



TO: GENERAL COMMITTEE

SUBJECT: BILL 23: MUNICIPAL HOUSING PLEDGE

WARD: ALL

PREPARED BY AND KEY CONTACT: M. BANFIELD, RPP, DIRECTOR OF DEVELOPMENT SERVICES EXTENSION # 5466

SUBMITTED BY: M. BANFIELD, RPP, DIRECTOR OF DEVELOPMENT SERVICES EXTENSION # 5466

GENERAL MANAGER APPROVAL: B. ARANIYASUNDARAN, P.ENG., PMP GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the Municipal Housing Pledge attached as Appendix "B" to Staff Report DEV005-23 be endorsed.
2. That the Mayor be authorized to submit the final Municipal Housing Pledge to the Minister of Municipal Affairs and Housing prior to March 1, 2023.
3. That staff in the Development Services Department report back to City Council on a semi-annual basis on the progress towards the Municipal Housing Pledge.

PURPOSE & BACKGROUND

Report Overview

4. The Province of Ontario introduced Bill 23, *More Homes Built Faster Act, 2022*, to ensure municipalities grow and provide housing to meet the needs of all Ontarians.
5. The overall goal of 1.5 million homes by 2031 is to be achieved by assigning a Municipal Housing Target to large and fast-growing municipalities like the City of Barrie.
6. The Honourable Steve Clark, Minister of Municipal Affairs and Housing, advised the City Clerk on October 25, 2022, that the City of Barrie's Municipal Housing Target is 23,000 new homes before 2031 and requested a response to this pledge by March 1, 2023. This correspondence is attached as Appendix "A" to Staff Report DEV005-23.
7. The purpose of this staff report is to have Council endorse the Municipal Housing Pledge and the City's commitment to accelerating housing supply, including the strategies and actions we will adopt to meet the pledge.

ANALYSIS

8. In recent times, the City of Barrie has embraced residential development and undertaken the necessary steps to ensure a healthy supply of residential housing units are in the development track and continuously plans for the overall growth of the City and new residents.
9. The City has undertaken many organizational shifts, process improvements and commitments to new and expanded infrastructure to support growth. City Council has supported several initiatives through wise and consistent funding of operating and capital budgets, process improvements, delegated approval authority to staff and several projects to ensure that the City is poised not only to support growth but to be ready for it.
10. The City understands that true community building is a collaborative effort between all of those involved in the development process from the creation of policy, to its implementation through application review and finally to construction of new homes. The parties include property owners, development professionals, businesses, residents, stakeholders and government agencies such as Provincial ministries, school boards and conservation authorities, City Staff and City Council. Employment growth and transit links to the GTA are key factors in creating the market for new residential developments.
11. There are elements of community building that are complex and many do not rest with the City alone. The Municipal Housing Pledge focusses on elements that are within the City's control, which are not, and those which we can collaboratively work with others for ultimate successes. City Staff have engaged industry partners for insight and feedback that has been included in the Municipal Housing Pledge.
12. Between 2015 and 2022, residential housing approvals have been strong, however the build out of the approvals has been slower than anticipated. The chart below shows the number of units approved by the City, the number of building permits issued and the remaining units that are approved but yet to be built.

	Total Residential units approved	Total units with Building Permits issued	Remaining units to be Built
2015	971	876	95
2016	407	122	285
2017	8,351	2,155	6,196
2018	1,400	508	892
2019	3,079	1,311	1,768
2020	1,459	654	805
2021	1,092	344	876
2022	3,127	0	3,127
TOTAL (SINCE 2015)	19,886	5,970	13,916

13. While the City does not build homes, the Municipal Housing Pledge seeks to establish a road map to implement the pledge with initiatives within the control of the City to get more of the approved units constructed now and through to 2031 and beyond.

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14. City staff will monitor and report on key performance indicators and market conditions on a semi-annual basis to actively manage the opportunities and risks associated with the pledge over the next 9 years.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

15. The following environmental and/or climate change impact matters have been considered in the development of the recommendation:
- a) Facilitating the construction of additional housing units within the City of Barrie is residential intensification. Mixed use communities with a balanced mix of housing types and land uses support transit use and active transportation options for residents.
 - b) This approach to growth uses existing and planned infrastructure, services and land wisely. This responds to the reduction of greenhouse gas emissions from private cars and is good for the environment by developing within urban areas, like the City of Barrie.

