
TO:	GENERAL COMMITTEE
SUBJECT:	AFFORDABLE HOUSING STRATEGY
WARD:	ALL
PREPARED BY AND KEY CONTACT:	J. ROBERTS, MANAGER OF STRATEGIC INITIATIVES, POLICY AND ANALYSIS, EXT. 4705
SUBMITTED BY:	M. BANFIELD, RPP, DIRECTOR OF DEVELOPMENT SERVICES
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CHIEF ADMINISTRATIVE OFFICER APPROVAL:	M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the City of Barrie's Affordable Housing Strategy (AHS) dated November 2023 attached as Appendix "A" to Staff Report DEV002-24 be the guiding strategy for the City to action on housing affordability in 2024 and beyond as resources and budget allow, be approved.
2. That staff in the Development Services Department bring forward an implementation plan, including any budget requirements, and report back to the Affordability Committee by June 2024.

PURPOSE & BACKGROUND

3. The purpose of this Staff Report is to present Council with a new Affordable Housing Strategy to replace the existing 2014 Affordable Housing Strategy.
4. In early 2023 staff began work with N. Barry Lyons Consulting (NBLC) to complete the new Affordable Housing Strategy as directed by Council in Staff Report DEV015-22. Work to create a new strategy was completed in three phases:
 - i) Housing Needs Assessment – Presented to Council June 7th, 2023 (Included as Appendix "D" of the Affordable Housing Strategy)
 - ii) Recommending Policy – Strategic Directions Options – Presented to Council September 28th, 2023 (Included as Appendix "B" of the Affordable Housing Strategy)
 - iii) Final Affordable Housing Strategy – Appendix "A" of the staff report.
5. Public consultation and community engagement was a large focus of the project. The goals of consultation were to educate the public about the affordable housing strategy, seek feedback related to housing needs, housing supply and sought broadly to understand what residents believed the solutions to affordable housing should be.
6. Engagement was held both in person and virtually using surveys and forums on buildingbarrie.ca/affordablehousing
7. Two in-person meetings were held with the public in 2023; an Affordable Housing Symposium on May 4th to have meaningful conversations about affordability in our community and an Open House on November 15th to educate and discuss the draft policy options, soliciting direction on which

policy recommendations would be the most impactful and which we the most important to stakeholders.

8. Staff engaged frequently with the Technical Advisory Committee to help guide the development of the strategy.
9. The Technical Advisory Committee was made up of stakeholders across the housing community and included, the County of Simcoe, Redwood Park Communities, Barrie Housing, Simcoe County Alliance to End Homelessness (SCATEH) – Barrie Chapter, Georgian College, Camphill Foundation, MCL Architects and Chantel + Michael Realty Group Brokerage. A diverse cross-section of stakeholders who all have a vested interest in developing affordable housing within the City of Barrie. Their feedback and input were imperative to creating the final strategy.
10. More details on all engagement sessions can be found in the “What we heard report”, presented in Appendix “C” of the Strategy.

ANALYSIS

11. The first stage in the updated strategy was the Housing Needs Assessment and it outlined the urgency and need to address housing affordability within the City of Barrie. The assessment defined the affordability thresholds of the community by income decile for both the ownership and rental market, defining the maximum affordable purchase price and maximum monthly rental rate based on housing costs of 30% of gross household income.

Ownership Affordability Thresholds			
Income Group	Decile Group	All Household Income	Affordable Purchase Price
Low Income	1 st	\$35,343	\$117,237
	2 nd	\$53,014	\$175,855
	3 rd	\$69,360	\$230,077
Moderate Income	4 th	\$85,595	\$283,933
	5 th	\$102,714	\$340,719
	6 th	\$120,386	\$399,338
High Income	7 th	\$142,475	\$472,610
	8 th	\$171,191	\$571,018
	9 th	\$216,473	\$728,207

Rental Affordability Thresholds			
Income Group	Decile Group	All Household Income	Affordable Rental Price
Low Income	1 st	\$25,402	\$635
	2 nd	\$35,784	\$895
	3 rd	\$47,271	\$1,182
Moderate Income	4 th	\$56,990	\$1,425
	5 th	\$69,360	\$1,734
	6 th	\$81,730	\$2,043
High Income	7 th	\$97,192	\$2,430
	8 th	\$117,072	\$2,927
	9 th	\$149,102	\$3,728

12. The Official Plan defines *Affordable* as:

- a) In the case of ownership housing, the least expensive of:
 - i) Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate income households; or,
 - ii) Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area; or,
- b) In the case of rental housing, the least expensive of:
 - i) A unit for which the rent does not exceed 30% of gross annual household income for low and moderate income households; or,
 - ii) A unit for which the rent is at or below the average market rent of a unit in the regional market area.

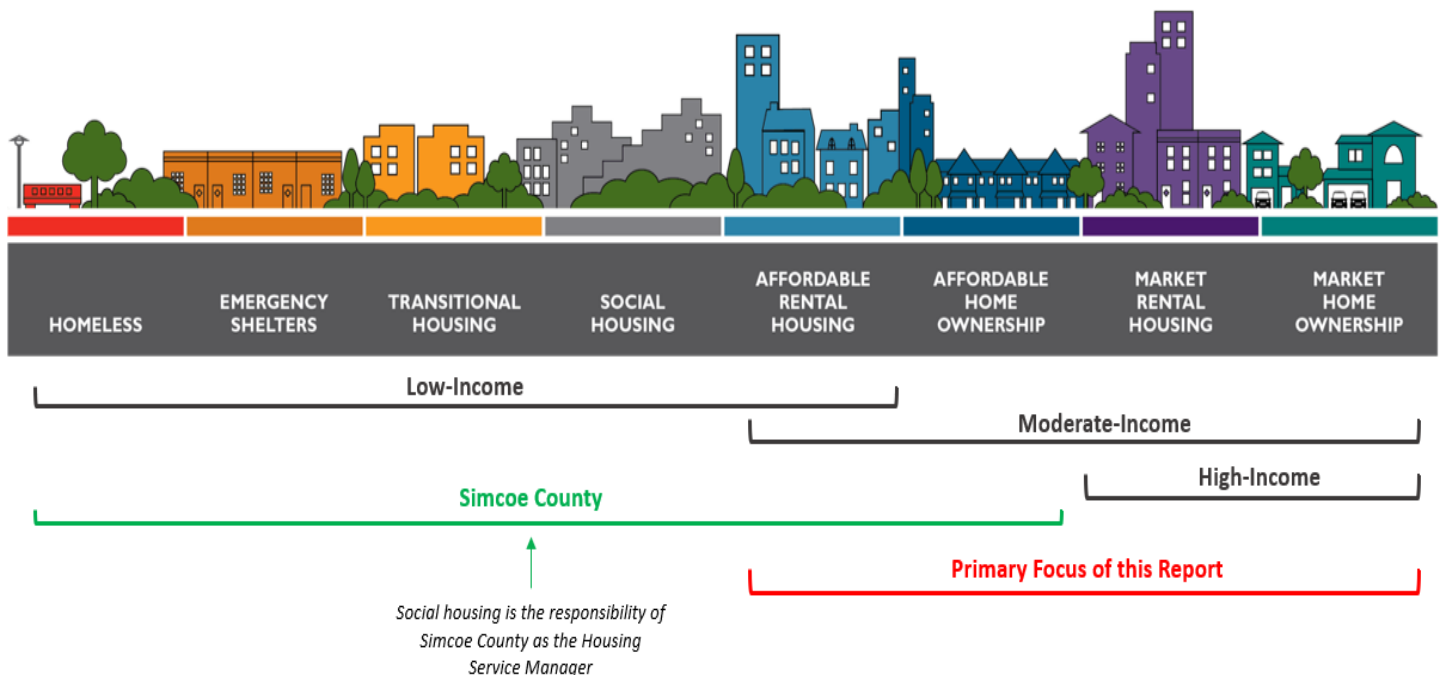
13. Typically, there is one number defined as the affordable purchase / rental price, this is considered the 6th income decile (the top of the low/moderate income). Based on the Housing Needs Assessment the current affordable purchase price is \$399,338 and monthly rental rate is \$2,043.

