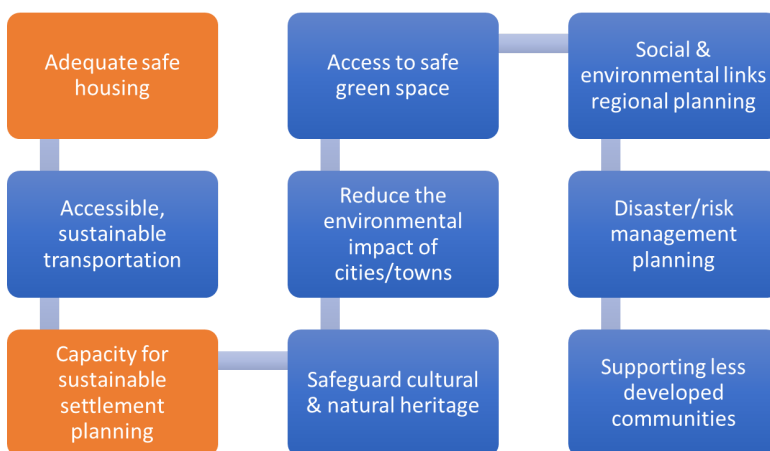


Community Planning: SDGs, Data Capacity, and the Affordability Matrix

Prepared by: Marilyn Struthers, Volunteer Facilitator TISGB

Increasingly, Canadian communities are turning to the United Nations' **Sustainable Development Goals (SDGs)** to support planning in these times of rapid change. The SDGs provide an **interconnected look** at how people are moving into the future and coping with big shifts including the pandemic and other health issues, shifting weather patterns as part of climate change, and the lack of affordable housing. We may feel that these problems were not created in our communities; however, the call for solutions often is. Local communities – government, business and civic organizations - are called to mitigate, and adapt to big-shift events that ultimately affect the sustainability of our communities.

In the work of the Institute's Social Finance & Housing Group, we found that municipalities and upper-tier governments often lack the data to know what kind of housing is most needed. **Where once we could rely on market forces of supply and demand to balance out development proposals, this is clearly no longer working.** At the beginning of the current housing crisis, municipalities had to rely on woefully outdated 2016 census data. Even since the release of 2021 data, there have been rapid fluctuations in both income levels and the costs of housing. In shifting times, local governments must pivot quickly and need both current data, and the right data, to inform municipal development decisions. Using SDG 11, we looked at readily available data for adequate and safe housing and at the capacity for sustainable settlement planning.



Using SDG 11 to Support Community Sustainability

SDG 11 is directly engaged with local community sustainability. It sets out nine elements, that are commonly held to support people and programs through changes and support sustainability at the community level. As the role of local government changes, with new requirements for solution finding, these nine areas offer an opportunity to **update thinking on operational planning and data-driven measures of community sustainability**. They also offer an opportunity to think collaboratively, across sectors, about how local government, service organizations, and the business community might each contribute.

Applied to housing, SDG 11 highlights two elements:

- *adequate and safe housing* and
- *capacity for sustainable settlement planning*.

Local municipalities have a primary responsibility for local housing development approvals, and access to strategies such as development charge forgiveness, along with strategic and operating plans. But what data do local municipalities have to inform decisions for community sustainability?

Three Important Measures for Adequate and Safe Housing

Statistics Canada and Canada Mortgage and Housing Corporation (CMHC) have set a widely accepted definition of [housing affordability](#) as: the cost of shelter in relation to income (no more than 30% of before tax income including heat and hydro and other ancillary costs). The 2021 census indicates 20.9% of Canadians households are in unaffordable accommodation situations.

A second measure is the [home ownership rate](#), recognizing that our National Housing Strategy Act (2019) recognized housing as a human right. The benchmark for Canadians in 2021 was 66.5% of households owning their homes. However, the growth of renter households outpaced the growth of owner households with 21.5% more renter households in 2021 over 2011.

The third measure is “[core housing need](#)” which is defined as households “needing to live in an unsuitable, inadequate or unaffordable dwelling and unable to access alternative housing in their community”.

These three indicators are readily available by municipality on the [Stats Can website](#). National figures permit comparative benchmarking of local municipal situations. Are the communities in Southern Georgian Bay doing more or less well in housing people than the average for Canadians?

The 2021 data also tells us that renters are much more likely than homeowners to be in core housing need. A quick scan of rental housing listings will establish that renters who must change their residence, perhaps due to family or employment or circumstances of inadequacy, will currently face dramatic rental increases without the protection of rent controls, and the reality of rental shortages in most of our communities. For some communities, this also means an increase in multiple family households and homelessness.

Ongoing municipal-level data tracking of the three Stats Can measures of *Adequate and Safe Housing*, combined with other local indicators such as the percent of the population who are homeowners, can establish trend lines in types of housing supply required that are vital to understanding how municipal Councils can best deploy development tools to ensure a sustainable supply of appropriate housing to supports its economy.

Measuring The Capacity for Sustainable Settlement Planning & the Data gap

The second key SDG 11 element directly related to housing, *the capacity for sustainable settlement planning*, can be measured by the existence or nonexistence of a housing plan. Some municipalities have outsourced housing planning to a community housing task force who in turn have commissioned a [data profile](#) for the community in Grey County. Others rely on

extrapolation from county level data, and still others take a market-will-out approach, suggesting that more of any type of new build will eventually ripple out and ease the current crisis.

Good data makes for good development decisions at the municipal level; however, linking housing data to community sustainability planning involves more than just measures of how individuals are faring with housing affordability or ownership.

It is critical that the affordability of housing stock suits the labour employment requirements that support the sustainability of the local economy. Many employers in our region are struggling with the lack of employees post-pandemic. While there may be many factors contributing to this, our community conversations and research suggest that the lack of affordable housing is clearly a factor. Coupled with the scarce new builds of lower-income rentals where these workers may find a home, we have a growing sub-crisis in affordable rentals. **No affordable rentals, no employees, no business.**

The pandemic shone a light on workers essential to community well-being. For some people, there was a surprising recognition of the importance of grocery store workers, personal support health care workers, and hospitality and tourism workers to the sustainability of local business.

With the influx of urban migrants to our communities, most often with considerably higher incomes, it is now much more difficult to rely on traditional data measures of median income to benchmark affordability. The recent development of the [HART Index](#) at the University of British Columbia to segment income data further to isolate lower income groups is helpful (see the [Grey County data report using the Hart Index here](#)), but **what happens if we match critical sector wage levels to affordable rental supply by municipality?**

We call this **proposed new tool The Affordability Matrix, which would allow a more nuanced look at affordability directly related to key employment areas that sustain our communities.**

Owen Sound's corporate website names the [three top employment sectors](#) in the city as: health care, manufacturing, and retail. While the wage rates in these sectors vary, these sectors are reliant on large numbers of low-waged employees to sustain them. Collingwood's [employment profile](#), on the other hand, includes a large portion of people employed in sales and services, but a much more diverse business sector comprised of both low and high-earning positions.

Linking affordable housing development targets expressly to the employment income levels of key industries can create a matrix of housing requirements that allows municipal councils to focus development incentives and decisions on the kind of housing most needed.

The proposed Affordability Matrix could be a standard data tool that makes use of sources readily available to small municipalities. It would be a game-changer in municipal council discussions and decision-making, not just in our region but across Ontario, as it would support a dual lens on the housing crisis coupling both a justice and an economic viewpoint while creating a powerful benchmark measure of community sustainability for the SDG 11. It would offer a stronger driver for change, focus on community sustainability, and foster a problem-solving and innovation-seeking approach to development incentives.