ALTERNATIVES

16. The following alternatives are available for consideration by General Committee:

Alternative #1

General Committee could choose to not endorse the Municipal Housing Pledge.

This alternative is not recommended as the ultimate goal of building more homes is shared by the Province and the City of Barrie. The Municipal Housing Pledge outlines actions within the City's control to facilitate the municipal target of 23,000 units provided to the City by the Province of Ontario.

Alternative #2

General Committee could add additional items to implement the Municipal Housing Pledge.

Although this alternative is available, City Staff anticipate returning to Council on an annual basis to report on progress towards the Municipal Housing Pledge. It is anticipated as the economy and housing market evolve, amendments can be made through to 2031.

FINANCIAL

17. The facilitation of additional dwelling units through to 2031 will provide development charges and increased property tax assessment and additional residents to the community.
18. Through the implementation of the Municipal Housing Pledge additional capital projects or changes to the capital plan timing may be required to support the residential growth contemplated. These changes would be presented to Council for consideration as part of the annual budget process starting in 2024, the capital status reports or a dedicated staff report.
19. Additional operational costs may be required to support the process improvements identified through the implementation of the Municipal Housing Pledge. These changes would be presented to Council for consideration as part of the annual budget process, a dedicated staff report or may be absorbed in existing departmental budgets if funds are available.
20. As the Municipal Housing Pledge is tied to Bill 23, there may be financial implications to the City's finances that have not been fully realized. Staff will continue to provide updates to Council in this regard as available.
21. The Province has indicated there will be a correlation between Municipal Housing Pledges and funding opportunities for growth related costs, in particular in relation to the impacts of Bill 23. While the details have not been made available, a well thought out Municipal Housing Pledge will position the City of Barrie to seek any available funding.

LINKAGE TO 2022-2026 STRATEGIC PLAN

22. The recommendation(s) included in this Staff Report support the following goals identified in the 2022-2026 Strategic Plan:
 - Affordable Place to Live
 - Infrastructure Investments
 - Responsible Governance
23. Components of the Municipal Housing Pledge will contribute to the goal of an Affordable Place to Live by supporting a range of housing types contemplated in the new Official Plan and Zoning By-law, encourage job creation and develop and attract talent.
24. The implementation of the Municipal Housing Pledge will contribute to the goal of Infrastructure Investments by the proposed master plan and capital plan work to update and improve infrastructure.
25. Endorsing the Municipal Housing Pledge will contribute to the goal of Responsible Governance by improved monitoring to ensure accountability and transparency in the creation of new housing and by advocating to other levels of government.

ATTACHMENTS

APPENDIX "A" – Correspondence from The Honourable Steve Clark, Minister of Municipal Affairs and Housing

APPENDIX "B" – Draft Municipal Housing Pledge

APPENDIX "A"

Correspondence from The Honourable Steve Clark, Minister of Municipal Affairs and Housing

Ministry of
Municipal Affairs
and Housing

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234-2022-4625

October 25, 2022

**City Clerk
City of Barrie
P.O. Box 400
70 Collier Street
Barrie Ontario L4M 4T5**

**Subject: Municipal Housing Targets and Municipal Housing Pledges
City of Barrie: 23,000**

Dear Wendy Cooke,

Our government is taking bold and transformative action to get 1.5 million homes built over the next 10 years.

To help fulfill this commitment, we have announced and are implementing More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-23. This plan includes a suite of legislative and non-legislative changes across government that will help unlock more housing, streamline development approvals, remove barriers, accelerate planning, and further protect homebuyers and owners.

To support the new action plan, we have introduced the **More Homes Built Faster Act, 2022**, which, if passed, would ensure that cities, towns, and rural communities grow with a mix of ownership and rental housing types that meet the needs of all Ontarians.

To achieve the goal of building 1.5 million homes, large and fast-growing municipalities, including yours, are being assigned a **Municipal Housing Target**. While municipalities have taken significant steps in increasing their housing supply, Ontario needs an unprecedented amount of housing to meet current demand and that of generations to come. Our government requires a commitment from our municipal partners to do their part in providing housing for future population growth.