14. Key findings from the Housing Needs Assessment were that average prices for ownership housing are almost entirely unaffordable to households below the 9th income decile, with pricing for market-rate rental housing is mostly unaffordable to households below the 7th income decile.

15. Amongst ownership options, only resale one bedroom condominium apartments offer an average price point that is affordable for groups below the 9th income decile 8th only. The price of single detached homes exceeds all income deciles for affordability.
16. Below the 7th income decile, the affordable market rate rental options were limited mostly to small apartments and basement units.
17. Based on the above, we can conclude that both ownership and rental affordability is significantly strained across the City of Barrie.

THE AFFORDABLE HOUSING STRATEGY

18. The Affordable Housing Strategy focuses on actions to improve housing affordability across the City, however it is important to highlight the Housing Continuum and our partners, Simcoe County who are appointed as the City's Housing Service Manager under the *Housing Services Act, 2011* and are responsible for providing services such as; emergency shelters, transitional housing and social housing.



19. The City of Barrie provides annual funding to the County of Simcoe to provide these services for the City.
20. The Affordable Housing Strategy outlines 9 actions to be taken to address affordability.
 1. Undertake a comprehensive review of the City's Zoning By-law (*Underway*)
 2. Update the City's Existing Incentive Program and Increase the Annual Budget
 3. Use Public Land to Deliver New Affordable Housing (*Underway*)
 4. Work Towards a Decision Faster (Shorten Approval Timelines) (*Continuously evaluated for improvements*)
 5. Create a Concierge Program Connecting Parties Who are Interested in Partnering to Deliver New Housing
 6. Enhance the Simcoe County Secondary Suite Program for Barrie (Barrie Bonus)

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7. Enact a Rental Replacement By-law to Preserve Existing Rental Stock
 8. Continue Shifting the Public Discourse Around Growth, Density and Affordable Housing
 9. Explore the Potential for Inclusionary Zoning in Barrie (*connected to #1*)
21. The Strategy also outlines additional considerations and advocacy initiatives that should be considered through the implementation of the Strategy. Some of these items can be undertaken by the City of Barrie alone, others are initiatives which require direct participation from the Provincial and Federal governments.
22. Additional Considerations for the City of Barrie
- Invest Budget Surpluses into Desired Housing Outcomes
 - Explore the Potential for Density Bonusing for Priority Projects
 - Ensure the City has Robust Data Collection to Support Good Decision-Making
 - Be Encouraging of Non-Traditional Construction Techniques, Housing Tenures, and Funding Models
 - Require Housing Above or in Conjunction with New Public / Community Facilities
 - Declare Housing as a Human Right
23. Advocacy Initiatives
- Advocate for the Elimination or Deferral of HST on New Purpose-Built Rental Developments* (we have seen action from both the Federal and Provincial government on this initiative since the writing of the Affordable Housing report)
 - Advocate to CMHC for More Streamlined Access to Funding and Financing Programs
 - Advocate for More Revenue Tools to Reduce the Burden on the Property Tax Base
 - Ask the Province to Define Attainable Housing and Incentivize It
 - Advocate for Increased Labour Supply for New Development
 - Advocate for More Progressive Property Taxation Options
 - Advocate for Simcoe County and the Province to Fund Social Housing as Operating Agreements Expire
 - Advocate to Upper Levels of Government for More Tenant Protections
 - Advocate for Housing Funding/Investments to Align with Population (including student) Growth Targets
 - Advocate for Streamlined and Predictable Approvals Processes from Other Levels of Government and Governmental Agencies
 - Leverage the Collective Power of Municipalities in Advocacy

Implementation and monitoring

24. Staff will begin to work on an implementation plan of the strategy and provide annual updates to Council with a new Affordable Housing report card using the defined metrics in Appendix "D" of the Strategy. Some of those metrics include:
- % of change in rental vacancy
 - % change in average market rent
 - % change in the average resale price in Barrie
 - Number of affordable units created

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- % change in affordable housing wait list
 - Number of housing starts
 - +/- change in Accessory Dwelling Units
 - +/- change in County – funded second suites
25. NLBC recommends reporting to Council on an annual basis in two ways, the first being report on overall housing market indicators, the second is to include process on monitoring of specific actions/initiatives.
 26. The reporting metrics chosen include market indicators that illustrate whether housing affordability is improving or worsening. Market indicators provide more comprehensive information on the overall state of affordability in Barrie.
 27. Market indicators are preferred over the selection of a specific housing target of new units created, as was done in the previous Affordable Housing Strategy which set a goal of constructing 840 affordable housing units by 2025. The target was achieved in 2020, and yet affordability in Barrie is at an all-time high.
 28. The report will monitor the effectiveness of budget amounts allocated to each initiative and the recommended strategies themselves to ensure they are achieving desired outcomes. If outcomes are not being achieved, staff will aim to uncover the factors limiting success and recommend changes for Council to consider.
 29. It should be noted that the Strategy as presented is a snapshot in time and will require consistent monitoring, as with any long-term strategy, a wide variety of market, policy, funding, political, and other shifts will undoubtedly require changes in direction as the strategy evolves.
 30. On December 6, 2023, Bill 150, *Planning Statute Law Amendment Act, 2023* was given royal assent bringing into effect the Official Plan as adopted by Council in 2022. This brings into effect policies that require 15% of all new housing units each year to be affordable. There are specific policy targets for the Urban Growth Centre (UCG) and Major Transit Station Areas (MTSA) and requirements for medium and high-density land designations. All development proposals with more than 40 residential dwelling units proposed are required to demonstrate the provision of affordable housing units.
 31. On December 6, 2023, Bill 134, *Affordable Homes and Good Jobs Act, 2023* received royal assent, which amended the Development Charges Act, 1997 to create new definitions for the sections which exempt affordable residential units from development charges.
 32. Bill 134 further amends the Development Charges Act, 1997 to change definitions for affordable residential units (rental and ownership) and to introduce “income based” rents and purchase prices. These definitions, as amended by Bill 134, are defined below.

Affordable Residential Unit, Rental

A residential unit intended for use as a rented residential premises shall be considered to be an affordable residential unit if it meets the following criteria:

The rent is no greater than the lesser of:

- i. The income-based affordable rent for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing; and
- ii. The average market rent identified for the residential unit set out in the Affordable Residential Units bulletin.

Income-Based Affordable Rent

In identifying the income-based affordable rent applicable to a residential unit, the Minister of Municipal Affairs and Housing shall:

- i. Determine the income of a household that, in the Minister's opinion, is at the 60th percentile of gross annual incomes for renter households in the applicable local municipality; and
- ii. Identify the rent that, in the Minister's opinion, is equal to 30 per cent of the income of the household.

Affordable Residential Unit, Ownership

A residential unit not intended for use as a rented residential premises shall be considered to be an affordable residential unit if it meets the following criteria:

The price of the residential unit is no greater than the lesser of:

- i. The income-based affordable purchase price for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (6); and
- ii. 90 per cent of the average purchase price identified for the residential unit set out in the Affordable Residential Units bulletin.

Income-Based Purchase Price

In identifying the income-based affordable purchase price applicable to a residential unit, the Minister of Municipal Affairs and Housing shall:

- i. Determine the income of a household that, in the Minister's opinion, is at the 60th percentile of gross annual incomes for households in the applicable local municipality; and
- ii. Identify the purchase price that, in the Minister's opinion, would result in annual accommodation costs equal to 30 per cent of the income of the household.

