

Mobilizing Collaborative Action on Affordable Housing in Rural Communities

June 2022

Introduction

The Institute of Southern Georgian Bay's (TISGB) Social Finance and Housing Project grew out of an original study group focused on pandemic recovery and the lack of awareness of social finance and community wealth building strategies in our rural communities. Our focus shifted to housing as the pandemic waned and the local housing crisis was exacerbated by in-migration from neighbouring cities bringing gentrification and investment in multiple properties to our traditionally low-income area.

This work has developed within the context of the two UN Habitat in Towns: Collingwood World Summits on the sustainability of small towns hosted by Collingwood during the pandemic. The focus on SDG #11 on community sustainability has fostered a rich systems discussion on how development takes place in our communities.

Background

Our focus has been on creating tools and conversations to support municipal leaders, their staff and housing advocates to understand the local dynamics of the housing crisis through financialization and systems lenses. We have amplified local data initiatives to better understand the role of financialization and translate the urban focus of the Financialization and Housing Report to our rural communities. We now recognize how the lack of affordable housing created in this process is

profoundly affecting local business – particularly in the hospitality and tourism industries, and the health care businesses that serve our large retirement population.

Rather than focus on any particular new model of housing, our approach to innovation has been to develop community conversations that interrupt the current system of housing discussion and development at the municipal level by introducing opportunities for community discussion and collaboration in a regional approach along with new information about social finance and housing models.

We are currently completing a tool kit which includes a community challenge narrative, housing definitions, material on NIMBYism, a Social Finance Primer for Communities along with tools and example organizations specifically on housing, roles philanthropic organizations and municipalities should play and a proforma case study demonstrating affordability as a result of social finance mechanisms in development. (detail on pg.9).

Our project focuses largely on four municipalities: Collingwood, The Town of Blue Mountains, Meaford and Owen Sound within a larger two county region of Simcoe and Grey Counties. It is of relevance to rural communities with the potential to expand to neighbouring communities and counties where urban in-migration, traditionally low incomes and multiple independent small municipalities exacerbate the conditions of the housing crisis.

Cluster Team and Community Partners

Our cluster participants include a team of 15 within a larger group of about 30 that includes municipal councillors, housing advocates, and people engaged in business and philanthropy and nonprofits.

In an emergent community development process, we hold an online space every two weeks for a learning and discussion forum focused on social finance solutions and the housing problem. Building on the prior year as a social finance learning group, the group narrowed its prior focus to social finance and housing and expanded membership to include people actively working as housing advocates. Several months into our conversation we were invited to join the Housing Lab.

Key participants and groups represented include municipal councillors from Owen Sound, Meaford, West Grey and Collingwood, the Community Foundation Grey Bruce, Habitat for Humanity South Georgian Bay, Regional Housing Task Force and Collingwood Affordable Housing Task Force, local business, people, philanthropists, and organizers. Freed from their usual roles, participants often say they feel able to explore and experiment with ideas and solutions that they can then carry back into their more formal roles.

At the community scale, our conversations have been translated to a much broader community audience through the regular and well-attended The Institute of Southern Georgian Bay's public online discussion series where housing, sustainability, social finance and community participation have been vital themes. The combination of small emergent learning conversations with community leaders and large public discussion forums is engaging people in understanding new financial options in the current crisis.

Participation in the Social Innovation Canada-CMHC Housing Lab has provided a framework for an innovation process for our venture, but the most important benefit has been exposure to the work and thinking of other innovators working through social finance and social procurement solutions to housing. These ideas are new to our communities and the exposure to innovative thinking on finance and housing has been invaluable.

Our Challenge

Housing issues have seldom been viewed from a financialization or a sustainable systems perspective in our rural communities. Although the communities in our study area often cohere economically as a tourist and commuting region, housing development responsibilities are spread over two counties, many smaller municipalities and one small city. As a result, although our communities are sharing similar housing problems, solutions tend to be piecemeal and hyper-local.

For example, on the day one town in our study area accepted a housing taskforce report from some of our members and set aside a 1% levy for affordable housing, an hour up the highway another defeated a motion to create a housing plan presented by another of our municipal members. The defeat rationale was that “affordable” housing was understood to be the jurisdiction of the county because Council conflated affordable with subsidized housing. People routinely commute to work in the hospitality and health industries between these two communities. What happens in one community will affect the others.

