

Community Improvement Plan (CIP) for Affordable Housing

City of Brampton

*Presentation to the Planning and Development
Committee*

November 4, 2024

Presentation Agenda

- Project overview
- Review of the revised CIP Framework
 - *Goals and objectives of the CIP*
 - *Financial analysis methodology*
 - *CIP program area and components*
- Implementation and Governance framework
- Monitoring and Evaluation framework

Project Overview

Context

The City's first housing strategy – '*Housing Brampton*' – was endorsed in May 2021 and proposes a range of solutions and approaches that are based on housing affordability, choice, smart density, and equitable access to housing.

The City also recently approved its new Official Plan - *Brampton Plan* - in November of 2023. *Brampton Plan* provides a path forward to implement *Brampton's 2040 Vision* and achieve a sustainable and vibrant urban future for the city.

This **City-wide Community Improvement Plan (CIP)** for Affordable Housing aims to incentivize and attract various forms of new affordable housing to the city.

Project Team

SHS Consulting

SHS consulting is acting as the project manager for the Housing CIP project.

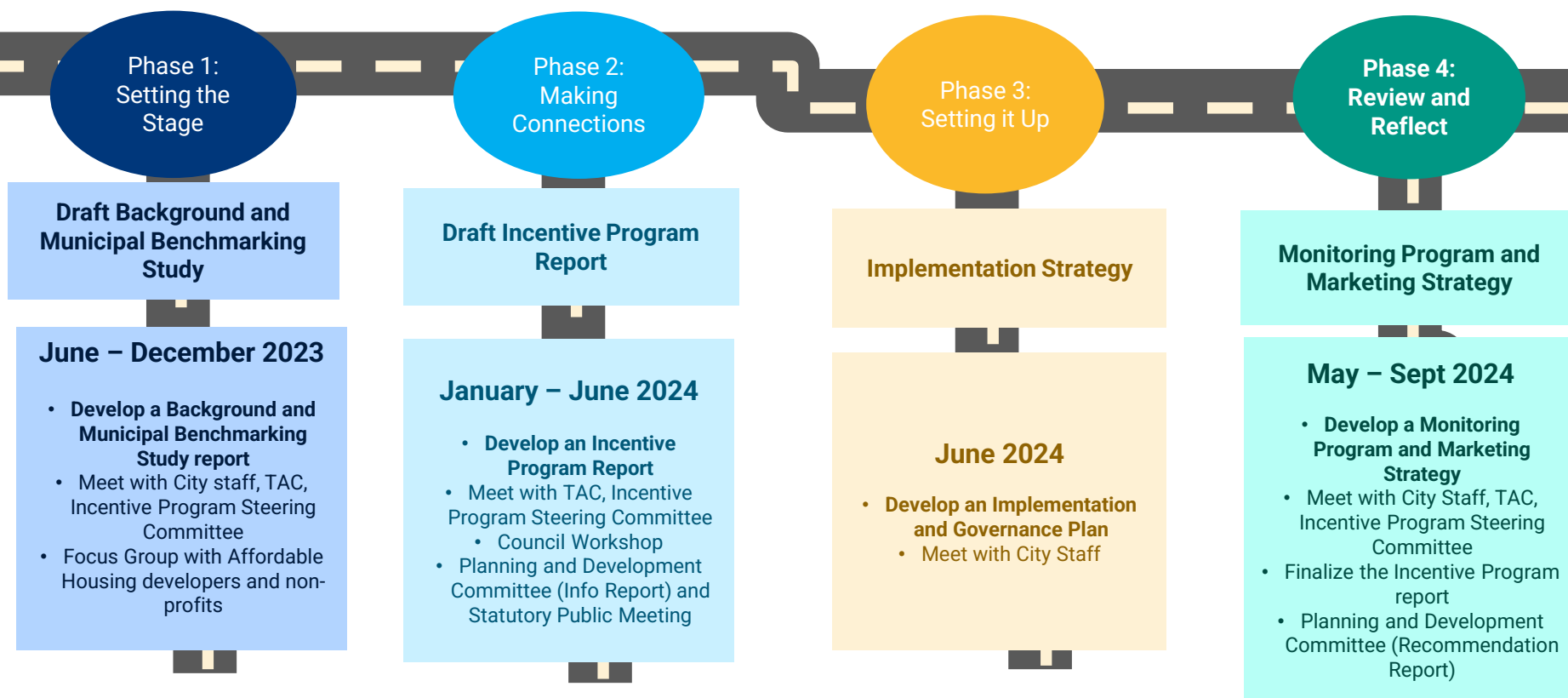
WSP Canada Inc.

