



# Housing Choices: Markham's Affordable and Rental Housing Strategy



# Mayor's Message



**Frank Scarpitti**  
Mayor, City of Markham

**M**arkham is a City with excellent amenities, a diversity of culture and opportunity. I hear regularly from residents that they love living in Markham but the cost of housing is increasingly making it out of reach.

Whether it's a young family planting roots in our community, a recent graduate attracted to our growing downtown, or a senior that is on a fixed income and wants to scale down, the City of Markham is becoming an unaffordable place to live.

Markham has a long history of supporting affordable housing, but we can't do it alone. In response to the housing crisis, *Housing Choices: Markham's Affordable and Rental Housing Strategy* marks an important step forward. Reaching the City of Markham's housing goals will require continued commitment, innovation and partnership. With these goals, we will bring about change, improve affordability and housing outcomes for our community.



# Acknowledgements



**Markham Council**  
2018–2022

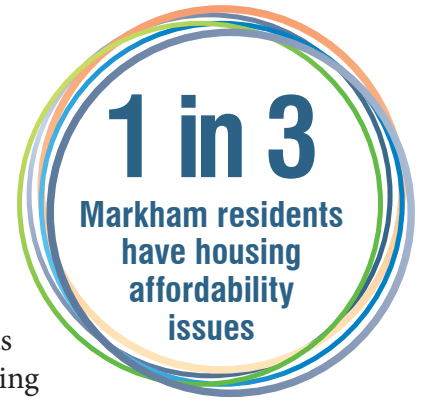
**T**he preparation of *Housing Choices: Markham's Affordable and Rental Housing Strategy* is the result of advice, comments, expertise and leadership from many partners.

Our sincere thanks and appreciation to City of Markham residents, Markham City Council, City of Markham Staff, representatives from the Federal and Provincial Governments and the Region of York, consultants, development industry representatives, stakeholders, special interest groups, non-profit organizations and community leaders.

*Housing Choices: Markham's Affordable and Rental Housing Strategy* will guide future action by the City to address our housing challenges and it would not have been possible without your contribution.



# Introduction



The City of Markham has developed *Housing Choices: Markham's Affordable and Rental Housing Strategy* to address housing affordability. The City has a role to play and is taking action on this important issue.

## What did we do?

Markham has completed a two-phase study to develop a new Affordable and Rental Housing Strategy. *The Phase 1: Housing Needs Assessment* analyzed current and emerging housing gaps in Markham, identified the key demographic groups that require affordable housing solutions. *The Phase 2: Policy Framework and Recommendations* includes a review of current government policies and programs, a summary of stakeholder feedback and a draft Affordable and Rental Housing Strategy which provided suggested actions the City could take to address affordable and rental housing.

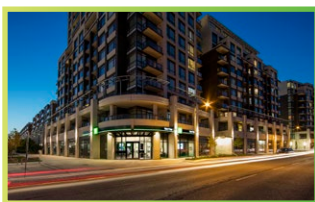
## What did we find?

One-in-three households in the City have housing affordability issues and nearly one-in-five households are spending 50 percent or more of their income on housing. The average price of a resale home in Markham has doubled over the last 10 years and average market rent is increasing faster than inflation. This is making home ownership unaffordable to the average family. The two-phase study identified housing needs and three key housing gaps in Markham.

## What is in Housing Choices: Markham's Affordable and Rental Housing Strategy?

*Housing Choices: Markham's Affordable and Rental Housing Strategy* includes a vision, three goals and 35 actions to guide the City in addressing housing gaps and needs and facilitate the delivery of affordable and rental housing.

# Contents



Page 4  
Housing Gaps  
and Needs



Page 5  
Affordability  
Thresholds



Page 6  
Housing Partners



Page 8  
Vision and  
Goals



Page 8  
Actions



Page 15  
Moving Forward



# Housing Gaps and Needs



There is a need for more housing options that are affordable to households with low incomes and persons needing supports to live independently and these options should include smaller dwelling units, family-sized units, and housing to facilitate aging in place.



There is a need to encourage the development of ownership options that are affordable to households with moderate incomes and that are appropriate for larger households.



There is a need to increase the number of purpose-built rental housing units in Markham.



# Affordability Thresholds

## What is affordable in Markham?

Markham uses the Provincial definition of ‘affordable’ which is annual housing costs that do not require more than 30 percent of gross household income for low and moderate income households. Low and moderate income households are those with incomes in the lowest 60% of all households in the City. These households are also referred to as being in the lowest six “deciles”.