-
33. As of December 19, 2023, the Affordable Residential Units bulletin had yet to be released by the Province.
34. These amended definitions (and the overarching development charge exemptions for affordable and attainable units first introduced by Bill 23) are not yet in force and will come into force on a day to be named by proclamation of the Lieutenant Governor of Ontario.
35. Staff will continue to work on implementation strategies of the Official Plan affordable housing policies and to understand the financial impacts to development charges revenues given the recent change to the definitions of affordable.
36. Should any changes be required to the Affordable Housing Strategy based on future Provincial legislation or regulation, these will be brought forward for Council consideration at that time.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

37. The following environmental and climate change impact matters have been considered in the development of the recommendation:
- a) Building more affordable housing provides housing options that allow people to live closer to work and school and reduces the need to travel by private car and has the potential to reduce greenhouse gas emissions.

ALTERNATIVES

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

Alternative #1

General Committee could not adopt the Affordable Housing strategy as presented in Appendix "A".

This alternative is not recommended, as the attached reports highlight the need to implement an update housing strategy to help achieve affordability and get more affordable housing built within the scope of the City's role in housing, including its reliance on the County of Simcoe for emergency, transitional and social housing.

FINANCIAL

39. There are no immediate financial implications for the Corporation resulting from the proposed recommendation. Budget required through the implementation of the strategy will be presented through the annual budget process for Council's consideration or through a staff report.
40. NBLC recommends that the Community Improvement Plan (CIP) for Affordable Housing be funded with an annual budget of \$3 million or more moving forward. The CIP received 1.2 million in funding for 2024, \$660,000 (55%) is allocated to the Affordable Housing CIP.

LINKAGE TO 2022-2026 STRATEGIC PLAN

41. The recommendation(s) included in this Staff Report support the following goals identified in the 2022-2026 Strategic Plan:

Affordable Place to Live

The proposed Affordable Housing Strategy has been designed to include action items and initiatives directly related to improving the affordability in Barrie, for example an updated comprehensive Zoning By-law would expand the list of permitted housing types which could lead to the creation of a broader range of housing types and increase the housing supply in the city.

Community Safety

The proposed Affordable Housing Strategy positions the City to get more affordable housing built and collaborate to address social issues, especially homelessness.

Thriving Communities

The proposed Affordable Housing Strategy will improve affordability allowing for more residents to purchase or rent at an affordable rate, improving quality of life.

Responsible Governance

The City of Barrie is taking a leadership role in what municipalities can do to address the housing crisis for new and existing residents and focuses on true community building.

APPENDIX "A"
Affordable Housing Strategy

An aerial photograph of Barrie, Ontario, showing a mix of residential, commercial, and industrial areas. A large blue semi-transparent rectangle is overlaid on the center of the image, containing the title text.

Affordable Housing Strategy

City of Barrie

December 2023

nblc
Trusted advisors since 1976.



City of Barrie

Affordable Housing Strategy

Table of Contents

1.0	Introduction	1
2.0	Summary of Housing Needs in Barrie.....	5
3.0	Public and Stakeholder Consultation	9
4.0	Affordable Housing Strategies.....	13
5.0	Additional Considerations and Advocacy Initiatives	38
6.0	Monitoring and Reporting.....	39

Appendix A: Housing Needs Assessment

Appendix B: Strategic Direction Option Report

Appendix C: Consultation Summary

Appendix D: Monitoring Template

Disclaimer:

The conclusions contained in this report have been prepared based on both primary and secondary data sources. NBLC makes every effort to ensure the data is correct but cannot guarantee its accuracy. It is also important to note that it is not possible to fully document all factors or account for all changes that may occur in the future and influence the viability of any development. NBLC, therefore, assumes no responsibility for losses sustained as a result of implementing any recommendation provided in this report. This report has been prepared solely for the purposes outlined herein and is not to be relied upon, or used for any other purposes, or by any other party without prior written authorization from N. Barry Lyon Consultants Limited.

1.0 Introduction

nblc

The City of Barrie ('the City') retained N. Barry Lyon Consultants Limited ('NBLC') in early 2023 to develop an Affordable Housing Strategy ('AHS') as a new 10-year update to their current strategy that has been in place since 2015. This updated AHS provides the City with an actionable plan to address the affordability challenges experienced by current and future residents.

The affordability profile and overall housing gaps have shifted significantly since the 2015 AHS was adopted, with both rents and home prices rising significantly over this period. This has created significant affordability pressures across a much wider spectrum of the income distribution and housing continuum. The 2015 AHS established a target of 840 affordable units, which the City has since exceeded. Despite exceeding this target, affordability continues to erode as the housing crisis intensifies across Barrie, the wider Greater Golden Horseshoe, and Canada more broadly.

The City has decided to revisit the current strategy and prepare a comprehensive update that is intended to more closely align with current housing needs, affordability pressures, housing targets, affordable

housing definitions, development economics, funding availability, and overall demand characteristics.

Phase 1 of the AHS was the completion (May 2023) of a detailed Housing Needs Assessment ('HNA') that provides a foundational assessment of housing needs and affordability challenges in Barrie. The HNA establishes current conditions and guides the recommendations brought forward through the AHS.

Phase 2 of the AHS was a Strategic Direction Options report (August 2023), which provides a discussion of why housing affordability is worsening and offers a preliminary list of potential options for the City to consider as they look to address affordability issues in the community. These options were subsequently refined through consultation with stakeholders, the public, the City's AHS technical advisory committee, City staff, and Council.

This AHS focuses on the housing needs of low- and moderate-income households in the City, while also highlighting the roles and responsibilities of Simcoe County as Service Manager (i.e., responsible for low-income housing) as well as senior levels of government.

Table 1 summarizes household incomes in the City of Barrie by decile group and household type in 2022. Using these incomes, the affordable purchase price and rental rate for each decile group is estimated. Low-and moderate-income households are highlighted in the red box.

These households can afford to purchase a home in the range of \$117,000 (or less) to \$400,000 or to rent a home that is between \$635 (or less) and \$2,043 per month. It is the creation and maintenance of housing at these price points that this AHS strives to achieve.

Table 1

Household Incomes by Decile 2022, City of Barrie					
Income Group	Income Decile	All Household Income [^]	Affordable Purchase Price [*]	Renter Household Income [^]	Affordable Monthly Rent [*]
Low Income	1st	\$35,343	\$117,237	\$25,402	\$635
	2nd	\$53,014	\$175,855	\$35,784	\$895
	3rd	\$69,360	\$230,077	\$47,271	\$1,182
Moderate Income	4th	\$85,595	\$283,933	\$56,990	\$1,425
	5th	\$102,714	\$340,719	\$69,360	\$1,734
	6th	\$120,386	\$399,338	\$81,730	\$2,043
High Income	7th	\$142,475	\$472,610	\$97,192	\$2,430
	8th	\$171,191	\$571,018	\$117,072	\$2,927
	9th	\$216,473	\$728,207	\$149,102	\$3,728

Note: Income deciles divide the population into 10 equal-sized groups according to total income. Those in the bottom decile group are the ones who fall in the lowest 10% of the total income distribution. Those in the top decile group are the ones who fall in the highest 10% of the total income distribution.

[^]Incomes from 2021 Census of Canada Custom Tabulation, inflated to 2022 using CPI (Canada).

^{*}Affordability thresholds assume shelter costs do not exceed 30% of gross household income. Affordable ownership thresholds include mortgage (25 years, minimum 5% downpayment, 1.16% property tax payment, 4% of loan amount for CMHC mortgage insurance, five year fixed mortgage rate 6.5%). Affordable rental thresholds based on 30% of gross household income.