To implement the 1.5 million homes target I am asking the City of Barrie to demonstrate its commitment to accelerating housing supply by developing a **Municipal Housing Pledge** and take the necessary steps to facilitate the construction of 23,000 new homes in your community by 2031. I ask that you bring this letter to the attention of your Head of Council so that your municipality is positioned to deliver its pledge to me, the Minister of Municipal Affairs and Housing, by the March 1, 2023, deadline. See the info sheet

attached to this letter for information and considerations in developing a Municipal Housing Pledge.

Pledges will provide important information that showcase the strategies and actions that municipalities choose to adopt in order to prioritize and accelerate housing. Our government intends to use your pledges to monitor and track progress so we can continue to play a role in supporting municipalities and removing barriers to housing development.

Our government recognizes the key role that municipalities will play in implementing Municipal Housing Targets through their Municipal Housing Pledges and know that you share the desire to bring more housing to the people of Ontario. We are committed to addressing the policy and implementation barriers you may encounter as you develop your pledges and I encourage you to reach out to Wendy Ren, Executive Lead, Municipal Policy/Program Collaboration, at Wendy.Ren@ontario.ca or 437-995-7094, if you have any questions, comments, or suggestions.

I look forward to working together to increase housing supply for all Ontarians.

Sincerely,



Steve Clark
Minister

Encl.

c: The Honourable Michael Parsa, Associate Minister of Housing
Kate Manson-Smith, Deputy Minister
Ryan Amato, Chief of Staff, Minister's Office
Joshua Paul, Assistant Deputy Minister, Housing Division

Info Sheet: Considerations in Developing Municipal Housing Pledge

The pledge is not intended to be a land-use planning document, and its development should not require external technical expertise. The format and language used in the pledge should be accessible to the general public. The pledge is intended to be approved by municipal councils and should help codify Council's commitment to meeting their municipal housing target.

Municipalities can leverage new and existing policy tools as they develop housing pledges and work towards their housing targets.

Below is a non-exhaustive list of potential strategies and actions that municipalities may include in developing their housing pledges. There may be additional opportunities based on local circumstances and the Province is interested in hearing about those ideas and creative solutions.

- Strategies to encourage and promote gentle intensification to enable and expedite additional residential units in existing residential areas
- Outline ways in which funding under provincial programs, such as the Streamline Development Approval Fund (SDAF) or Municipal Modernization Program (MMP), has been used to streamline existing municipal development approval processes
- Information on municipal development approval timelines and whether municipalities are being appealed for non-decisions
- Identify potential measures where current lack of infrastructure capacity (e.g., water/wastewater servicing) may limit future housing development
- Strategies to use municipal surplus lands
- Commitment to plan for, fund, and approve (where applicable) specific critical municipal infrastructure to support growth and new housing (e.g., water, wastewater, transit etc.), which may include expanded capacity as well as fully new facilities/assets
- Priorities for strategic and site-specific planning decisions to expedite housing in priority areas (e.g., around transit stations and in transit-served areas)
- Update zoning by-laws to permit a greater range of housing to be built without the need for costly and lengthy rezoning applications
- Municipalities may also consider existing tools such as the Community Infrastructure and Housing Accelerator, [Community Planning Permit System](#), Major Transit Station Areas, and Protected Major Transit Station Areas.

Below are some of the potential components of a municipal housing pledge. Municipalities are free to choose, alter, or add any new components that seem reasonable. Pledges can be represented in the form of plain text, tables, charts, maps, or a combination of them.

- Municipal Housing Target
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- Planned and proposed Municipal Initiatives
- Initiative Owner and Additional Stakeholders
- Context and Description of How Initiative Accelerates Housing
- Number of units per initiative and housing type
- Considerations (Barriers, Implementation, Risks, etc.)
- Potential Mitigation Strategies and Proposal to Accelerate Housing
- Potential Reporting and Monitoring Measures

The deadline for municipalities to submit housing pledges to the Minister of Municipal Affairs and Housing is March 1, 2023.

Municipal housing pledges are intended to be public documents and it's anticipated that municipalities will post them online.