Ownership and rental households have different affordability thresholds which refers to the maximum purchase price of a home or the monthly rent of a unit.

In Markham, an affordable home for moderate income households is one priced at a maximum of **\$480,723**. An affordable home for low income households is priced at a maximum of **\$246,509**.

Affordable rents are no more than **\$1,541** per month, on average.

## Total Households/Deciles

10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th

Low and Moderate Income Households, Lowest 60% = 1st to 6th decile

## Affordable Price Thresholds\* and Maximum Household Income in Markham

Ownership		Rental
Moderate Household Income = <b>\$118,355</b>	Moderate Income Home Price = <b>\$480,723</b>	<b>Average Market Rent = \$1,541/month</b> 1 Bedroom = \$1,440 2 Bedroom = \$1,600 3+ Bedroom = \$1,668
Low Household Income = <b>\$60,691</b>	Low Income Home Price = <b>\$246,509</b>	

\* 2020 affordability thresholds for Markham. Affordability is calculated annually with data from York Region and Canada Mortgage and Housing Corporation.



# Housing Partners

## Who participates in the development of affordable housing?

Providing housing is a shared responsibility that depends on relationships across all housing partners.

### Federal Government

The federal government, through Canada Mortgage and Housing Corporation, provides mortgage insurance to homeowners as well as funding and implementing various programs for the construction of affordable housing. The federal government released the first National Housing Strategy in 2017.

### Provincial Government

The Ontario government has a broad role in housing through legislation, regulation, and funding programs. The provincial government provides transfer payments to Housing Service Managers which are generally comprised of upper and single-tier municipalities and funding of programs for housing and homelessness. In addition, the Province provides municipalities with legislative tools to help meet housing need in communities.



## Regional Municipality of York

The Region, as Housing Service Manager, is primarily responsible for the provision of subsidized housing, the administration of funding from senior levels of government and administers homelessness programs. In addition, the Region establishes the policy and regulatory framework which guides the development of housing throughout York Region, including Markham.

## City of Markham

Markham is a local municipality within the Region of York and does not have a dedicated housing department or program funding, however, it has been engaged in addressing the housing needs of its residents for the last twenty years. Regulatory tools such as zoning and processing development applications are the City's responsibility and Markham has been working to create a supportive environment for the development of affordable housing.

## Non-Profit Sector

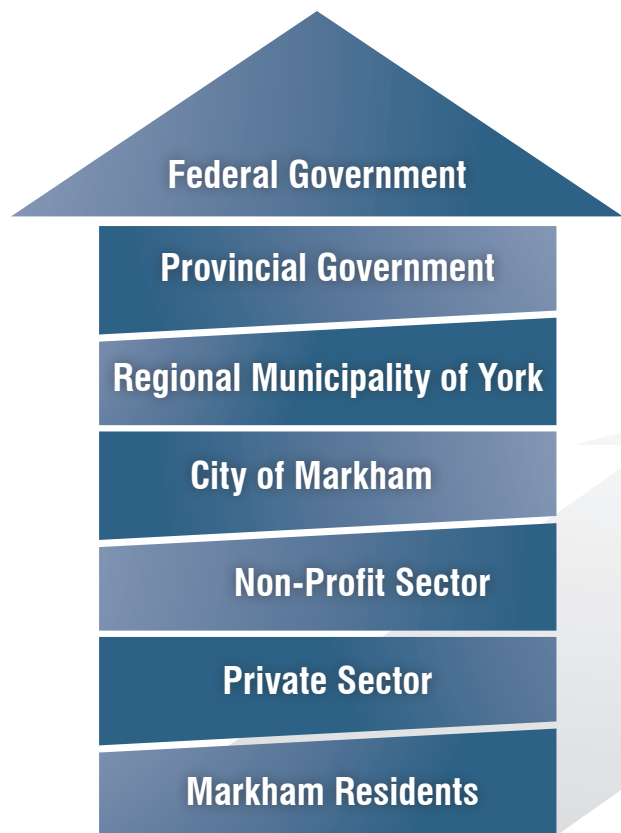
The non-profit sector plays an important role in the provision of affordable housing and/or support services to residents. This sector also raises awareness of housing needs and advocates for housing and homelessness programs. Opportunities exist for the non-profit sector to enhance their partnerships and collaborations to avoid duplication of services and ensure the most effective use of scarce resources.

## Private Sector

The private sector provides the majority of housing in a community, including ownership and rental housing. Investors and funders also contribute to the construction and operation of affordable housing projects.