Source: Statistics Canada, N. Barry Lyon Consultants Ltd.

1.1 Roles and Responsibilities Across the Housing Continuum

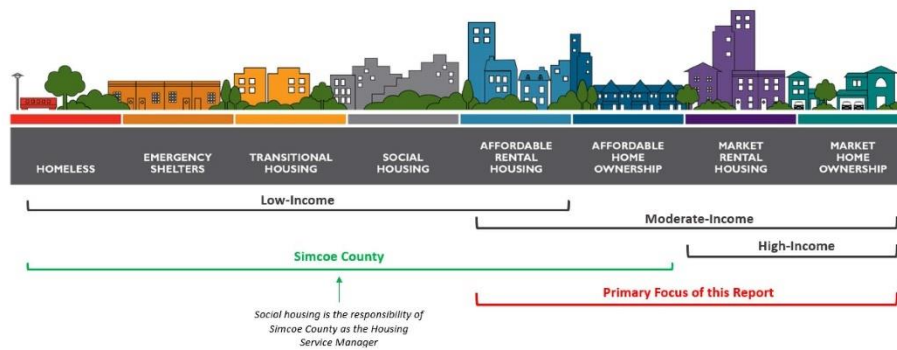
Simcoe County, in their role as Service Manager, are responsible for the needs of low-income households in the County of Simcoe and City of Barrie (**Figure 1**). The County is currently updating the Housing and Homelessness Plan that will address the shelter and housing needs of low-income households.

This AHS therefore primarily focuses on strategies that the City can implement to improve housing options for

moderate-income households, while also supporting the County in the provision of lower income housing.

Senior levels of government, including agencies such as the Canada Mortgage and Housing Corporation (CMHC), also play a role in addressing housing needs through the provision of funding and financing for new housing projects through the National Housing Strategy, funding programs like the Housing Accelerator Fund (HAF), and other relevant programs.

Figure 1: Housing Continuum





Private developers provide most of the housing in Barrie. The housing provided is at market value, which is increasingly beyond what low- and moderate-income households can afford to pay. As will be explored throughout this report, there are opportunities to leverage the private sector to deliver a broader range of housing outcomes and pricing levels through strategic policy and financial interventions.

Non-profit housing providers currently maintain a stock of affordable housing for low-income households in the City. These groups can also play a larger role in the delivery of affordable housing and services, particularly for low-income households in need of rental housing. These groups require greater financial and administrative support to advance new housing. This strategy intends to offer opportunities to enhance the presence and participation of non-profits in the Barrie market.

Residents and Employers also play a role as advocates for safe and appropriate housing for all residents. Barrie residents and employers should be open to new development in the community to begin to address the current shortage of housing of all types. Residents can also create rental housing opportunities

within their home through the creation of additional dwelling units (e.g., basement apartment, garden suite/coach house, etc.) which is also supported with funding through Simcoe County's Secondary Suites Incentive Program. Further, residents and employers can invest in social financing networks and take bolder action such as creating a land trust or housing co-ops.

2.0 Summary of Housing Needs in Barrie

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A Housing Needs Assessment ('HNA') was completed in May 2023 with the intention of providing a foundational assessment of housing needs and affordability challenges in the City of Barrie to guide the Affordable Housing Strategy. The following are key takeaways from the HNA:

- There are **next to no options in the market for low and moderate-income households** in both ownership and rental tenures.
- **New rental housing development has been stagnant in recent decades** despite renters driving household growth in Barrie. Only 350 net new units have been added to Barrie's rental supply in the past 20 years according to CMHC. Limited new development has required that the secondary market fill the gap between supply and demand, but private leases do not provide tenants with the same security of tenure as purpose-built rentals.
- **Rental rates have been rising rapidly**, with most options now exceeding \$2,000 per month. The vacancy rate is also well below balanced conditions, indicating very little choice and availability for renter households, particularly those seeking more affordable options.
- **Renter households are far more likely than owners to be in Core Housing Need** (i.e., living in unaffordable, unsuitable, and/or inadequate housing) in Barrie. There are currently more than 5,000 renter households living in unaffordable and/or unsuitable housing relative to their needs.
- While residential building permits are above average for 2023, the **supply of ownership housing is not meeting demand**, particularly for low and moderate-income households.
- Barrie's **ownership housing stock has experienced significant price growth over the last decade** – with average resale prices rising 172%, compared to just 34% for average incomes. Most households, and particularly first-time home buyers, would be challenged to buy a new or resale home in the Barrie market today.
- A lack of affordability in the ownership market is **driving 'would-be' purchasers to the already constrained rental market**.
- To accommodate the forecasted population growth to 2051, **more than 58,000 new homes will be needed**, or about 1,950 homes annually. This will require a significant increase in construction activity



relative to recent years (average of 530 housing completions annually since 2006).

- **There are nearly 5,000 households waiting for social housing in Simcoe County**, 60% of which are seeking a home in the City of Barrie. There is a clear need for increased social and low-income housing in the City.
- **Renter households below the 5th income decile will largely require affordable rental housing** that is well-below what the market will produce naturally without incentive and financing support.

Table 2 synthesizes the market information collected by NBLC as part of the HNA with the income decile data from Statistics Canada to understand the market and non-market housing that is affordable to households in Barrie. This helps to visualize what is or is not affordable to different income groups in Barrie's housing market today. The full Housing Needs Assessment report can be found in **Appendix A**.

In addition to NBLC's HNA, the University of British Columbia has developed The Housing Assessment Resource Tool (HART). HART is powered by Census data and provides an estimate of the affordable housing deficit in communities across Canada. The tool primarily

utilizes the Core Housing Need data from the Census to understand the affordable housing deficit and which groups or household types are most impacted.

As of the 2021 Census, HART estimates an affordable housing deficit of more than **6,900 units** in the City of Barrie, mostly for lower income households. However, HART's methodology acknowledges that **this estimate is a floor that likely underestimates housing need**, meaning the actual need will almost always be higher. Based on the City's forecasted growth to 2051, if no action is taken, the current deficit will nearly double.

Without action, there are likely to be serious economic and social consequences related to the ability of employers to staff businesses, increased homelessness, reduced growth potential and economic competitiveness, further lack of housing options for low- and moderate-income households, among other problematic outcomes. See Section 3 and Appendix C of this report for further discussion of the feedback received from a range of stakeholders and the public through this study.

The Regional/National nature of the affordable housing challenge further complicates the ability of any single municipality to solve the problem. A lack of affordable



and suitable housing is not isolated to Barrie or even the Greater Golden Horseshoe. Coordinated efforts are therefore needed across the entire County of Simcoe, Greater Golden Horseshoe, Province of Ontario, and Canada. If adequate housing is built in one location, but not another, demand for this housing will shift across a larger region.

It is therefore important to recognize the current deficit and forecast of housing within Barrie, while also identifying that this deficit and target will shift significantly over time. It is recommended that monitoring and reporting of this AHS include broader metrics beyond a simple point-in-time housing target, which is presented in Section 6 of this report.

2.1 What is Causing Housing Affordability to Erode?

Housing Affordability is worsening across Canada due to several interrelated factors. While the HNA (**Appendix A**) provides some discussion about why affordability is worsening, the Strategic Directions Report (**Appendix B**) provides a more fulsome discussion of these factors from a macro-economic

perspective. The following summarizes some of the major factors identified:

- Canada is not building enough housing of all types and prices.
- Insufficient investment in new affordable rental and social housing.
- Insufficient supply of new rental housing.
- A long period of sustained low-interest rates that are now increasing rapidly.
- Rising construction costs, government charges, and financing costs impacting the supply of new housing.
- Restrictive planning policies, lengthy development processes, and local opposition to new development (NIMBYism).
- Labour and material shortages.
- Commodification of the housing market.
- Limited greenfield lands.
- Household sizes are decreasing while home sizes are increasing.
- Insufficient funding for housing from senior levels of government.

