

An aerial photograph of a suburban town, likely Owen Sound, Ontario. The town is characterized by a grid-like street pattern, numerous residential houses, and a high density of trees with vibrant autumn foliage in shades of green, yellow, and orange. A river flows through the town, and a large body of water, Lake Huron, is visible in the background under a clear sky.

Affordable Housing—Search for Innovation in a Broken System

Institute of Southern Georgian Bay's Social Finance & Housing Group

Owen Sound Group

Deputation: Owen Sound Community City Council Sept. 23, 2024

The Institute of Southern Georgian Bay Social Finance & Housing Group

A cross-sectoral learning approach across our region of many smaller municipalities

- Focused on financial models that create more affordable housing for workers in **healthcare, retail & tourism & hospitality**, sectors critical to the sustainability of our communities

A community wealth solution:
social finance + nonmarket affordable housing + municipal engagement
= more affordable units in perpetuity



<https://tisgb.com/about-us/>

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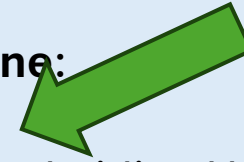


What we see above the waterline:

- Increase in homeless encampments & temporary shelter requirements
- Increase in street violence
- Increased use of emergency feeding services—Oshare, Foodbank
- Pressure on ERs
- Increased private investments in second homes, Air B&Bs, VRBOs

What we sits below the waterline:

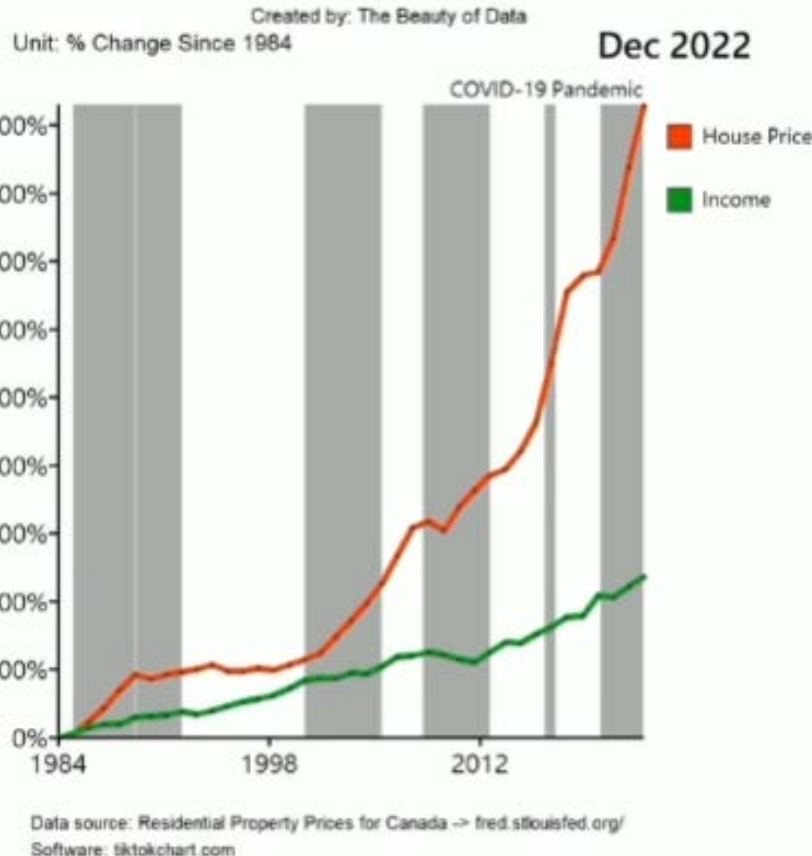
- Shortage of lower-cost rentals
- Ballooning county waitlists for subsidized housing
- Increased pressure (costs) on community services
- Employee shortages due to lack of affordable housing & reduced labour mobility
- Shortage of aging-in place options
- Renovictions
- Decline in small business as disposable incomes goes to housing



How would we know we
are in a housing crisis?

We didn't create the housing crisis, but it is up to communities to deal with it.....*Because we are living with the outcome*

House price vs Income since 1984 in Canada



- Dec. 2023 [BMO](#): Pre-pandemic, Canadians spent an average of 35% of pre-tax income on housing ([the Canadian affordability standard is 30%](#)). Post-pandemic, the figure is 55% of income, leaving **20% less spent in local businesses** as families redirect spending to shelter
- The [Bank of Canada](#) pegs housing affordability at the worst level in 41 years
- In 2022/3 [Royal Bank](#) suggested the **shortage of affordable rental units will be 4x worse by 2026**
- [Canadian Alliance to End Homelessness](#): 85% of the people who are homelessness are only homeless because of the lack of affordable housing

Average Asking Rent All Property Types, Canada



Source: Urbanation Inc, Rentals.ca Network

Right here in Owen Sound

\$ Median Household
Income = **\$63,000/yr**

Half of Owen Sound's
Households have income
below this amount

Maximum "Affordable"
Housing Cost @ Median
Income = **\$1575/month**

38.5%

of Owen Sound tenants living
in unaffordable housing
(Statistics Canada)



Average Cost of Listed
Rentals (RHIS)
=**\$1866/month** + Utilities

42% of Owen Sound
Households are
renters (Statistics Canada)

