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TO: MAYOR A. NUTTALL AND MEMBERS OF COUNCIL

FROM: J. ROBERTS, MANAGER STRATEGIC INITIATIVES, POLICY AND ANALYSIS

EXT. 4705

WARD: ALL

NOTED: M. BANFIELD, RPP, EXECUTIVE DIRECTOR OF DEVELOPMENT SERVICES

M. PROWSE, CHIEF ADMINSTRATIVE OFFICER

RE: UPDATE ON THE AFFORDABLE HOUSING STRATEGY IMPLEMENTATION

PLAN

DATE: MAY 8, 2024

The purpose of this Memorandum is to provide members of Council with an update on the City of Barrie's Affordable Housing Strategy Implementation Plan.

Background

Affordable Housing Strategy

On January 17, 2024, Council passed Motion 24-G-005 to adopt the Affordable Housing Strategy, in accordance with a staff recommendation in Staff Report DEV002-24. This strategy outlines nine actions to take to improve housing affordability beginning in 2024 and beyond. The Action Plan is attached as Appendix "B".

Staff committed to bring forward an implementation plan to Affordability Committee in June 2024.

Housing Accelerator Fund (HAF)

However, not long after the adoption of the Affordable Housing Strategy, the <u>Federal government announced</u> the City of Barrie was successful in obtaining HAF funding on March 14, 2024. Through this project, the City of Barrie will receive \$25,684,990 over the three-year program with a commitment to complete our submitted Action Plan and have 6,825 housing starts* by March 31, 2027. The Action Plan is attached as Appendix "C".

*The 6,825 housing starts includes 688 units fast-tracked by the HAF funding and includes a target of 210 of 688 housing starts to be affordable.

Year 1 funding in the amount of \$6,466,247.50 has already been received by the City, while Year 2 funding is dependent upon the City meeting Action Plan milestones. Similarly, Year 3 funding is dependent on the City meeting its housing targets.

In the updated memo provided to Council on March 27, 2024, staff committed to report back to Council with a detailed implementation plan before the end of September 2024.

Municipal Pledge

On October 25, 2022, the Minister of Municipal Affairs and Housing advised that the City of Barrie's Municipal Housing Target is 23,000 new homes before 2031 and requested a response to this pledge by



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March 1, 2023. On February 1, 2023, Council endorsed the Municipal Pledge as presented by staff in Staff Report DEV005-23. This pledge outlined 19 items the City would undertake to help increase the housing supply, including the strategies and actions the City will adopt to meet the pledge.

The Municipal Pledge, as submitted to the Minister of Municipal Affairs and Housing, is attached as Appendix "D".

On August 21, 2023, the Province announced the Building Faster Fund, a new three-year, \$1.2 billion program that will provide up to \$400 million per year to municipalities that meet or exceed their annual housing targets.

On October 23, 2023, the Minister of Municipal Affairs and Housing further advised the City of Barrie of annual housing targets that must be achieved over the next three years for the City to be eligible for Building Faster Funding.

Target	2023	2024	2025
Housing Starts	1,687	1,917	2,300

In 2023, the City of Barrie <u>exceeded the Provincial housing target</u> and on March 15, 2024, received \$6.3 million from the Building Faster Fund.

Analysis

Upon comparing the initiatives in the Affordable Housing Strategy, Housing Accelerator Fund Action Plan and Municipal Pledge, it is clear that there is alignment and overlap between the work required to fulfil the City's commitments to deliver on the Federal, Provincial and local work as outlined in each plan. A comparison of this work is outlined in Appendix "A".

Next Steps

Staff continue to move forward initiatives within the above strategies/plans that are time sensitive such as the redevelopment of the Community Improvement Plan (CIP) and implementing the recently approved Zoning By-law Amendment to permit four units on residential lands.

Rather than reporting back in June 2024 on one initiative, given the recent funding announcements, staff need to take this opportunity to align all of this work in an overarching Housing Strategy implementation plan. A report back to Council before the end of September will include an implementation plan to maximize the use of the Federal and Provincial funding with a focus on ensuring the requirements for future funding are met to the greatest extent possible with the completion of tasks that are within the control of the City. The plan will detail housing initiatives, including a full resourcing, budget, and strategic communications plan, understanding that we will need to create a cross-functional project team to successfully complete all of this work and meet the funding and housing pledge initiatives in the next three to eight years.



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APPENDIX "A"

Committed Initiatives

*Initiatives <u>italicized</u> are identified in more than one plan or pledge

Affordable Housing Strategy Action Plan	Housing Accelerator Fund Action Plan	Municipal Pledge
Undertake a comprehensive review of the City's Zoning By-law (Underway)	Policy reform to Facilitate Growth Implement a Community Permit Planning System New Zoning By-law	New Official Plan
Update the City's Existing Incentive Program and Increase the Annual Budget (Underway)	Incentivize the creation of new affordable housing units Partner with Non-profits Continuation of New Foundations Program Revamp Community Improvement Plan (CIP)	New Zoning By-law
Use Public Land to Deliver New Affordable Housing (Underway)	Evaluate municipal and non-profit Land opportunities for Affordable Housing	New Community Planning Permit System
Work Towards a Decision Faster (Shorten Approval Timelines) (Continuously evaluated for improvements)	Incentives to move from Development Approval to Permitted Units Financial Incentive Program (CIP) Outreach program	Update existing Community Improvement Plan
Create a Concierge Program Connecting Parties Who are Interested in Partnering to Deliver New Housing	Service Enhancements – Streamline permitting process and enhanced customer service Concierge Service Robust information packages FastTrack program Monitoring program	Streamline the Development Approval Process
Enhance the Simcoe County Secondary Suite Program for Barrie (Barrie Bonus, financial incentive)	Enable Electronic Payments for Development Applications and associated fees	Promote Committee of Adjustment
Enact a Rental Replacement By-law to Preserve Existing Rental Stock	Encourage and Incentivize Additional Dwelling Units this includes permission for 4 units as of right wherever zoning currently permits single, semi or street townhouses	Promote the Creation of New Second and Third Dwelling Units



