

Discussion Topic Information Sheet
Discussion Group 1

HOUSING

SOME HOUSING CHALLENGES IN RICHMOND HILL:

The high cost of housing, both rental and ownership, is resulting in households paying too much of their income on housing. High housing costs are seen as a drag on the local economy as employers indicate that high housing costs mean that many employees live outside of the Town and often face long commutes.

RENTS ARE HIGH AND THE VACANCY RATE IS LOW IN RICHMOND HILL

Rents are very high and there is not much rental housing that is available for rent (vacancy rate is very tight at 1.2%). A quarter of tenants representing 1,700 households are paying 50% or more of their income on housing. Over a 1,000 Richmond Hill households are on the wait list for rent-geared-to-income housing. Affordable rents are defined as the lower of: rents that are affordable to the lowest 60% of tenant households or the average market rent in the housing market area.

Table 1: Affordable Rental Housing as Defined by the Province

Income Categories	Tenant Households (2008)	Affordable Rents	Apartment by Bedroom Count	Ave. 2008 Rents (CMHC), York Region	Ave. 2008 Rents (CMHC), Richmond Hill
20th Percentile	\$19,000	\$480	Bachelor	\$750	\$807
30th percentile	\$25,800	\$650	1 Bedroom	\$902	\$929
40th Percentile	\$33,000	\$830	2 Bedroom	\$1,068	\$1,134
50th Percentile	\$40,700	\$1,020	3 Bedroom	\$1,242	\$1,359
60th Percentile	\$49,700	\$1,240	All	\$1,008	\$1,058

OWNERSHIP HOUSING IS EXPENSIVE IN RICHMOND HILL

Fifteen percent (15%) of owners in Richmond Hill (6,600 households) -

are spending 50% or more of their income on housing. The Province requires municipalities to set targets for affordable housing. York Region has a policy that 25% of new housing should be affordable.

Affordable ownership housing is defined as the lower of: 10% below the average resale price in the regional housing market (\$389,000); or, housing for which the carrying costs do not exceed 30% of households at the 60th percentile - \$340,100 with a down payment of 5%.

Table 2: Affordable Ownership Housing as Defined by the Province

Income Categories	All Households (2008)	Affordable Prices - 5% Down Payment	Affordable Prices - 10% Down Payment
20th Percentile	\$41,500	\$136,200	\$142,500
30th percentile	\$56,500	\$185,500	\$194,000
40th Percentile	\$71,800	\$235,700	\$246,600
50th Percentile	\$87,000	\$285,600	\$298,800
60th Percentile	\$103,600	\$340,100	\$355,800
Average Resale Price, York Region 2008	\$432,200	10% below	\$389,000
Average Resale Price, Richmond Hill 2008	\$448,200	10% below	\$403,400



Until recently most new housing has been beyond the affordability range identified in Table 2. In 2009 there have been some price reductions making some new townhouses affordable; however, it is expected that as the economy improves, prices will rise again. Condominium apartments, except for luxury units, are the most affordable form of housing in Richmond Hill.

Aging of the Population

Within the decade (2011-2021), the proportion of the population aged 65 years will grow significantly resulting in an estimated 15,000 additional persons aged 65 and over in the Town.

POTENTIAL HOUSING OPTIONS

1. Accessory Apartments (Secondary Suites/Apartments in Houses)

Accessory apartments provide affordable housing for smaller households within existing neighbourhoods and provide younger or older households with additional income. The Town could permit accessory apartments subject to conditions such as: size restriction - no more than 800 sq. ft. (74.3 sq. metres) or 1,000 square ft. (92.9 square metres); at least one parking space for the accessory apartment; each apartment having its own kitchen and bathroom and a separate entrance; a minimum of 1 inspection by the Building and Fire Departments prior to the approval being granted with inspections being required every three years. The Town could require accessory apartments to be registered with the Town. If the Town were to legalize accessory apartments through the Official Plan and zoning by-law, these policies could not be appealed at the OMB.

2. Housing for Seniors

Options for seniors include: providing affordable condominiums close to existing neighbourhoods so seniors can live close to their current friends and/or providing affordable condominiums close to services such as medical, shopping and cultural and recreational facilities; more affordable rental housing for seniors; shared housing options, and “aging in place” developments so that seniors can move from independent living to a more supportive environment.

3. Affordable Rental Housing

The Town of Richmond Hill could seek opportunities to work closely with the Region and community agencies including non-profit housing providers and private developers to identify potential affordable rental housing developments. The Town could also fast track residential development applications that have an affordable housing component. As well, in situations where a site requires rezoning, the Town could use density bonusing (i.e., additional density) if the applicant includes a portion of affordable housing. (Density bonusing/community benefits could apply to ownership housing as well.)

4. Affordable Ownership Housing

The Town could work with private and non-profit developers to develop housing designs that are “intrinsically” affordable (such as smaller condominium units, stacked townhouses and other grade-related housing on smaller lots). Such housing would be designed for first time homebuyers and seniors wishing to downsize. The Town of Richmond Hill could support the Region in seeking proposals from private and non-profit developers to develop appropriate financial models of affordable home ownership for the Town of Richmond Hill.