WSP Canada Inc. is leading the public engagement components of the project and advising on development of an incentive framework.



Project Plan

Work Program



We are here

Goal and Objectives

Goal of the CIP

- The goal of the Affordable Housing CIP is to **increase the supply of affordable rental and ownership housing units** throughout the City of Brampton by **minimizing the financial barriers** to the creation of affordable units.
- A second goal is to create the **legislative framework** for the City to fund private and non-profit development of affordable housing to address the need for more affordable housing in Brampton.

Objectives of the CIP

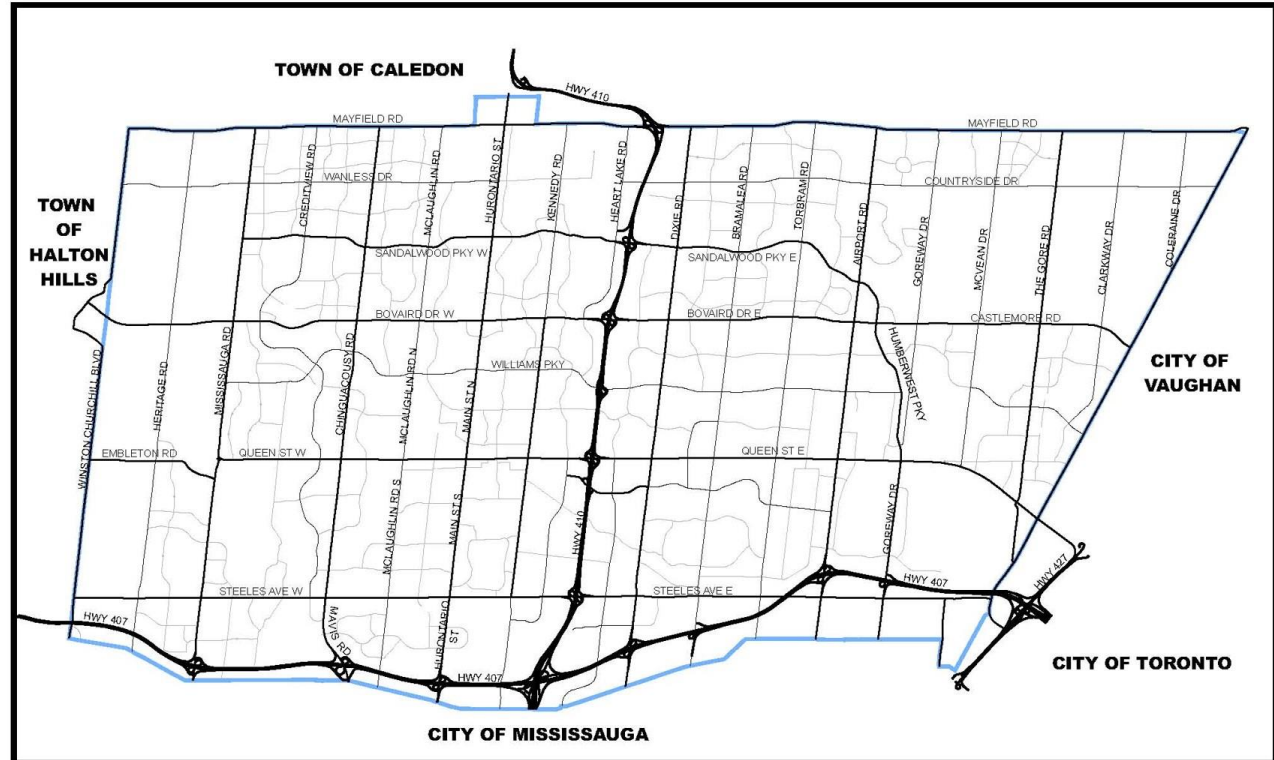
The objectives of the Affordable Housing CIP are as follows:

