provides grants for

programs and initiatives through two categories which focus on programs that support Halton Region residents who are vulnerable to negative health and social outcomes. It also encourages proposals that demonstrate collaborative approaches to address community needs.