## Markham Residents

Markham residents can advocate for safe, appropriate, affordable and attainable housing in their community. In addition, residents can choose to create rental units within their dwellings, where appropriate, or provide land or buildings for the purpose of affordable housing.



# Vision and Goals

## Community Vision for Housing

To support the social and economic vitality of Markham through the facilitation and provision of a range of housing options (by type, tenure and affordability) for those that live and work in Markham throughout their lifetime in order to sustain a more complete community.

### Goal 1

Increase the supply of affordable rental housing options, particularly for small and larger households with low incomes and that meet their needs in terms of size, accessibility and support services.

### Goal 2

Stimulate the development of ownership housing options, particularly larger options for families, which are affordable to households with moderate incomes as well as households with low incomes where feasible.

### Goal 3

Expand the supply of purpose-built rental market units throughout Markham.

# Actions

Actions have been developed to support the City’s Community Vision for Housing and Goals. These actions are based on a review of policies, best practices, consultation, and are intended

to address Markham’s housing needs. The Actions are in five focus areas: policy, incentives, advocacy, partnerships and education. There is also a timeline for implementation as follows:

<p>★★★ <b>Priority</b></p>	<p>Actions to be initiated in the short term or next 12 months.</p>
<p>★★ <b>Ongoing</b></p>	<p>Actions that the City has been involved with for a number of years that may involve partners in the private, non-profit sectors and senior levels of government that will continue to be implemented.</p>
<p>★ <b>Medium Term</b></p>	<p>Actions to be initiated in the next 12 to 24 months.</p>





	Actions	Timeline
Policy	<p><b>Develop annual affordable housing targets</b></p> <p>1. Building on policy 4.1.3.2 in the City’s Official Plan, work with York Region to develop annual affordable housing targets and incorporate into the City’s Official Plan and secondary plans:</p> <ul style="list-style-type: none"> <li>• by type and tenure (ownership and rental) for all residential developments; and</li> <li>• by affordability level and unit size.</li> </ul>	<p>★ Medium Term</p>
	<p><b>Review the definition of affordable housing</b></p> <p>2. Review the definition of affordable housing in the City’s Official Plan, considering unit sizes and affordability for households with low and moderate incomes.</p>	<p>★ Medium Term</p>
	<p><b>Develop an Inclusionary Zoning By-Law for Major Transit Station Areas</b></p> <p>3. Develop and incorporate inclusionary zoning in the Official Plan and Zoning By-law within Major Transit Station Areas (MTSAs) in Markham and consider the Inclusionary Zoning Framework from the Draft Affordable and Rental Housing Strategy.</p>	<p>★★★ Priority</p>
	<p><b>Consider Inclusionary Zoning outside of Major Transit Station Areas</b></p> <p>4. Consider implementing inclusionary zoning outside of MTSAs through a community planning permit system to further increase the supply of affordable housing.<sup>1</sup></p>	<p>★ Medium Term</p>
	<p><b>Remove barriers to co-housing or co-living</b></p> <p>5. As part of the comprehensive zoning by-law review currently underway, ensure there are no barriers to co-housing and co-living arrangements in appropriate areas - in Markham.</p>	<p>★ Medium Term</p>
	<p><b>Review permissions for additional residential units</b></p> <p>6. Update official plan and zoning to reflect Planning Act changes for additional residential units (also known as secondary suites).</p>	<p>★★★ Priority</p>

1 Implementation of inclusionary zoning outside of protected major transit station areas currently requires an order from the Minister to implement a community planning permit system.

	Actions	Timeline
Policy	<p><b>Study opportunities for small or tiny homes</b></p> <p>7. Examine opportunities and design guidelines for smaller homes such as tiny homes or micro living that may be appropriate in Markham.</p>	<p>★ Medium Term</p>
	<p><b>Reduce residential parking requirements near transit</b></p> <p>8. Building on the comprehensive parking study currently underway, consider reducing parking requirements for residential developments in major transit station areas and other areas which are well-served by public transit.</p>	<p>★ Medium Term</p>
	<p><b>Reduce residential parking requirements for affordable housing projects</b></p> <p>9. Consider approving further reductions of parking requirements for affordable, supportive and purpose-built rental housing projects where the proponent can demonstrate that the demand for parking will be less than what is currently required in the Zoning By-law. (Consideration should also be given to proponents who can demonstrate alternative approaches, such as sharing parking with non-residential buildings in the same area.)</p>	<p>★ Medium Term</p>
	<p><b>Use public lands for affordable housing</b></p> <p>10. Identify opportunities to use surplus or underutilized public land or buildings for the purpose of developing affordable and/or supportive housing.</p>	<p>★★★ Priority</p>
	<p><b>Innovative construction methods for affordable housing</b></p> <p>11. Consider allowing innovative construction methods, such as modular construction, in appropriate areas throughout Markham.</p>	<p>★ Medium Term</p>
	<p><b>Support affordable housing projects that are funded</b></p> <p>12. Continue to support projects that receive funding under senior government programs.</p>	<p>★★ Ongoing</p>
	<p><b>Protect Purpose-Built Rental Housing</b></p> <p>13. Consider implementation of a by-law under the <i>Municipal Act</i> to protect existing purpose-built rental housing supply from demolition or conversion to non-rental tenure.</p>	<p>★ Medium Term</p>