We started the lab with three key questions:

- What financial tools, ethical frameworks, and leveraging strategies can smaller municipal governments use to support the kind of housing needed, placing people first in their planning?
- What would we be doing if municipalities, nonprofits, philanthropy, and businesses were working more collaboratively across our region on the housing crisis?
- What do we see differently in the current housing crisis using a social innovation and a social finance lens on the problems?

We then evolved more specificity on what our project could do, in this

statement: ***How might we....***

- engage our community to illustrate housing needs and support the tools to promote solutions which are sustainable, inclusive, and value people first housing for all?
- provide our municipal leaders & community advocates with the tools and narrative to make decisions that reflect our community values in terms of housing inventory?
- develop a narrative that links business/employment development opportunities to access to housing?

Our challenge is to create an inter-municipal and intersectoral conversation on housing that shapes a more coherent and equitable approach to affordable housing in the region. The problems we face are:

- The one-by-one-by each approach to community problem solving and resulting lack of scale created by many small municipalities in rural regions including ours.
- Confusion over jurisdiction between tiers of government and the complex development process precludes recognition and approval of innovative housing models such as land trusts and co-ops and social financing models.
- Conflating definitions of “attainable”, “affordable” and “subsidized” housing sustains role confusion between upper and lower tier government roles.
- Lack of knowledge of social finance and community wealth strategies outside of urban centres limits opportunity for innovation.
- Sparse nonprofit infrastructure heightens the importance of municipal councils as the main holders of wealth in the commons
- The lack of data-driven description of the impacts of the housing crisis in our communities.
- NIMBYism blocking new affordable builds.

As a non-governmental “think and do tank” of volunteers TISGB has the capacity to develop community conversation. Our intention is to deepen the

housing conversation to include:

- An “affordability for all” framework
- Information on innovative models and financing approaches
- Increase social finance knowledge and collaboration between sectors and between municipalities
- Link an affordability for all narrative to the economic sustainability of our communities to gain municipal traction.

Our approach

We are using three main strategies to broaden our housing and social finance conversation. Each focuses on learning and sharing information about the financialization of housing in our rural communities and the innovative and social finance approaches to affordability being developed in other communities.

The first is the regular focused learning conversation we developed with the cross sectoral group. Meeting every two weeks in a facilitated discussion we were able to invite guests on specific topics, hear pre-launch about two new data projects, consider the issues arising in different municipalities in our study area and deepen the social finance knowledge gained in the preceding year to apply directly to housing. The opportunity to speak freely and explore was often cited as key and eventually these conversations distilled the eight key learning areas that are currently part of a Tool Kit for Municipalities and Advocates (presently in draft form).

The Financialization and Housing report and subsequent event speakers from the Lab helped us to take a systems view of the problem in our communities and specifically consider what municipalities can do alone and in collaboration with others.

The second approach is the Institute’s online discussion series. In these well-attended public events, we were able to tailor conversations to

focus on social finance and housing and the sustainability of our communities. These events were most often planned with municipal or subject matter speakers with a strong component of public participation – people asking questions offering ideas or in a more structured way naming solutions to a question such as: “If we were 10x bolder in addressing the housing crisis, what would we be doing?”

The third approach is the individual actions of our members working in their formal roles, informed by our conversations. These actions ranged from developing a speaker’s series on social finance housing programs to the introduction of a motion for a housing plan at a municipal council.

Here are some of the lessons we learned:

- Lower than average housing prices in our communities have created an investment incentive for non-resident investment in multiple properties. Coupled with traditionally lower than average Ontario wages, and historic loss of rental stock creates a perfect storm scenario in critical employment areas such as tourism and hospitality and in health care, particularly in the retirement industry.
- As a community of many small municipalities, a one-by-one-by-each approach fails to reach scale, collaboration between municipalities in a region and between business, government, philanthropy, and nonprofits is essential.
- Our small municipalities lack the density of nonprofit organizations to create the infrastructure to develop nonprofit housing at the scale we need. Municipal engagement in leveraging community wealth is essential.
- Regional data on financialization is hard to obtain. In a crisis moving as fast as escalating rents, current information is often anecdotal.
- Neither the counties nor municipalities track housing supply or make development decisions relative to key sector wages. This leaves them essentially blind to questions of economic

- sustainability. A Chamber of Commerce Survey by one of our members identified the lack of affordable housing is a key problem for businesses emerging from the pandemic.
- Two elements of SDG #11 are useful, the Stats Can's measure of core housing need and the call to communities to plan for affordable housing. We need an economic development indicator that links housing affordability to wages, particularly in economically critical sectors in the community as a guide to support and measure municipal housing development planning and approvals.
 - NIMBYism is a critical problem as new wealthier people move to our communities and actively block affordable development initiatives. Understanding how the culture of NIMBYism and traditional rural cultures intersect is vital to influencing the ability to develop affordable housing projects.
 - There is traditionally a strong sense that buying local is a good way to support community as is philanthropic giving. Cultivating the potential call to invest locally in the kind of community we want is an opportunity.