1. Facilitate the development of affordable rental and ownership housing by providing financial support;
2. Increase the access and supply of new affordable housing units in Brampton by incentivizing and attracting purpose-built rental and affordable housing, as well as other desired housing types identified in Housing Brampton; and,
3. To fulfill priorities set out in the Brampton 2040 Vision, specifically, to create sustainable urban places and create characterful and complete neighbourhoods.

Community Improvement Project Area

As affordable housing is needed throughout the City, to effectively provide for a mix of affordable rental and ownership housing, for the Affordable Housing CIP the entire City of Brampton has been identified as the Community Improvement Project Area in the Community Improvement Project Area By-law.

The **City of Brampton Affordable Housing Community Improvement Project Area** is shown to the right and forms part of this Plan.

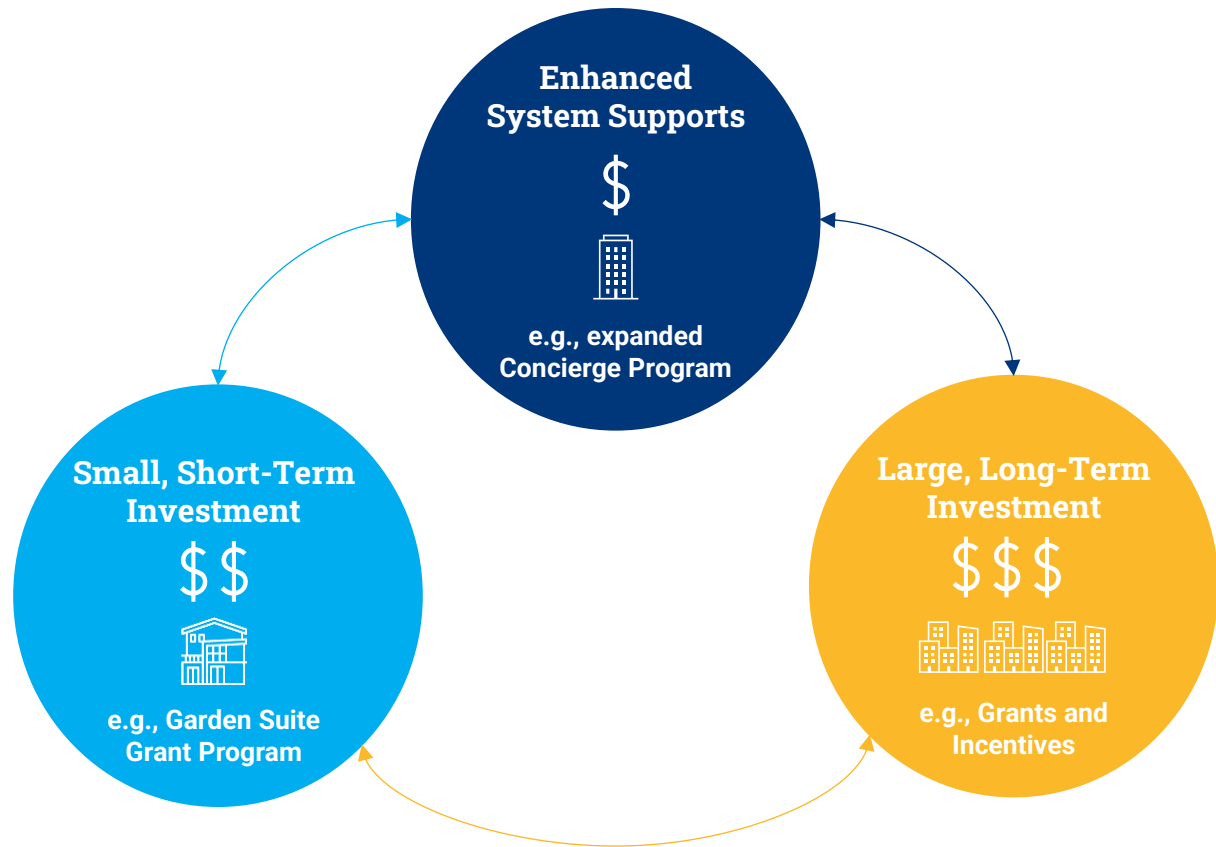


Brampton Affordable Housing Community Improvement Project Area

Program Descriptions

The CIPs includes **three components**:

1. Enhanced system supports to facilitate new affordable housing projects,
2. Short term investments to get rapid creation of new units, and
3. Longer-term larger investments through capital grants and development charge waivers.



Program Descriptions

New Affordable Housing Incentive



Affordable Housing Capital Grant Program

To incentivize affordable housing development in Brampton, this program will provide an up-front grant of up to a maximum of \$340,000 per new affordable unit built.

The actual amount of funding is determined on a sliding scale based on Project Funding Sources, Affordability Delivered, Organizational Capacity and Experience, Project Maturity, Funding Phasing, Community Amenities, and Community Benefits Beyond Affordable Housing. The criteria and scoring are provided in Appendix A.

Affordable rental units must be rented at, or lower, than the affordable threshold for a period of 25 years or longer.

Affordable ownership units must be resold at or below the affordable ownership threshold for that year, within the affordability period of 25 years.

The affordable units may also qualify for the parking reductions recommended in the Brampton Parking Plan.

Requirements