	Actions	Timeline
Incentives	<p><b>Develop incentive package for affordable/supportive housing</b></p> <p>14. Develop an incentive package for the provision of affordable and/or supportive housing in new residential developments. Incentives should be tied directly to the affordable housing units created and may include the following:</p> <ol style="list-style-type: none"> <li>Consider waiving or providing a grant equivalent to certain development application fees, development charges, property taxes, parkland dedication requirements, and/or reductions in letters of credit.</li> <li>Consider fast tracking approvals and providing a Development Liaison/ Concierge Service for projects which provide affordable rental, affordable ownership, supportive housing, and purpose-built rental housing units.</li> <li>Consider removing or reducing the minimum requirement for parking spaces and allowing the developer to propose alternative options.</li> </ol> <p>In developing the incentive package, consider aligning the program/incentives with York Region’s programs and incentives.</p>	<p>★★★ Priority</p>
	<p><b>Waive certain fees when proposed affordable housing projects meet environmental standards</b></p> <p>15. Building on Markham’s Community Sustainability Plan and Environmental Sustainability Fund, consider the feasibility of waiving or providing a grant in lieu of certain development application fees and reductions in letters of credit for affordable rental, affordable ownership, and/or supportive housing developments which Passive House<sup>2</sup>, LEED<sup>3</sup> or similar standards.</p>	<p>★ Medium Term</p>
	<p><b>Fund ongoing incentive program</b></p> <p>16. Consider developing an ongoing program to fund incentives and other initiatives related to affordable housing and purpose-built market rental housing projects in the City.</p> <p>The plan may involve setting an annual budget for incentives as part of the City’s annual operating budget. Another option may be to establish a Housing Reserve Fund to finance incentives and other initiatives. This Reserve Fund may be financed through revenue from the sale of inclusionary zoning units, funding from senior levels of government, revenue from the sale or lease of surplus land or buildings which are not appropriate for affordable housing, and/or an annual budget allocation from City Council.</p>	<p>★ Medium Term</p>

2 Passive house is energy efficient building construction standard which consume up to 90% less heating and cooling energy than conventional buildings.

3 Leadership in Energy and Environmental Design (LEED) is a green building certification program. It includes a rating systems for the design, construction, operation, and maintenance of green buildings, homes, and neighborhoods to be more environmentally responsible.

	Actions	Timeline
Advocacy	<p><b>Increase funding and improve approval timelines for the National Housing Co-Investment Fund</b></p> <p>17. Advocate to the Federal Government to:</p> <ul style="list-style-type: none"> <li>a. Expand the National Housing Co-Investment Fund to provide increased capital funding for affordable housing projects, including increased funding to allow for deeper levels of affordability.</li> <li>b. Improve timelines for approvals and execution of federal funding agreements, including the release of funds for the National Housing Co-Investment Fund.</li> </ul>	<p>★★ Ongoing</p>
	<p><b>Expand First time Home Buyer Incentive Program</b></p> <p>18. Advocate to the Federal Government to increase access to the First-Time Home Buyer Incentive by increasing the maximum combined income allowable for families with children in housing markets, such as Markham, where much higher incomes are required to afford larger units.</p>	<p>★★ Ongoing</p>
	<p><b>Exempt charitable non-profit organizations from HST for affordable housing</b></p> <p>19. Advocate to the Federal and Provincial Governments to fully exempt charitable non-profit organizations from HST for new affordable housing projects and purpose-built rental projects.</p>	<p>★★ Ongoing</p>
	<p><b>Increase the Canada Housing Benefit</b></p> <p>20. Advocate to the Federal and Provincial Governments to increase funding for the Canada Housing Benefit.</p>	<p>★★ Ongoing</p>
	<p><b>Align federal and provincial programs</b></p> <p>21. Advocate to the Federal and Provincial Governments to align requirements and application processes of funding programs.</p>	<p>★★ Ongoing</p>
	<p><b>Create fixed interest rate 25-year mortgages</b></p> <p>22. Advocate to Canada Mortgage and Housing Corporation to create a mortgage product that would fix interest rates for 25 years.</p>	<p>★★ Ongoing</p>



