

## EXECUTIVE SUMMARY

Canadian cities are facing a housing crisis, as the cost of homeownership and rental rates are increasing beyond the affordability of many Canadians. As the number of purpose-built rental units has remained stagnant for the last 15 years, and the average cost of a new home has nearly doubled from 2001 to 2010, municipalities are facing a major challenge in providing housing at affordable levels while ensuring a quality stock of all dwelling types. Secondary suites are units built within existing dwellings, or in accessory buildings, that have private entrances, kitchen and washroom facilities and living space. These units utilize the existing housing stock and are a form of intensification that capitalizes on Canada's primary dwelling type: single-detached homes.

The City of Kingston is a medium-sized Ontario municipality that has recently developed a secondary suites program to combat increasingly unaffordable rents. The City is marred by low vacancy rates and a comparatively low number of rental units considering the demand for rental units by seniors, students and other demographics. Kingston has one of the highest percentages of senior residents in the province and it is estimated that the number will continue to rise as the baby-boomers enter retirement and seek the amenities and services provided in the City, such as the local hospital and cancer centre. This report investigates the housing challenges identified by local seniors in order to assess the role secondary suites can play in providing quality rental units, and an overall better housing stock for the general population of Kingston, by answering the following three questions:

1. *How do secondary suites address the needs of an aging population in Kingston?*
2. *Is Kingston's secondary suites program able to address these needs?*
3. *How can Kingston benefit from Edmonton's secondary suites policies?*

First, the benefits of secondary suites identified through a literature review are compared to the identified housing challenges to determine if secondary suites can ameliorate the housing situation for seniors. Second, the existing policies in the City of Kingston are evaluated to identify their ability to address these challenges. Finally, the policies and initiatives of the City of Edmonton's successful Cornerstones program are used to provide a comparison to Kingston and demonstrate where Kingston is successful and where it may continue to improve in regards to encouraging secondary suites and affordable housing for seniors.

The research shows that secondary suites provide a range of benefits that help address the needs of aging populations and that municipalities such as Kingston can provide incentives to homeowners to create new suites and increase the density of the existing housing stock with quality, affordable

rental units. Kingston's existing program for secondary suites has produced initiatives that successfully address many of the housing challenges facing seniors in Kingston, by providing rebates and grants that alleviate the financial barriers of creating and updating existing suites. Edmonton's successful Cornerstones program provides some lessons learned that may be beneficial for enhancement of Kingston's program. These include permitting suits in accessory buildings (garages, etc.) and using City funds to leverage funding from intergovernmental partners. Edmonton also demonstrates where Kingston is already successful, by permitting suites in more unit types than its Alberta counterpart.

This report concludes with a series of recommendations that stem from the analysis providing Kingston, and other Canadian municipalities, with a comprehensive review of secondary suites and their ability to provide affordable housing for Canadians. The recommendations from the analysis are:

Kingston should continue:

1. The Municipal Fee Rebate program, which removes the cost of the zoning by-law amendment for suites in areas where they are not permitted as-of-right;
2. To provide Affordable Housing Grants, which assist homeowners developing suites while ensuring rents are kept at an affordable level; and
3. To permit units in various building types, such as single-detached, semi-detached and row-house dwellings.
4. To provide grants to assist in the legalization of existing secondary suites, to ensure the quality of the rental housing stock is upgraded and maintained;

Kingston should also considering implementing the following enhancements in its policy:

1. Policies to permit secondary suites in accessory buildings, to support the development of units in garages and other building types; and
2. A directive that aims to leverage city funds into greater funding from the provincial and federal governments, to assist with the creation of rental units.

The report suggests that municipalities such as Kingston can provide incentives to provide a bottom-up approach to solving this housing crisis, mobilizing residents to intensify the existing housing stock through grants, tax rebates, relaxed zoning and other financial and regulatory mechanisms. As the

financial burdens of developing secondary suites are clearly its most daunting element, new financial tools and programs should be researched to provide a larger and more varied toolkit municipalities can use to improve their situation and address the various local needs given different geographic, demographic and political situations across Canada.