- For the Affordable Housing Capital Grant Program element of the CIP, a minimum of 5 units in a development or redevelopment, and an equal proportion of each individual unit type must qualify as affordable (as defined herein).
- Up front grants will be provided in installments, as the project achieves development milestones.



Program Parameters - Affordable Housing Capital Grant Program

- The applicant will be required to enter into an agreement which ensures that the affordable units remain affordable, in accordance with the definition set out in this plan, for at least 25 years from occupancy.
- If the units are no longer deemed to be affordable, legal action will be pursued.
- During a tenancy, the housing provider agrees not to increase the rent during the affordability period by more than the prevailing rent increase guideline established for each calendar year pursuant to the Residential Tenancies Act, 2006 or any successor legislation or the rental rates established through the agreement, whichever is less.
 - However, the rent rate established through the agreement may be adjusted to the current year during unit turnover.
- The total of all grants, loans and tax assistance provided shall not exceed the eligible costs of the improvements to the lands and buildings included in the development.



Program Descriptions

Grant Program for Garden Suites

Grant Program for Garden Suites

The City of Brampton has a well-established policy for creation of new additional residential units (ARUs). This program will provide grants of the municipal fees for new garden suites.

Once the City receives confirmation that the unit is registered with the Building Division the City will reimburse the developer of all municipal fees paid during the construction of the unit.

The primary goal of the Garden Suite Program is the creation of new units, there is no requirement for the units to be rented at an affordable rate or to report to the City on the rents that are charged.

Federal Program: Low-Cost Financing for Homeowners to Add Additional Suites

The Federal government announced¹ a suite of new housing programs in April 2024, one of which is a low-cost loan program for new additional suites.

“Budget 2024 will propose a new Canada Secondary Suite Loan Program, to be delivered by the Canada Mortgage and Housing Corporation, enabling homeowners to access up to \$40,000 in low-interest loans to add a secondary suite to their homes. Details of this program will be shared in the coming months.”