	<b>Actions</b>	<b>Timeline</b>
<b>Advocacy</b>	<b>Increase capital funding for affordable housing projects</b> 23. Advocate to the Provincial Government to increase capital funding for new affordable housing projects.	★ ★ Ongoing
	<b>Provide portion of the non-resident speculation tax to municipalities</b> 24. Advocate to the Provincial Government to provide municipalities with a portion of the revenue collected from the non-resident speculation tax to be allocated for affordable housing.	★ ★ Ongoing
	<b>Public lands to be used for affordable housing</b> 25. Advocate to senior levels of government to identify and provide publicly-owned lands which would be appropriate for affordable housing.	★ ★ Ongoing
	<b>Streamline approval timelines for provincial agencies</b> 26. Advocate to the Provincial Government to streamline review and approval timelines of provincial agencies involved in reviewing affordable housing and purpose-built rental housing development applications.	★ ★ Ongoing
	<b>Monitoring, evaluation and expansion of Inclusionary Zoning</b> 27. Advocate to the Provincial Government to monitor and evaluate the implementation of inclusionary zoning and to consider expanding the areas where this tool can be used if appropriate.	★ ★ Ongoing
	<b>Home Sharing Pilot Program</b> 28. Advocate to York Region to develop and fund a home-sharing pilot program where seniors with extra bedrooms share their homes with students or single individuals.	★ ★ Ongoing
	<b>Consider expanding incentives</b> 29. Advocate to Federal and Provincial Governments and York Region to consider expanding incentive programs to support affordable housing.	★ ★ Ongoing

	<b>Actions</b>	<b>Timeline</b>
<b>Partnerships</b>	<p><b>Facilitate Partnerships for affordable housing</b></p> <p>30. Continue to facilitate partnerships among faith groups, non-profit and for profit residential developers, community agencies and property owners to manage and increase the supply of affordable and supportive housing (e.g. leveraging infill, land sharing, under utilized land and development/ redevelopment opportunities).</p>	<p>★★★ Priority</p>
	<p><b>Support social enterprises with employment opportunities for residents of affordable housing</b></p> <p>31. Support social enterprises which provide employment opportunities and/ or training to youth, persons with disabilities, and people with low incomes who are living in Markham, particularly residents of affordable housing and community housing projects. (Support can be funding or in-kind, such as office space in a community centre or library.)</p>	<p>★★ Ongoing</p>
<b>Education</b>	<p><b>Work to increase awareness of housing needs</b></p> <p>32. Continue to work with York Region and other housing partners to increase the awareness of housing needs in Markham and the benefits of including affordable and rental housing in all communities.</p>	<p>★★ Ongoing</p>
	<p><b>Work to increase capacity of housing developers and community agencies</b></p> <p>33. Work with York Region to develop educational material and facilitate workshops to increase the capacity and knowledge of housing developers and community agencies on how to build affordable housing in Markham, including available funding programs, incentives, and partnership opportunities.</p>	<p>★ Medium Term</p>
	<p><b>Work to promote alternative forms of home ownership</b></p> <p>34. Continue to work with the Region to promote alternative forms of affordable home ownership models, such as rent-to-own, shared equity, unbundling, and life lease, within the development community.</p>	<p>★★ Ongoing</p>
	<p><b>Monitor Progress</b></p> <p>35. Measure and report on Housing Strategy implementation progress.</p>	<p>★ Medium Term</p>





# Moving Forward

*Housing Choices: Markham's Affordable and Rental Housing Strategy* provides the City with a guide to help address affordable housing challenges. The City has ambitious goals and a wide range of actions, including five priority Actions that are to be initiated in the coming months.

This Strategy focuses on practical steps that can be taken together with community partners to increase housing choices for Markham residents and demonstrates the City's commitment to realizing its Community Vision for Housing.

The City will continue to seek out opportunities to support affordable housing projects and develop innovative solutions in implementing the housing Actions. Moving forward, leadership, partnerships and continued community support are key to the success of this Strategy.





City of Markham, Anthony Roman Centre,  
101 Town Centre Blvd., Markham, ON L3R 9W3  
Tel: 905.475.4872 | Fax: 905.479.7775 | [markham.ca](http://markham.ca)