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Continue Shifting the Public Discourse	Growth Modeling and forecasting	Update Infrastructure Master Plans
Around Growth, Density and Affordable	Purchase a growth forecasting tool	
Housing	Develop an Allocation Policy	
	Update Infrastructure Modeling with development applications, Fire Flow testing, live water model, wastewater capacity	
Explore the Potential for Inclusionary	System Improvements/ Enhancements to the current E-	Capital Investments to ensure infrastructure
Zoning in Barrie	Permitting System	investments support new development
	Document Management System	
	Mobile Inspections	
		New Foundations Program
		Release Aging Securities
		Re-examine Existing Development Approvals
		Federal & Provincial Partnerships
		Streamline Development Fund 2022-2023
		Collaborate with Development Industry Partners
		Outreach Initiatives
		Promote Construction / Development Industry
		Trades / Careers
		The City will undertake a robust monitoring program
		to measure the success of the initiatives
		Public Facing Information



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APPENDIX "B"

Affordable Housing Strategy Action Items

Table 3

Recommended Action Items City of Barrie Updated Affordable Housing Strategy				
	Impact (1 to 5)	Cost (\$ to \$\$\$)	Timeline (Immediate to Long-Term)	
Recommended Action Items				
Undertake a Comprehensive Review of the City's Zoning By-Law	5	\$	Near	
Update the City's Existing Incentive Program and Increase the Annual Budget	5	\$\$\$	Near	
Use Public Land to Deliver New Affordable Housing	5	\$\$/\$\$\$	Medium	
Work Towards a Decision Faster (Shorten Approvals Timelines)	4	\$\$	Medium	
Create a Concierge Program to Connect Parties Who are Interested in Partnering to Deliver New Housing	4	\$	Near	
Enhance the Simcoe County Secondary Suite Program for Barrie (Barrie Bonus)	3	\$\$/\$\$\$	Near	
Enact a Rental Replacement By-law to Preserve Existing Rental Stock	3	\$	Near	
Continue Shifting the Public Discourse Around Growth, Density, and Affordable Housing	3	\$	Immediate	
Explore the Potential for Inclusionary Zoning in Barrie	3	\$\$/\$\$\$	Medium	

Notes: Impact (1 being lowest, 5 being highest) | Cost (\$: no cost to less than \$100,000) (\$\$: \$100,000 - \$1M) (\$\$\$: \$1M+) | Timeline (Near-Term is within one year; medium-term is within one to three years; long-term is more than three years)



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APPENDIX "C"

Housing Accelerator Fund Action Plan

Action Plan Initiative #	Action Plan Initiative	Details
1	System Improvements/ Enhancements to the current E-Permitting System	 Implement a document management system within APLI Implement mobile inspections for Building inspectors
2	Enable Electronic Payments for Development Applications and associated fees	Implement a system to allow the entire development and building permit process to be handled electronically including the payment of required fees
3	Incentivize the creation of new affordable housing units	 Partner with Non-Profits who have concept plans for affordable units to assist them get them building permits. Community Improvement Plan for Affordable Housing
4	Incentives to move from Development Approval to Permitted Units	 Incentivize approved development applications to pull building permits Outreach to the development community to learn about barriers approvals are facing
5	Policy reform to Facilitate Growth	 Implement a Community Permitting Planning System (CPPS) New comprehensive Zoning by-law to encourage affordable and 'missing middle' units (Project underway)
6	Evaluate Land opportunities for Affordable Housing	 Evaluate municipal and non-profit land holdings to find suitable sites for affordable housing Evaluate opportunities, complete development feasibility studies for top options
7	Encourage and Incentivize Additional Dwelling Units this includes permission for 4 units as of right wherever zoning currently permits single, semi or street townhouses	 Implementing the required policy framework to permit 4 units as of right wherever zoning currently permits single, semi or street townhouses (Process underway) Provide information and financial incentives towards the increased construction of accessory dwelling units on existing suitable lots
8	Growth Modeling and forecasting	 Implement a growth forecasting software, enhance current tracking and monitoring. Update Infrastructure Modeling
9	Service Enhancements – Streamline permitting process and enhanced customer service	This initiative involves systemic change to the approvals process to expediate both building and planning approvals. Changes include additional staffing, enhanced hours of operations, and fast track permitting program



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APPENDIX "D" Municipal 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.
- 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 bylaw 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 bylaw 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.
- 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.
- 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.
- 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.

<u>Anticipated unit yield by Municipal Policy Initiatives</u>: 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.

<u>Anticipated unit yield</u>: 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.



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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.



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MUNICIPAL HOUSING PLEDGE TO COUNCIL - FEBRUARY 1, 2023

State of the Economy

<u>Issue</u>: 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