[1. Infrastructure Canada - Solving the Housing Crisis: Canada's Housing Plan](#)

Program Descriptions

Concierge Program

Concierge Program

This portion of the City of Brampton Affordable Housing CIP leverages an existing permanent position from the City's operating budget to create a centralized resource for developers of affordable housing projects to access.

The concierge program would include:

- Assistance to developers on site feasibility aspects, identification of requisite studies prior to developers applying for regional or federal funding;
- Facilitation of inclusionary housing opportunities by connecting market developers with non-profit groups providing affordable housing;
- Education on financial assistance programs (e.g., at Region of Peel, FCM and CMHC), package of City incentives (e.g., fee waivers, grants etc. that will be established upon endorsement of Housing Brampton);
- Enable and facilitate efficient processing of affordable housing developments through inter-divisional pre-application co-ordination, timely inter-divisional application review, and thorough knowledge of staff contacts and resources needed to facilitate approvals.



Staffing Notes

The dedicated staffing for this program will be through an existing permanent position, from the City's operating budget.

Implementation, Governance, Monitoring and Evaluation

Implementation Plan

Intake for the programs will run until the end of 2026

- Staff will complete a review and report back in 2027
- The review will include recommendations for continuing, cancelling or amending each program.

The CIP will be administered by Integrated City Planning staff, in consultation with the Corporate Support Services Department and Legislative Services.

An application will be required for any person seeking financial assistance through the CIP

- Application forms will be available on the Housing Brampton web page, and as hard copies at client service centres
- Applications and supporting documentation will be reviewed by Integrated City Planning staff to ensure they are complete and meet eligibility requirements.

Application Review

- If eligibility requirements are not met or if there is insufficient information, staff will inform the applicant in writing.
- Staff may request clarification or additional documentation and may perform site visits and inspections, as necessary.

For applications wherein the total grant value is less than \$2 million, approval authority is delegated to the Commissioner of Planning, Building and Growth Management.

- Where the total grant value is more than \$2 million, the application will be forwarded to City Council for approval.
- Should an application be denied by the Commissioner of Planning, Building and Growth Management, the applicant may appeal to City Council as the final approval authority.
- Where an application is rejected by Council, proponents may reapply in the next application intake period.

Implementation Key Milestones

SHORT-TERM

MID-TERM

LONG-TERM

Establish Technical Steering Committee

Approval of the CIP by Brampton Council

Q3 2024

Finalize SOPs for the Building and Planning staff

Begin intake for the Garden Suite program

Q4 2024

**late*

Prepare and present first CIP report to Council

Q1 2027

**early*

Q4 2024

Q1 2025

Q2 2027

Fill the Concierge Program staff position

Finalize roles and responsibilities handbook for Concierge Program staff

Finalize terms of reference for Technical Steering Committee

Publish CIP program details on website

Begin intake for the New Affordable Housing Grant program

Revise SOPs, terms of reference & role of concierge program staff

Monitoring

The Affordable Housing CIP will be monitored on an ongoing basis to track progress relative to the goal and objectives, and is structured around the following indicators:

For the **New Affordable Housing Incentive**, annual monitoring by the CIP staff will include collection and reporting on:

- Number of applications received;
- Number of units approved, completed, and occupied;
- Rents to be charged for the affordable units approved that year;
- Rents charged for the affordable units previously approved and in operation (via an annual report/attestation submitted by the owners of the affordable units); and
- Estimate and actual amount of municipal assistance/grants provided.

For the **Garden Suite Grant** program, annual monitoring will include:

- Number of Garden Suites registered;
- Number of Garden Suites that received the grant; and
- Total funding disbursed and average funding per Garden Suite.

Information on the above-listed indicators will be collected at the individual project level and aggregated. The aggregated information will be used as the basis for annual reporting to Council. To the extent possible, annual reports will also address the environmental and social effectiveness of the Affordable Housing CIP. The annual reports are intended to be used to inform decisions related to adjustments to this CIP, as well as any budget decisions related to the incentive program.