Our solution

Our solution is not a model of housing but a model of community conversation that engages the public in a cross sectoral conversation increasing pressure for action and awareness of and innovative new approaches to affordability.

Public discussion events Spring and Fall 2022

- Institute launches Local Sustainable Economies online discussion series.
 - Chief Administration Officers from across the region discuss Key Elements to Build Sustainable Communities: June 1 and

- Sustainable Affordable Housing – Data to Drive Effective Decision-making: June 22
- Collingwood Affordable Housing Workshop: June 30
- Grey Bruce Healthy Communities Conference: Fostering Sustainable Communities in Grey Bruce: Sept 28
- Third annual UN Habitat in Towns: Collingwood World Summit: Oct 31/Nov 1
- Cross Sectoral Social Finance Design Charrette – Tool Kit Focus Group testing integrated TBA
- Tool Kit release strategy TBA

Our main project has been the development of a ‘tool’ kit currently in draft. This tool kit contains:

- A community challenge narrative focusing on the economic benefit of an affordable housing for all strategy
- Housing definitions to clarify language confusion
- Definition and strategies to approach NIMBYism
- A data tool and stories linking housing affordability to key employment sectors: hospitality and tourism, health care and seniors.
- Creating a better housing environment: the role of municipalities and the role of philanthropy
- Social Finance Primer for Communities
- Social Finance Tools and organizations that support affordable housing in Canada
- What difference does social finance make? Proforma Case Study demonstrating how social finance mechanisms and lower tier government incentives can achieve affordability

New ideas now emerging in our community

- Meeting with not-for-profit building owners to explore stacking assets & leveraging opportunities
- Regional Housing Task Force South Georgian Bay presentations to municipalities and proposed cross-municipal task force

- Nurturing the dream of a regional nonprofit housing development organization
- A Social Finance strategy for affordable housing, including a community bond offering to entice NIMBYs to become YIMBYs.
- Happy Pad initiative – shared homes - <https://happypad.com/>

Our vision for our solution is that story-telling and new information combined in well-constructed public discussion will create the impetus for experimentation in new solutions. Different than a particular housing model, we want to set the conditions for multiple sites of a more innovative and experimental solutions to a well understood housing problem. The “affordability for all” narrative we are working toward speaks to a community that can house its workers and approaches equity in housing solutions.

Implementation plan

Our current stage is completing the draft of the tool kit documents and analyzing the solutions presented in this springs’ public events. Next steps are just under discussion but may well include:

- Seeking funding to publish the tool kit
- Designing a community charette that doubles as a more formal test of the kit material
- Seeking advice from municipal staff
- Continuing to develop online speakers on social finance approaches to housing
- Partnering with academics to develop apps to model financial implications that can be replicated throughout rural communities in Canada

■ **Scaling Impact**

Our goal for all of this work is that we broaden the “menu” of actions that can be implemented by rural municipalities with collaborative community engagement. Social finance tools and the broader idea of community wealth empowers local citizens both on and off municipal councils to work together to recognize what is needed to make a community sustainable. An “affordable housing for all” approach recognizes the right to housing and vital role that lower-waged employees play in our major industries tourism, food production and retirement health care. No housing, not employees, no business.

■ **Conclusion**

The tools we are describing, emerging from our own study and from the conversations we are generating, can be implemented by any rural municipality. Bylaws can be changed, cultures can shift, and the role of lower municipal tier governments are increasingly important, close to the ground, more in tune and innovative in creating the conditions for what the community needs to be sustainability. By shifting the conversation, we shift the system that is not currently serving our communities well.

■ **References and Resources**

- Report of the Collingwood Affordable Housing Task Force – November 1, 2021
- Report of the Regional Affordable Housing Task Force – May 2022

- Vital Focus on Housing, Community Foundations of Grey Bruce

Appendix

Complete list of docs for references & resources and Tool Kit to Follow