Table 2: Summary of Housing Needs in the City of Barrie

Ownership Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$117,237	\$175,855	\$230,077	\$283,933	\$340,719	\$399,388	\$472,610	\$517,018	\$728,207
Housing Type	Avg. Purchase Price									
NEW SALE										
Single-Detached	\$1,286,000									
Semi-Detached	\$933,000									
Townhouse	\$817,000									
Condominium Apartment	\$680,000									
RESALE										
Single/Semi-Detached	\$927,000									
Multiplex	\$890,000									
Townhouse	\$705,000									
Condominium Apartment	\$592,000									
Rental Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$635	\$895	\$1,182	\$1,425	\$1,734	\$2,043	\$2,430	\$2,927	\$3,728
Housing Type	Avg. Rental Rate									
Purpose-Built Rental Market										
New Purpose-Built Rental Apartment	\$2,370									
Old Purpose-Built Rental Apartment	\$1,960									
Secondary Rental Market										
Privately Leased Single/Semi-Detached	\$2,680									
Privately Leased Townhouse	\$2,470									
Privately Leased Condominium Apartment	\$2,210									
Privately Leased Basement Apartment	\$1,735									
Community Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$635	\$895	\$1,182	\$1,425	\$1,734	\$2,043	\$2,430	\$2,927	\$3,728
% CMHC Average Market Rent	Avg. Rental Rate									
100% AMR	\$1,487									
80% AMR	\$1,190									
60% AMR	\$892									
Note: Affordability threshold is determined based on 30% of gross household income going towards housing costs. Average prices are based on a survey of available units or recent transactions. Resale prices are from the 2023 calendar year. These prices are point in time and can change based on a variety of economic and market factors.										
Source: N. Barry Lyon Consultants Limited, Atlas Data Studio, Canada Mortgage and Housing Corporation, Simcoe County Realtor										

Note: Affordability threshold is determined based on 30% of gross household income going towards housing costs. Average prices are based on a survey of available units or recent transactions. Rental prices are from the 2022 calendar year. These prices are point in time and can change based on a variety of economic and market factors.
Source: N. Barry Lyon Consultants Limited, Altus Data Studio, Canada Mortgage and Housing Corporation, Simcoe County Realtor

3.0 Public and Stakeholder Consultation

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This section provides a summary of the community and stakeholder engagement efforts that have been undertaken in support of the AHS. The full Consultation Summary "What We Heard" report is attached as **Appendix C**.

The consultation process included a total of two meetings with the public, an online survey, two sessions with City Council, and five meetings with the City's Technical Advisory Committee. Consultation efforts also included participation from Simcoe County. All public consultation events were undertaken by NBLC, LURA Consulting, and/or City staff.

The following factors were of utmost importance when conducting the consultations:

- **Equity, Diversity & Inclusion:** The need to be equitable in engagement and include a diversity of voices is increasingly recognized as paramount to successful engagement processes.
- **Establishing Trust:** Clearly articulating to participants how their input is helping to shape the evolution of the AHS helps to close the 'feedback loop' and builds trust between stakeholders and the public.

- **Education as Part of Engagement:** Providing people with the knowledge and context they need to be adequately informed to engage in municipal processes is both a challenge and a critical success factor. An educational element to consultation helps to allow more people to feel comfortable with sharing ideas.

3.1 Purpose of Consultation

As part of the development of this AHS, NBLC engaged with the public and key stakeholders to achieve the following goals:

- Introduce the development of the AHS by educating the public and stakeholders on existing housing issues in the City of Barrie through the findings from NBLC's Housing Needs Assessment.
- Promote awareness of the benefit to a defined AHS for the City and the potential to provide new housing options to create affordable housing for moderate-income residents.
- Hear from a wide range of stakeholders including the public about their current housing situations and receive feedback, advice, and considerations on the recommended Strategic Direction Options and



Implementation Strategies developed by NBLC to improve housing affordability in Barrie.

- Consult with the City's Technical Advisory Committee (TAC) on solutions to the affordable housing crisis.

3.2 Public and Stakeholder Engagement

The following consultation events took place in support of the AHS:

- **Public Consultation #1: Affordable Housing Symposium (May 4th, 2023):** The first public consultation meeting occurred through an Affordable Housing Symposium hosted by the City of Barrie at the Southshore Community Centre. The event included:
 - A screening of the documentary "Searching for Home", including a Q and A session with documentary participants and the lead researcher from the documentary.
 - Booths featuring local affordable housing partners and organizations including a New Foundations recipient;

- The chance to share feedback on the City's Affordable Housing Strategy update.
- A panel discussion with experts in the field, including a member of NBLC's project team, discussing affordable housing across the spectrum.

Booths to showcase both the City of Barrie's Affordable Housing Strategy and the County of Simcoe's Attainable Housing Strategy was set up to provide the public and community stakeholders with an opportunity to learn about the initiative, engage with staff members, and provide feedback. The City's booth was equipped with a board intended to inform the public about the City of Barrie's Affordable Housing Strategy and to highlight the summary and key findings of the Housing Needs Assessment. Additionally, two other boards were included to solicit feedback from the public regarding their current housing situation, their perspectives on housing-related statements, as well as any advice, questions, and additional comments.

- **Public Survey and Online Discussion Forum (May – August 2023):** An online survey was made available to the public to share feedback about the



current conditions of affordable housing in Barrie and ideas to help improve housing issues. The survey was available on the Building Barrie website from May 1st to May 28th, 2023.

- The survey was completed by 442 participants. Additionally, 20 people provided thoughts on what affordable housing in Barrie means to them through an online discussion forum.

- **Public Survey and Online Discussion Forum (October – November 2023):** Feedback gathered for the Housing Needs Assessment in spring 2023 has informed the creation of multiple affordable housing policy options in Barrie, resulting in 10 action items. An online survey was made available to the public to determine the most important priorities and action items. The survey was available on the Building Barrie website from Oct 23th to Nov 14th, 2023. The survey was completed by 123 participants.
- **Technical Advisory Committee Meetings (May 24, July 10 and 11, September 18, October 27, and November 15, 2023).** NBLC met with the TAC several times throughout the development of the AHS to provide input on each phase of the project

as well as this final document. The TAC was made up of individuals with a diverse range of backgrounds including:

- Social Housing at the County of Simcoe
- Barrie Housing
- Camphill Foundation
- Chantal + Michael Realty Group Brokerage
- MCL Architects
- Georgian College
- Redwood Park Communities
- Simcoe County Alliance to End Homelessness (SCATEH) – Barrie Chapter
- City of Barrie Finance Department
- City of Barrie Development Services
- **City Council Meetings (June 7 and September 27).** NBLC presented at City Council on the HNA in June and the Strategic Direction Options Analysis in September. These sessions allowed Council to

provide feedback and help shape the direction of this AHS.

- **Public Consultation #2 (November 9, 2023):** On Thursday November 9, 2023, the City of Barrie hosted an Open House from 3:30 pm – 6:00 pm at City Hall Rotunda in Barrie. Approximately 21 people participated in and attended the event. This drop-in event provided an opportunity to the public to:
 - Learn about the types of policies which could be implemented, the possible costs associated with the proposed initiatives & the work already being done to assist in developing affordable housing.
 - Engage with staff and ask questions.
 - Share which of the possible action items is most important to you.

A booth to showcase the City of Barrie's Affordable Housing Strategy Updates was set up. The booth was equipped with two engagement boards intended to inform and seek feedback from the public about the City of Barrie's Affordable Housing Strategy including policy options. The public was

invited to share advice, questions, and additional comments.

