

Regional Community Affordable Housing Action Plan: How do we accelerate progress?

In November of 2023, the Institute of Southern Georgian Bay hosted [*New Ways to Finance the Housing Affordability Gap*](#). This housing forum, with over 100 residents and leaders from across sectors and municipalities, explored:

- what affordability means in our communities,
- the current deficit of affordable housing and
- the [*social financing*](#) innovations being used in other small Canadian communities to increase supply.

As the housing market has become much less affordable in our communities, lower-cost housing rental and entry level home purchasing is out of reach for many of the service workers who are vital to our economies, including those in minimum-waged and semi-professional roles in **health care, retail and hospitality and tourism**.

Following the forum, we hosted an afternoon workshop where municipal councillors and staff, developers, financial experts, landowners, nonprofit leaders, and engaged citizens took a deeper look at opportunities to make things better. The [*Report Back – Deeper Dive Community Workshop*](#) documents a number of innovative solutions and we committed to convene again to move closer to a **community action plan** that will increase our supply of affordable housing in the region.

The Challenge

The current state, based on a data review indicates the current affordable housing deficit in Grey County communities is estimated 2,700 units, predominantly 1-2 person households at \$1,000/months or less. Grey County's waitlist of deeply affordable units is 1,500 units. There is a policy target of 3,600 units (30% household growth) through 2046. (Grey County).

Communities are turning to nonmarket housing

Nonmarket housing is developed, owned and operated by an array of nonprofit, charitable corporations or co-ops. The advantage to communities of increasing nonprofit housing whether subsidized or not, is that it is legally held as **affordable by mission** rather than cost-adjusted to market forces. Because the assets are owned by public mission-driven organizations, the commitment is to **affordable housing in perpetuity**, permanently increasing a community's supply of affordable housing. So, what are nonprofits doing that commercial market developers cannot?

- Eliminating the profit motive to reduce the tie to fluctuating market conditions.
- Leveraging financing from charitable, philanthropic and social finance sources, such as community bonds and grants that for-profit developers cannot.
- Engaging in community wealth strategies, using the tools of developers to leverage publicly held assets to create more.
- Learning alongside from new community models and the long tradition of nonprofit housing types and strategies.

How do we get from here to there: a collaborative strategy linking municipal and community effort?

A roll-up of the solutions list created in the Deeper Dive Workshop clearly suggests a two-part strategy with both municipalities and existing or to-be-created community organizations and individuals work from a common plan. Participants said we are stronger together with the potential to **collaborate across municipalities and across sectors** to reach the supply of affordable housing we need. To build this vision, we must build capacity as an informal "region" of communities to:

- Build current and new organizations' ability to build, buy and hold non-market housing.
- Collaborate and engage to reach the efficiencies of scale.
- Increase access to capital for nonmarket providers.
- Focus municipal development practices by adopting planning and policy that put a priority on affordability.

Components of a regional Plan – What do we need to get from here to there?

- **Community Roles**
 - Engage in financial solution-finding
 - Support capacity-building in our nonmarket housing organizations
 - Build awareness and investment-readiness among community members
- **Municipal Roles**
 - Innovate & focus municipal affordable development practice
 - Explore social finance strategies that releases available public capital to affordable development
 - Plan for and support investment in affordable housing initiatives

Community Strategies:

- **Create a land trust organization** to facilitate:
 - a regional strategy of asset procurement (both buy and build) that increases affordable housing supply
 - receive donated and surplus property and act as a trusted partner to oversee the land transfer to affordable housing developers in a planful, accountable and efficient manner
- **Create a community of practice** linking existing affordable housing organizations and nonmarket developers to:
 - support a transfer of knowledge and opportunity to build capacity &
 - take a regional perspective on housing development opportunities to increase scale
- **Engage a community of concerned people & organizations in each participating community**
 - to be alert to both funding and development opportunities,
 - speak to community housing concerns and build awareness of the problem and opportunities
 - support the development of regional investment opportunities that increases affordable housing
- **Create a regional community wealth strategy** that details the financial instruments that will enable local investment in affordable housing including:
 - capacity and legal support to increase the use of loan funds
 - building understanding of community real estate and financial leveraging opportunities in the nonprofit sector
 - development of project-specific community bonds
 - participation with municipalities in the creation of a regional housing fund to support early-stage development costs and emerging nonmarket housing organizations
 - track the local social impact on families and business of the lack of affordable housing supply

Municipal Strategies:

Create a regional table of participating municipalities to:

- **Share emerging development practices that support affordable development such as:**
 - Enhanced use of development directives (i.e. pre-approved zoning and housing designs and point systems for affordability in development proposals)
 - Employ land use & zoning policies that prioritize more affordable development.
 - Joint advocacy for small municipalities, through AMO, ROMA, OSUM
- **Utilize consistent and standard use of demographic data** to determine “affordability” levels and supply in each municipality to support informed development decisions.
- **Participate in a regional communication campaign to support affordable housing in our region.**
- **Create the modeling for municipal participation in social finance strategies** that would increase access to capital such as:
 - support for community bonds and receipt of charitable funds directed to building capacity in the nonmarket sector.
 - participation in shared regional housing fund to facilitate nonmarket development.
 - support nonmarket developers access to Canada Mortgage and Housing Corporation.
- **Develop a regional perspective on workforce housing** including transportation planning to enable more mobility in the workforce between our communities.