Municipalities can contact Ministry staff with any questions and for clarification.

APPENDIX “B”

Draft Municipal Housing Pledge



MUNICIPAL HOUSING PLEDGE TO COUNCIL – FEBRUARY 1, 2023

MUNICIPAL HOUSING PLEDGE
BARRIE'S MUNICIPAL HOUSING TARGET IS 23,000 UNITS BY 2031

The City of Barrie has prioritized and welcomed growth and development and commits to continuous improvement.

INITIATIVES TO BE LED BY CITY OF BARRIE STAFF TO IMPLEMENT THE MUNICIPAL HOUSING PLEDGE

Setting the Stage for Additional Housing Units - Municipal Policy & Process Initiatives

1. **New Official Plan:** The approval of the City's new Official Plan is essential to the City achieving the targets of the Municipal Housing Pledge. The City's new Official Plan is awaiting approval by the Province. This document plans for additional lands in the City and targets increased densities in residential areas and focuses on changing the built form of housing from single detached homes to row/townhouses/low-rise/ mid-rise and high-rise buildings across the City.
2. **New Zoning By-law:** Work on the new Zoning By-Law is underway and is supported by the Streamline Development Fund. The new zoning by-law will support the increased densities proposed in the new Official Plan and will be current, intending to reduce the number of zoning by-law amendments required to approve new housing units.
3. **New Community Planning Permit System:** Community Planning Permit Systems are a one stop approval for projects and can combine elements like site plan or a minor variance to the zoning by-law approved at a staff level and this tool will be explored when the foundational documents of the new Official Plan and Zoning By-law are in place.
4. **Community Improvement Plan (CIP):** The City will revise and update the CIP currently in place to encourage and support affordable housing initiatives. Since 2020, the CIP has supported the development of 248 affordable housing units.
5. **Committee of Adjustment:** Where appropriate, the City will promote the use of the Committee of Adjustment more for residential approvals. It is faster and less expensive (for smaller projects) but can only be used in the correct context.
6. **Streamline the Development Approvals Process:** The City is working with a consultant supported by the Streamline Development Fund to look at improvements to the overall development review process. Once the recommendations are received, improvements to the process will be implemented.

Anticipated unit yield by Municipal Policy Initiatives: 19,180 units as forecasted in the Municipal Comprehensive Review for the new Official Plan.

Servicing Additional Housing Units - Municipal Infrastructure Programs

7. **Capital Investments:** The City commits to reviewing and updating the Capital Plan on an annual basis to ensure infrastructure investments to support new development subject to adequate funding.
 8. **Infrastructure Master Plans:** The City is undertaking an update to all infrastructure Master Plans starting in 2023 to align planned infrastructure with the City's growth to 2051.
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 MUNICIPAL HOUSING PLEDGE TO COUNCIL – FEBRUARY 1, 2023

Building on the Policy Foundation for Additional Housing Units – Programs & Initiatives

9. **Promote the Creation of New Second and Third Dwelling Units:** Updating guidelines and support materials to encourage the creation of new second and third suites properly. Require builders to provide second and third suite options at the time of purchase and sale.

Anticipated unit yield: Currently, there are 2,465 second and third dwelling units in the City, and the City is anticipated to approve, on average, an additional 200 units per year. Continuing this trend would yield an additional 1,800 units through to 2031.

10. **New Foundations Program:** As part of the Council initiative to promote housing options on properties of churches, places of worship and institutional properties, this program is underway and is set to be completed in early 2023. The results of this program could create new housing on underutilized institutional sites in the City.

Anticipated unit yield: Preliminary work on the proposed concept plans for approximately 8 development sites could yield an additional 1,500 dwelling units through to 2031.

11. **Release Aging Securities:** The City will review the existing securities, deposits, letters of credit and certificates of insurance for projects that have not requested a full release yet for eligible works, in the hopes of "freeing up" more capital to businesses / property owners to support other development projects.

12. **Re-examine Existing Development Approvals:** The City will look at the list of existing yet unbuilt approvals and propose to the applicants a way to explore increased height and density, if applicable, as older approvals may not be viable in the current economic climate.