3.3 Integrating Community Engagement with the AHS

The feedback, advice, and considerations shared by participants through the online survey and the above events are summarized in **Appendix C**.

As identified, consultation occurred as key background analyses were completed by NBLC to ensure public and stakeholder input has been considered and utilized to shape this AHS. This allowed for the commentary, feedback, opinions, and advice that was heard to be integrated into the recommended solutions to address the growing affordability issues in the City.

While many of the suggestions from the public and stakeholders were used to shape the AHS, not all feedback has been included for a variety of factors (e.g., out of the City's control, feedback was not legal/implementable, better to be undertaken by other groups, lack of funding, etc.).

4.0 Affordable Housing Strategies

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A Strategic Direction Options report was completed in August 2023 (see **Appendix B**) that identified a number of action items for the City to consider through this AHS. These items have been subsequently refined through consultation with the public and key stakeholder groups, feedback from Council, as well as discussions with City Staff regarding current programs, funding availability, and other similar considerations.

The recommended combination of Affordable Housing Strategies presented in **Table 3** provides the City with an implementable AHS that couples market-oriented land use planning reforms with a proactive government role, including leveraging public land as well as direct investment, to increase the development of housing that meets the needs of low- and moderate-income households.

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
<i>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)</i>			

The affordable housing crisis will not be improved without significant action from all levels of government, including the City of Barrie. While municipalities have many levers available that can meaningfully impact housing affordability, their revenue tools and overall capital budgeting is limited. Greater action and funding from other levels of government are therefore also necessary to meaningfully address current housing challenges. Participation from the private and non-profit sectors, including additional action from Simcoe County as Service Manager, will also be critical in ensuring that new affordable housing supply gets built.

While City resources are limited, affordable housing is in desperate need of focused and accelerated attention. The City of Barrie should therefore plan to allocate as many resources as possible to this file while also leveraging increased support and funding from Simcoe County and senior levels of government.

It is also highly recommended that the City report on affordable housing issues annually, as they normally do, and utilize lessons learned over time to adjust any programs and policies to maximize effectiveness. The strategies incorporated in this report should be a 'living document' that are constantly being refined as the

market, funding, and policies shift over time. **Section 6.0** of this report to follow provides recommendations for reporting and monitoring on the AHS.

The HNA, Strategic Direction Options Report, and consultation / feedback throughout the AHS process has identified the following housing types to be prioritized, in this order:

- Affordable rental housing;
- Market-rate rental housing;
- Affordable ownership housing.

Affordable rental housing should be the highest priority in the City of Barrie. However, the shortage of market-rate rental housing and the economic challenges associated with building this housing type justifies making it a secondary priority for any housing programs offered by the City. Affordable ownership housing opportunities through non-profit groups like Habitat for Humanity may also be compelling.

The following presents the strategies recommended for implementation through the AHS:

4.1 Undertake a Comprehensive Review of the City's Zoning By-Law

Significant changes to planning policy province-wide are needed to increase housing supply, as well as the variety of housing types that are brought to market. At the municipal level, this generally means refinements to zoning and Official Plans where they place outdated restrictions on new development. Getting these planning changes correct will be critical in the execution of the other recommendations in this report.

The City of Barrie is in the process of creating a new comprehensive Zoning By-law to support the newly approved Official Plan (2023). To help guide that ongoing work, we would recommend the following be considered to achieve the goals of the affordable housing strategy, many of which are being contemplated in the most recent draft of the new zoning by-law:

- **Upzone along arterial roads:** Where it does not exist already, the City should consider opportunities to upzone along arterial roads where the lot depths and other factors might allow. We would suggest that, at minimum, mid-rise heights (5 -11 storeys)

should be permitted as-of-right, with taller buildings (12+ storeys) permitted in strategic locations.

- **Consider Urban Design Requirements from a Feasibility Perspective:** Ensure requirements related to setbacks, building step-backs (i.e., wedding cake / pyramid design), requirements for ground-floor commercial space, and other similar items do not negatively impact development yields and feasibility while recognizing community integration.
- **Eliminate single-detached-only zoning:** Eliminating single-detached-only zoning is not meant to restrict the construction or existence of single-detached homes, but rather to end zoning that *only* permits this built form. In any residential 'neighbourhood' – even those that are primarily low-rise homes – semi-detached, townhouses, and multiplex built forms should be permitted as-of-right to increase housing options. All ground-related housing types should be permitted in all neighbourhoods. Consideration should also be given to permitting small apartments in many neighbourhoods as well.
- **Allow more density in neighbourhoods:** The Province through Bill 23 has already required that

three units be permitted as-of-right on any serviced residential parcel. There is an opportunity to take this further by ensuring medium-density housing types like traditional, back-to-back and stacked townhouses are allowed as-of-right in all neighbourhoods, as well as denser multiplex homes like four and six-plexes (e.g. encourage more “missing middle”). Legalizing rooming houses in all residential zones would also be beneficial.

We would also recommend that the City of Barrie consider permitting low-rise apartment buildings (3 or 4-storeys) with no required on-site parking in neighbourhoods and other strategic areas as-of-right. These types of apartments already exist in parts of the low-rise neighbourhoods in Barrie. These missing middle built forms and low-rise apartments can be constructed more cost effectively, be priced lower, and be undertaken by a wider range of developers/investors relative to larger projects.

Of note, the Federal Government appears to be requiring ‘4 by 4’ (i.e., four units and four storeys) to be permitted by zoning as-of-right in order to receive funding through the Federal Housing Accelerator Program, among other incentives.

- **Allow residential development to be integrated into designated commercial areas:** While changes within the commercial-retail sector were already occurring due to the proliferation of digital platforms, e-commerce opportunities, and the decline of the traditional mall, they were accelerated during the COVID-19 pandemic. The nature of and need for brick-and-mortar retail has changed. Large-format retail plazas are being re-imagined across Ontario to incorporate a mix of residential uses on existing surface parking lots and create more complete communities.

The City of Barrie should recognize this emerging trend and create a related policy framework that provides flexibility to add housing supply to these commercial properties. Importantly, this would put more housing within walking distance of key commercial amenities. These are also areas that should be considered appropriate for increased maximum building heights – in the range of at least 6 to 12-storeys, with opportunities for taller buildings as well.

- **Eliminate or significantly reduce minimum parking requirements:** Parking can add significant costs to apartment developments, particularly if it



needs to be located underground. Eliminating or significantly reducing minimum parking requirements would allow housing providers to provide parking based on market expectations as opposed to policy requirements, building only what is needed. Consideration should also be given to eliminating parking minimums for the commercial component of mixed-use buildings as well.

We understand that some opponents of no or low parking minimums are concerned about a potential increase of residents parking on streets. In our view, this is an enforcement issue, not a planning issue. Strong investments in transit can also mitigate any negative externality of reduced on-site parking.

- **Update other zoning permissions to accommodate the above changes:** The City should review the by-law to make any necessary changes related to setbacks, building depths, minimum lot sizes, lot coverage, etc. to ensure these outcomes can be delivered without the need for costly and uncertain zoning amendments.

The zoning reforms listed above will encourage the development of all housing forms and price points, including those at market rates. The City can therefore take an active role in reducing risk, uncertainty,

appeals, and approval timelines by implementing these suggested reforms, which affect the development of both market-rate and affordable housing equally.

It is also important to recognize that zoning plays an important role in the development trends observed in the City and Province more broadly. Current zoning regulations do not broadly permit more affordable missing middle typologies in existing neighbourhoods, meaning these areas are largely devoid of new investment aside from major renovations to existing single-detached homes that are transformed into a luxury product. It is possible to shift the business model of traditional 'house flippers' and contractors to deliver these missing-middle typologies if these outcomes were as straightforward to approve and deliver as single-detached homes.