Note: FT Minimum Wage = \$34,424/yr  Maximum "Affordable" = **\$860/month**

Solution: Increase supply lower income rental units

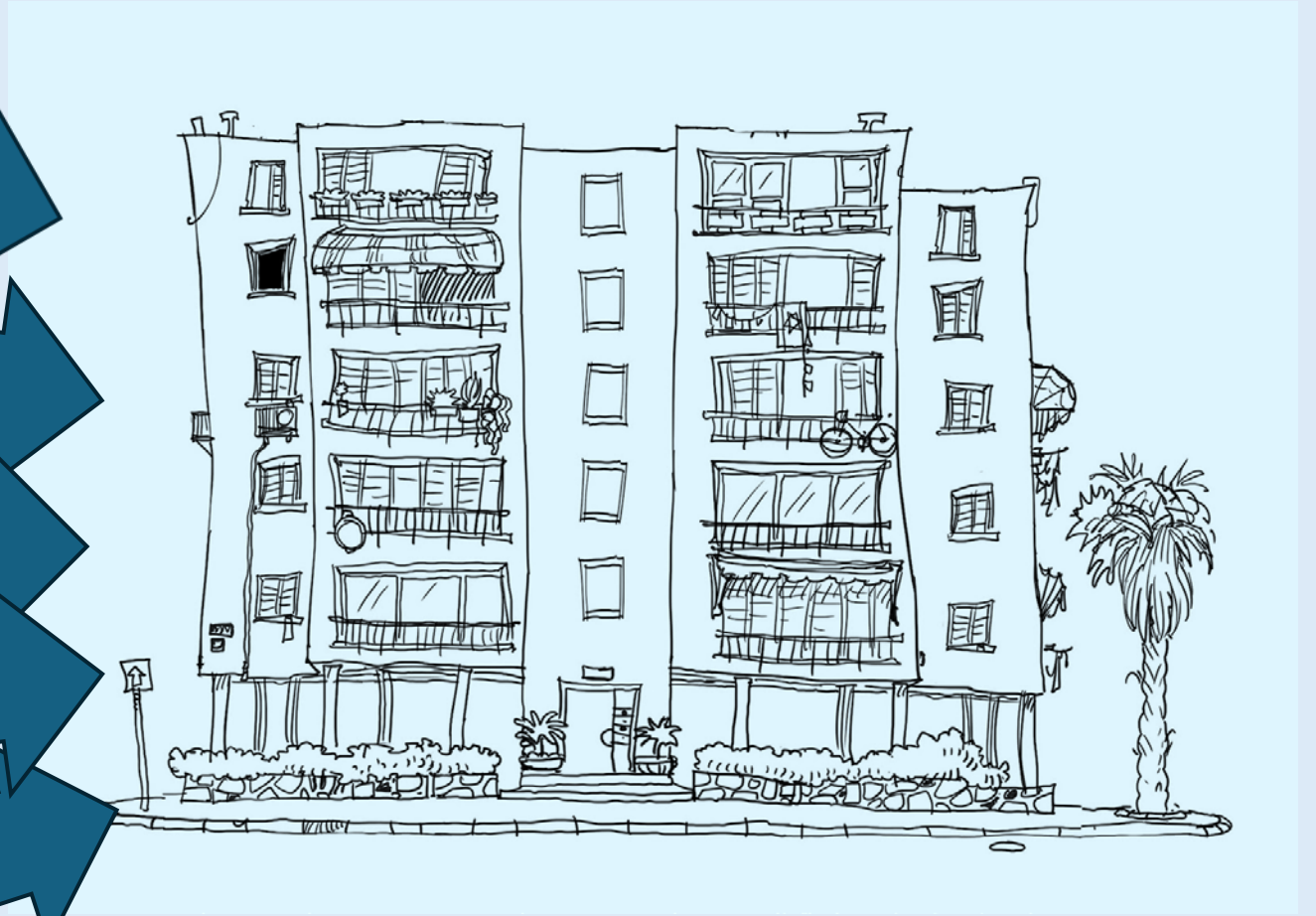
Workforce housing

Lower income families

Ageing-in-place options

Entry-level options for young workers

Path out of homelessness



So, how do we get more of that?

Expand our nonmarket housing sector

THE HOUSING CONTINUUM



Subsidized

Nonmarket
affordable
rentals
Opportunity

Commercial
Market

The opportunity: Affordable housing in perpetuity

A whole-community regional approach

Nonprofit Community-owned housing: affordable by mission

- Build out capacity in our nonmarket developers: churches, nonprofits, co-ops
- Partner with existing nonmarket development programs outside our region
- Build an ecosystem of nonmarket ownership – buying as well as building
- Land Trust to receive & hold “surplus” land for non-market development

Municipal engagement

- Data-driven municipal development tools to meet community affordability needs
- Priority on nonmarket/affordable housing types
- Municipal collaboration for learning and scale
- Engage with social finance opportunities

Social Finance: investment by community in community

- Regional social finance strategy: community bonds, secured community investment strategies, leveraging & stacking of community owned assets, social procurement
- Explore how we can lend, spend & invest “community wealth” to community benefit
- Regional collaboration on an Affordable Housing Fund



So, the opportunity for Owen Sound?

- **The largest share of the affordable housing deficit** – the biggest problem to solve (1070 units forecast)
- **Two most important nonmarket developers** in the region
- Potential as a transportation hub – north/south & a regional service & shopping hub (**an abundance of partners**)
- **18% of the employment growth anticipated** for the County (forecasts a growth of 1130 households and 1540 employment roles by 2046)
- **A community that cares** with expertise, lands & local wealth to invest

The invitation: engage with us Owen Sound

Join in the conversation

- Explore the Tool kit especially: *What Municipalities Can Do*
- Learn more about Social Finance *Social Finance Primer for Communities*
- Watch the videos of housing experts in the November *Filling the Gap Forum & Deeper Dive Workshop*
- Sign up for the Institute Newsletter & follow along
- Encourage participation in the SF & Housing Learning Group - last Thursday of every month
- Tune in to other municipalities and share the learning