

Inclusionary Housing

An Important Tool in a Long Term Affordable Housing Strategy

Why Inclusionary Housing?

We all benefit when the people who staff our hospitals, banks, hotels, schools, retail stores and other workplaces can afford to live in the communities where they work. Over 200 American and Canadian municipalities have found that one of the fastest and fairest ways to create stable, equitably accessible, affordable housing is to ensure that it is built into any new development.

The results:

- Affordable rental and home ownership opportunities for all integrated into every neighbourhood – no low-income ghettos.
- No more NIMBY (Not In My Backyard) – affordable housing is a normal part of development.
- Developers are engaged in creating affordable housing and their return on investment is respected.
- Everyone does what they do best: developers develop; governments provide subsidies where equitable accessibility and deep affordability is needed; non-profit groups can purchase units, rent them to their clients, and provide programs and support where necessary.
- People can live near their workplace, and our children can afford to live in the cities and neighbourhoods where they grew up.

In the development boom of 2000 - 2007, we missed the opportunity to create thousands of affordable homes. Let's not make the same mistake twice. Let's use this lull in the development cycle to ready ourselves for the next boom.

One part of a comprehensive housing strategy

Inclusionary Housing does not stand alone. To reach the Housing Network of Ontario's goals for stable, adequate, equitably accessible and affordable housing, we also need:

- Subsidies for Ontarians with the lowest incomes
- Construction and building standards that would reduce the carbon footprint and energy use of all developments
- Supports, programs and protections to help all Ontarians find and keep a home.

Municipalities outside Ontario *have* created thousands of affordable homes – over 11,000 in one city in the United States -- at almost no cost to the taxpayer, simply by setting aside 10 to 20 per cent of every new development for affordable housing.

These successes show us that it is possible. It's time for Ontario to harness the power of Inclusionary Housing.

The Goals

A set of programs and policies that:

- Require that a portion of all new developments be affordable to individuals and families with moderate incomes.
- Preserve the benefits of affordability and inclusive neighbourhoods in the long term.

The Tools

Inclusionary Housing policies are set by local governments. But it's up to the Ontario Government to give local governments the authority to create the tools to make Inclusionary Housing work. These tools include:

- Planning and approval tools that define the developer's role in providing housing that is affordable at set income levels, and the agreed upon cost offsets required to maintain a reasonable return on investments.
- Finance, mortgage, and rental tools that allow individuals, families and non-profit housing providers to acquire housing under Inclusionary Housing programs at affordable costs, and that preserve affordable housing for future residents.
- Open, transparent and equitable systems to select who will own or rent affordable units created through Inclusionary Housing.

Inclusionary Housing and a Long Term Provincial Housing Strategy

Many municipalities are excited by the potential for Inclusionary Housing to create affordable housing wherever new housing is developed.

To move forward, they need the Ontario Government to enact legislation that would:

- Provide municipalities with the explicit legal authority to adopt mandatory inclusionary housing policies that would define the rights and responsibilities of developers and builders in contributing to the creation of affordable housing.
- Provide municipalities with the explicit legal authority to adopt policies and enter into agreements that would define the rights and responsibilities of households who would benefit from an Inclusionary Housing program.

It is recognized that not all municipalities may be able to take advantage of mandatory Inclusionary Housing Policies, and those that do will adapt their policies to local conditions.

A successful provincial housing strategy will require the participation of all stakeholders. The development of Inclusionary Housing policies will ensure that private housing developers are engaged, along with provincial and municipal governments, and non-profit housing organizations in providing the full range of housing options needed to make sure that every person in the province can equitably access stable, affordable housing.

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