Similarly, a lengthy and uncertain approval process on larger sites requires significant risk, resources, capital, and time for projects to be implemented. These factors require that these projects be undertaken by larger development groups and be positioned towards the upper end of the market. Cumulatively, this results in limited and narrowly focused new supply that is



increasingly out of reach for many of the City's low- and moderate-income households.

Simplifying the City's zoning by-law could also have a positive impact on getting more housing supply built, making it easier for builders to get to the construction phase quickly and to increase the number of participants in housing delivery. In addition to zoning reforms, there are several approaches that the City of Barrie could take to simplify its zoning. Any changes should focus on creating clarity and predictability and could include, among other options:

- Reducing the number of zone categories and expanding the range of permitted uses in each zone.
- Increasing as-of-right opportunities (as noted previously).
- Limiting development by height as opposed to density, number of units, floor space index, or lot coverage.
- Simplifying the language in the by-law.
- Utilizing graphics and images to help explain any complex zone provisions.

- Reviewing all exceptions and determine whether they should be incorporated into general zone categories, carried forward in their current form if still relevant, or deleted entirely.
- Implement simple pre-approved 'off the shelf' building designs (e.g., second suites, plex buildings, etc.) that align with the City's new zoning by-law.

4.2 Update the City's Existing Incentive Program and Increase the Annual Budget

The City of Barrie currently has a Community Improvement Plan (CIP) that is attempting to secure affordable housing. Implemented in 2020, the CIP was funded with an initial investment of \$1.77M, followed by a top up of \$480,000 in 2022 that included \$150,000 from Community Benefit Charges and \$330,000 from the City's budget.

Key details of the program are as follows:

- The CIP has three separate components consisting of The Redevelopment Grant Program, The Preservation of Built Heritage Grant Program, and the Affordable Housing Development Grant Program. The Affordable Housing and Redevelopment Grant can be stacked together.
- Affordability is defined as:
 - Ownership: Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low to moderate income households. Annual household income will be

based upon the most recent Census of Canada statistics for the City of Barrie which is updated every five years.

- Rental: A unit for which the rent does not exceed 30 percent of gross annual household income for low to moderate income households. Annual household income will be based upon the most recent Census of Canada statistics for the City of Barrie which is updated every five years.

In addition to affordable rental housing, market rate purpose-built rental housing is also eligible for incentives to encourage greater supply.

- Low to Moderate Income: households with an annual household income below the 4th income decile.
- Affordability must be maintained for at least 20 years.
- A minimum of 25% of the project must be affordable in the case of mixed-income projects.
- A project must meet one or more of the following criteria:

- The project is proposing to provide greater than three affordable housing units.
- The project is providing emergency housing, transitional housing, social housing or affordable not-for-profit charitable home ownership or is providing other creative housing solutions to help house the hardest to house of Barrie's population.
- The project is proposing affordable housing units with pricing geared entirely to the low and low to moderate income (i.e. households with an annual household income in the lowest 40th percentiles) to address the current gap in the housing spectrum in Barrie.
- The project is proposing purpose-built rental residential units.
- In addition to the above, a project must also meet all the following:
 - The proposed development meets or exceeds the City's official plan density requirements of people and jobs per hectare.
 - The proposed development has demonstrated, to the satisfaction of the City of Barrie, the close proximity (i.e. within 600m) to transit facilities (including the South Barrie or Allandale GO Station, Barrie Transit Terminal and/or transit bus route or bus stop).
 - The proposal has demonstrated, to the satisfaction of the City of Barrie, that there are adequate and available municipal services (i.e. including sewer, water and storm water) and utilities with appropriate capacity to service the proposed development.
 - The proposed development includes Green Energy Design Elements for energy efficiency and long-term savings, to the satisfaction of the City.
 - The proposed development incorporates architectural/building design excellence using materials that will require minimal maintenance, to the satisfaction of the City.
- Available incentives through the Affordable Housing CIP include:



- Planning Act Application Fees: 100% reduction for affordable ownership and rental housing, as well as purpose-built rental housing.
 - Building Permit Fees: 100% reduction for affordable ownership and rental housing, as well as purpose-built rental housing.
 - Development Charges (DC): 100% reduction for affordable housing units. 25% reduction, to a maximum of \$250,000 per application, for purpose-built rental housing provided units are affordable to those below the 6th income decile.
 - Per Door Grant: A per door grant of \$10 per square foot of new affordable housing space, to a maximum of \$20,000 per dwelling unit and \$200,000 per application.
 - Tax Increment Grant (TIG): Available for affordable housing (entire project) or the redevelopment grant program (commercial space only). Defers the increase in property tax resulting from redevelopment over a five-year period, with the deferral decreasing from 100% in year 1 and 2, 75% in year 3, 50% in year 4, and 25% in year 5.
 - Applications are received through two in-take periods each year, with funding allocated based on availability.
 - The Affordable Housing CIP applies across the entire City of Barrie.
 - All grants will be provided at the time of building permit, aside from the per door grant (paid at occupancy) and the TIG (paid at first MPAC reassessment).
 - Approved applications must be issued a building permit within 18-months, after which funding will be withdrawn.
- Since inception, the CIP has resulted in 100 affordable and/or supportive/transitional housing units. Through discussions with City staff, the following program challenges were identified:
- The budget allocated to the CIP is insufficient to secure intended outcomes at a larger scale. Many affordable housing incentive programs that are



- successfully securing new affordable housing have more robust budgetary resources¹.
- Increases to interest rates and construction costs have only increased the required subsidy amounts needed for a project to advance. While this is impacting development feasibility broadly, it is also having a significant impact on non-profit housing providers, who will require significantly higher amounts of up-front capital to advance projects².
 - The timing of incentives will also be problematic for many non-profit providers seeking to advance new affordable housing. These groups will require sources of up-front capital ahead of pulling building permits and securing financing.
 - The definition of affordable housing (below the 4th income decile) and purpose-built rental housing (below the 6th income decile) is a relatively deep level of affordability that will require significant subsidy to advance. These definitions may also be confusing to interested applicants as they do not

¹ City of Toronto Open Door: Typically funded with \$80M per year, securing around 900-1,200 affordable units annually at an average of subsidy of between \$50,000 to \$300,000 per door.

Region of Peel: Funded with \$7.5M in the first year and \$10M in the second year. Program has secured nearly 140 affordable units with average subsidies ranging between \$60,000 to \$215,000 per door.

Region of Durham: Funded with \$7.5M and securing 88 affordable units in the first year of the program, with subsidies ranging between \$73,000 and \$150,000 per door.

Almost all the above affordable housing projects are also supported by funding through senior levels of government. The above communities also indicate that average subsidies are increasing due to rising construction costs and interest rates.

² While construction costs are increasing project costs, rising interest rates are reducing how much a project can finance. Rising costs combined with lower financing amounts will require more up-front capital/equity to advance a real estate project. This is having a significant impact on non-profit developers who require upfront subsidy from government due to their own limited financial resources.



explicitly state the rental and ownership rates that must be complied with.

- The requirement to receive a building permit within 18-months is an aggressive timeline that many projects will struggle to meet. Many applications approved through the CIP have had their funding rescinded due to not meeting this timeline.

Suggested Revisions to the City's CIP

The following are suggested revisions to the current CIP for the City to consider. These revisions consider recent Provincial policy changes relating to affordable housing that include:

- Affordable rental and ownership housing will be fully **exempt from development charges, parkland fees, and community benefit charges**. While the definitions are currently in flux and subject to change, it is believed these will be similar to the current Provincial Policy Statement definitions (30% of income for the 6th income decile and/or to 100% of AMR or 10% below the average resale price as determined by a Bulletin to be released by the Province annually).

