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Staff Report

Planning & Development Services

Report To:	COW-Operations_Planning_and_Development_Services
Meeting Date:	November 19, 2024
<b>Report Number:</b>	PDS.24.125
Title:	Update in addressing 2023 Housing Needs Assessment Report
Prepared by:	Adam Smith, Director of Planning & Development Services

## A. Recommendations

THAT Council receive Staff Report PDS.24.125, entitled "Update in addressing 2023 Housing Needs Assessment Report;

## **B.** Overview

At the August 21<sup>st</sup>, 2024, Committee of the Whole meeting, Council directed staff to provide an update on progress achieving 215 affordable housing units as outlined in the Parcel and SGL Report, being part of the Official Plan Review in 2023. In summary, since the completion of the report in November 2023, staff are not aware of any developments that would meet the Town's definition of affordable housing. Challenges related to servicing availability and external financing has created a difficult development environment in 2024, but there are initiatives designed to be responsive to the gaps noted in the 2023 Housing Needs Assessment and upcoming projects that may serve to assist in creating additional supply.

# C. Background

The Blue Mountains Ratepayers' Association attended the August 21<sup>st</sup>, 2024, Committee of the Whole meeting and proceeded with a deputation outlining the scope and scale of the housing challenge as described in the 2023 Housing Needs Assessment Study. The deputation precluded a subsequent presentation to Council regarding a Declaration of a Housing Emergency. As a result, Council passed a resolution declaring a "housing crisis in the Town of The Blue Mountains for the purposes of supporting the work of the Town to improve the supply of housing to meet all needs in our community and to support the call to action and funding to meet this directive."

As described in the 2023 Housing Needs Assessment, the depth and scale of affordability issues in the Town of The Blue Mountains warrants innovative policy and economic shifts to affect change. There is very little housing available in the Town that could be considered affordable from an ownership and rental perspective. Further, even if 215 affordable units were created within the short-term, the assessment notes that approximately 1,500 will be required to accommodate future growth projections. However, with the new Provincial Policy Statement requiring adherence to Ministry of Finance (MOF) projections, these numbers would now be considered understated given MOF projections has the County of Grey, and by extension, the Town of The Blue Mountains growing at a faster rate than what was previously forecasted in the 2022 Growth Allocations and Fiscal Impact Report.

# D. Analysis

Based on an assessment of development patterns since the publishing of the Housing Needs Assessment in November 2023, there has yet to be any projects completed that would address the gaps noted in the report. Despite the lack of completed builds, there are promising indications of change through both policy and development review. Over the last two years, staff have consistently made the provision of affordable/attainable housing options through development applications a pivotal priority. Although this process is bound by legislative parameters that can limit opportunities to mandate alignment with the Housing Needs Assessment, through collaboration and positive relationships with proponents, desired outcomes can be achieved. The following developments have been approved and have made voluntary contributions to varying degrees with respect to attainable housing:

- Blue Meadows Plan of Subdivision (191 units 20% attainable housing proposed and purpose built rental)
- Pinnacle Townhomes (17 units 7 units with additional residential units roughed-in, \$104,000 Housing Within Reach CIP contribution)
- Lora Greens Plan of Subdivision (38 units \$247,000 Housing Within Reach CIP contribution)
- McPherson Attainable Housing Proposal (60 units 20 attainable housing units)
- Aquavil Plan of Subdivision (340 units attainable housing considered within Master Development Agreement; units to be determined)

To support staff in development review, policy initiatives are being pursued with the intent of addressing gaps in the Housing Needs Assessment. Staff will seek to continually monitor housing units coming online and prepare an annual housing report. Provided below is a summary of recent initiatives to address gaps:

### **Official Plan Review**

Proposed updates to housing policies are considering a requirement for developments with more than 10 residential units to provide for affordable housing and also require the submission of an Affordable/Attainable Housing Report to demonstrate how the proposal will align with municipal targets. The Official Plan Review is also proposing enabling policy to create a more efficient development environment that is conducive to supporting affordable/attainable housing projects. This includes supporting the creation of a Community Planning Permit System.

### Additional Residential Unit (ARU) Zoning By-law Amendment

Earlier this year, staff initiated a Zoning By-law Amendment process to further encourage ARUs by embedding greater flexibility in the Zoning By-law. At the April 15, 2024 Council meeting, Council supported this initiative through a number of different changes. Most prominently this includes increasing the maximum gross floor area provision for ARUs and modification to reduce the rear yard setback provision. In addition, the Zoning By-law reflected as-of-right permissions for number of units recently granted through new legislation.

### Water and Sewage Allocation By-law

The Evaluation Framework proposed within the Water and Sewage Allocation By-law emphasizes the provision of affordable/attainable housing units for the purpose of water and sewer allocation. A desired outcome is for developments be it those that are conditionally approved or conceptual, that there be consideration for embedding affordability into projects given the scoring is heavily based upon this strategic priority of the municipality.

### Parkland Dedication and Open Space By-law

Currently a new by-law governing the dedication of parkland and open space is being prepared. The focus is on aligning the by-law with statutory changes to parkland dedication because of Bill 23. However, staff have also applied a lens of achieving affordable/attainable housing targets within the review of the by-law. In doing so, the objective is to understand whether different approaches to the dedication of park space and open space can be leveraged to maximize affordability/attainability in new development sites.

### Community Improvement Plan (CIP) Review

The CIP review is planned for 2025 and will be inclusive of the Housing Within Reach CIP. Given there has only been one submission through the program to-date, there will be a focus on reviewing existing grant program parameters and determining whether new grants should be offered. Staff intend on seeking industry input to understand fiscal limitations that prevent market-based attainable/affordable products from being delivered.

### E. Strategic Priorities

#### 1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders.

#### 2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

#### 3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

#### 4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

#### F. Environmental Impacts

N/A

### G. Financial Impacts

N/A

### H. In Consultation With

Shawn Postma, Manager of Community Planning

#### I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Adam Smith, <u>directorplanningdevelopment@thebluemountains.ca</u>

#### J. Attached

Attachment 1 – Resolution B.1.5

Attachment 2 - Resolution B.1.4

Respectfully submitted,

Adam Smith Director of Planning & Development Services

For more information, please contact: Adam Smith, Director of Planning & Development Services <u>directorplanningdevelopment@thebluemountains.ca</u> 519-599-3131 extension 246

# Report Approval Details

Document Title:	PDS.24.125 Update in addressing 2023 Housing Needs Assessment Report.docx
Attachments:	<ul><li>PDS-24-125-Attachment-1.pdf</li><li>PDS-24-125-Attachment-2.pdf</li></ul>
Final Approval Date:	Nov 6, 2024

This report and all of its attachments were approved and signed as outlined below:

# Adam Smith - Nov 6, 2024 - 8:59 AM