Anticipated unit yield: 1,400 units (based on an increase of 10% over the approved but not built units as of December 2022)

Collaboration & Partnerships

13. **Federal & Provincial Partnerships:** The City is committed to working with our government partners in any way possible to promote additional housing opportunities in the City. This can include funding partnerships, pilot projects and any other initiatives, including the support of all day, two way Go Transit / Metrolinx service.

14. **Streamline Development Fund 2022-2023:** The City is using the funds from the Provincial Streamline Development Fund to review of the development process hire additional staff, produce a new zoning by-law, and add computer software.

15. **Collaborate with Development Industry Partners:** While the City works collaboratively with the development community on an ongoing basis, the City will do targeted outreach to developers with approvals asking specifically what the City can do to assist in their development projects.

 MUNICIPAL HOUSING PLEDGE TO COUNCIL – FEBRUARY 1, 2023

Anticipated unit yield: The goal for this action item would be to increase the approved to built ratio from 30% to 50%, this would generate approximately 3,900 units based on current statistics.

16. **Outreach Initiatives:** The City will embark on an outreach program to different professional organizations to brainstorm / think tank ways to promote new housing and development such as: the Barrie Construction Association, Simcoe County Homebuilders Association, Real Estate professionals, Engineers, Architects and Registered Professional Planners.
17. **Promote Construction / Development Industry Trades / Careers:** The City will support the pledge with getting more people interested in the construction trades via job fairs and other initiatives, such as secondary school outreach programs to talk about careers in the trades and development industry, promote co-operative education programs and other initiatives to create and keep talent in the area.

Reporting and Monitoring Measures

18. **Monitor:** The City will undertake a robust monitoring program to measure the success of the initiatives and will update Council on a semi-annual basis with adjustments to the implementation of the Municipal Housing Pledge as necessary.
19. **Public Facing Information:** The City will ensure that the monitoring of the implementation of the Municipal Housing Pledge through accurate and transparent data about the development approvals process.

ITEMS THAT WILL IMPACT THE CITY ACHIEVING THE MUNICIPAL HOUSING PLEDGE THAT ARE BEYOND THE CITY OF BARRIE'S CONTROL

Approval of the New Official Plan

Issue: Without the approval of the Official Plan the City is limited in land availability, density targets and building types to create additional units.

Build Out of Approved Units

Issue: Approximately 30% of all units approved since 2015 have been constructed. Progress of approved units to construction is largely dependent on developers and their business motivation.

Changing Legislative Environment and Provincial Role in Approvals

Issue: Changing legislation combined with the Provincial oversight of some types of approvals can impact the momentum of private and municipal development and infrastructure projects.

Build Out of New and Improved Infrastructure

Issue: Ensuring the timing of infrastructure aligns with the need for servicing growth is dependent on the consistent and timely inflow of development charges to reduce pressures on municipal capital budgets.

Shortage of Talent

Issue: Availability of skilled talent in the Barrie area and the need for colleges, universities, apprenticeship programs, and professional organizations to promote careers in the development field within the Barrie area.

 MUNICIPAL HOUSING PLEDGE TO COUNCIL – FEBRUARY 1, 2023

State of the Economy

Issue: Increasing interest rates and inflation impact the housing market and the economy as a whole including market fluctuations and affecting conditions that influence developers' business cases.

Any and all of the above conditions will impact the City's ability to achieve the Municipal Housing Pledge by 2031.

The City of Barrie pledges to the Minister of Municipal Affairs and Housing to facilitate the construction of 23,000 housing units by 2031.

At the time of writing this pledge, the City's has 13,916 housing units approved. The approval of the City's new Official Plan would lay the foundation for an additional 19,180 residential units by 2031 as outlined in the Municipal Comprehensive Review in support of the Official Plan. An additional 37,037 units are proposed through to 2051 to achieve the population target of 298,000 in *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* for the City of Barrie.

While not all of the initiatives proposed or underway would increase the number of housing units, they would set the stage for additional housing units. These initiatives and programs by the City would add to the housing supply and demonstrate the City's true commitment to focusing on matters within the control of the municipality to facilitate the construction of additional homes in our community.

Signed by:

Mayor Alex Nuttall
City of Barrie
March 1, 2023