- Purpose-built rental housing is now eligible for a **DC reduction** as follows:

- Three-bedroom: 25% reduction
- Two-bedroom: 20% reduction
- One-bedroom / studio: 15% reduction

- Purpose-built rental housing is now **exempt from the Federal portion of HST** (i.e., GST). While PST still applies, the Province has indicated they will follow suit, meaning the full HST may soon be exempt for new market and affordable rental housing.

- The above indicates that new market and affordable rental housing will receive automatic fee and charge exemptions/reductions without the need to formally apply to a CIP or other incentive program.

Revision 1: Increase the CIP Budget

The primary factor limiting the success of Barrie's CIP is the lack of funding. Incentivizing affordable rental housing is expensive, often requiring a subsidy in the range of \$90,000 to \$300,000 in the current market. The range in subsidy is due to a wide range of factors relating to depth and length of affordability, parking



provision, project costs, funding secured through other sources, and many other interrelated factors.

Without a more substantial budget, the CIP will fail to produce affordable housing at the scale needed to address the City's housing needs. It is recommended that the CIP be funded with an annual budget of **\$3M or more** moving forward.

The City should also consult with Simcoe County to determine if the County's funding can be stacked, or alternatively the City may choose to offer funding to any Simcoe County incentive program created through the ongoing Housing and Homelessness Plan or Attainable Housing Strategy in-lieu of creating a separate local program.

Revision 2: Update Affordable Housing Definitions

The City should update the definitions of affordable housing in the CIP to align with this AHS and the soon to be approved Provincial definitions.

It is also recommended that the affordable rental and ownership definitions be explicitly stated (i.e., \$1,200 per month) or converted to a proportion of the CMHC AMR. Applicants investigating the CIP will not know the

affordable rental rates they can charge if only an income-based definition is shown, which makes proforma and feasibility testing challenging.

Revision 3: Remove the Requirement to Receive a Permit Within 18-Months

Consultation with the City has indicated that many projects approved through the CIP have had their funding revoked due to failure to pull a building permit within 18-months. Despite the best intentions of applicants and the City, this can be a very challenging timeline to meet in the best of circumstances. This can be even more challenging for affordable housing projects as these groups must secure significant funding from other sources as well as financing through CMHC programs that can cause delays.

Since funding is not allocated until building permit, removing this requirement should not affect program design or intent. Recognizing this timing challenge, most incentive programs in Ontario do not have this timing requirement.

This recommended revision assumes that the program budget will be increased to recommended levels.



Revision 4: Minimum Project Size Criteria

Consider eliminating the required minimum project size, which is currently governed by Section 9.2 of the CIP where a minimum of three affordable housing units is identified as well as the requirement to exceed the City's Official Plan density targets.

While large affordable housing projects are beneficial, so are smaller scale projects that can be as small as one or two-units. Through consultation on this AHS, some smaller non-profit organizations have identified that this would greatly assist their ability to deliver these smaller outcomes, which can be advanced quickly (e.g., multiplexes, rooming houses).

Revision 5: Adjust the Incentives and Structure of the CIP

Purpose-built rental (DC reductions, GST waiver, likely PST waiver), affordable rental (DC, parkland, and CBC exempt; GST waiver, likely PST waiver), and affordable ownership (DC, parkland, and CBC exempt) will now be offered as-of-right. Once the AHS is approved, and the provincial definitions of affordable housing are confirmed, the City should confirm that the housing needs identified in the HNA align with the Provincial

definition of affordable housing, and make any adjustments that might be necessary (i.e., extend these incentives to cover the need identified in Barrie).

It is also important to understand that there will never be a single subsidy that works for every project. Every affordable housing project is unique with several factors that will influence the subsidy required to advance (e.g., depth and length of affordability, parking ratio, underground vs surface parking, land acquisition price, building cost, etc.). By tying incentives to specific fees and charges, the City has no flexibility to assess the actual feasibility of a specific project and offer more subsidy if it is warranted. This results in the following unintended consequences:

- The funding offered by the City is insufficient and groups don't apply.
- Groups do apply but must seek out other sources of funding while planning approvals are being undertaken, which delays the project from advancing. The City's current requirement to pull a building permit within 18-months results in many of these projects having their funding rescinded.

Recent successful programs (e.g., Peel, Durham, Toronto) offer capital funding through an annual and



competitive RFP process. An RFP is released with capital funding (e.g., \$10M) and specific eligibility criteria. Interested parties apply for the funding along with a justification of the subsidy they require, with the municipality reviewing the details of the application as well as the proforma and subsidy being requested. The municipality then negotiates with applicants on the funding being requested and scores the applications based on a list of criteria, with funding allocated to the most competitive project(s).

The above is an effective process because it limits staff resources to one take-in window, as well as simplifying the incentive process by offering a single capital grant, rather than tying incentives to specific fees and charges. The process also introduces a competitive aspect to the funding, which also allows the City to be flexible in how they allocate the money depending on the applications received each year. This is a similar process to the Provincial Investment in Affordable Housing (IAH) program that ran successfully from 2014-2020.

We would recommend that the City of Barrie shift to the above structure where \$3M to 5M in capital funding is offered through a competitive process, which would

stack on top of the as-of-right incentives available for affordable and purpose-built rental housing. If the current structure is maintained and supported with a higher budget, the per door capital grant can be increased and the restrictions on a per project basis can be eliminated.

Revision 6: Simplify the CIP

While the above revisions to program structure and definitions would help simplify the CIP, more can be done to make the content of the program clearer.

If the current CIP structure is maintained with a larger budget, it is recommended that the City simplify the document. As currently written, it is not clear what incentives are available and to what level of affordability, if different programs within the CIP can be combined, and how the Specific Eligibility Criteria identified in Section 9.2 of the CIP aligns with the available incentives. An interested applicant should be able to quickly read the CIP and understand immediately the eligibility criteria, the rents and sale prices that qualify, and the incentives that are available.



It is therefore recommended that a simplified CIP is created that has a single list of eligibility criteria and that explicitly states the incentives available.

4.3 Use Public Land to Deliver New Affordable Housing

Like incentives, no-cost or low-cost land is a way to subsidize the development of new affordable housing and can have a significant impact on project affordability.

The City of Barrie should utilize public lands for new affordable housing or mixed affordable and market-rate housing as a means of lowering the cost of delivery and retaining a measure of control over development outcomes.

It is not recommended that the City either develop the sites on their own or own/operate the affordable units. Rather the City should leverage the expertise in the private and non-profit sectors to deliver these outcomes, or alternatively Simcoe County as service manager.

The City should undertake a portfolio review of all public lands to determine if there are sites that are currently available that could accommodate new affordable housing. This could include vacant properties as well as sites that are currently underutilized or earmarked for new public facilities (e.g., a library that could be



integrated into the ground floor of a new mixed-income building).

This process will create a 'pipeline' of properties that can be used for affordable housing. In addition to these properties, the City should consider acquiring other surplus institutional properties such as school or church sites as they become available, or alternatively supporting non-profits and other groups to acquire these lands for new affordable housing delivery.

As will be explored to follow, considerable costs and resources can be encountered when disposing of public land in exchange for affordable housing. The City can therefore select one of the following processes depending on budget and resource availability.

Partner with Simcoe County

Simcoe County is issuing a call for land later in 2023. Barrie could transfer lands to Simcoe County, who would undertake the disposition process. This could be an attractive option given that Simcoe County may have larger resources than the City and has significant experience carrying out these processes in their role as Service Manager. Simcoe may also build on these

lands directly with affordable or mixed-income rental housing.

While the City may lose some control over project outcomes and timing, this would be an effective strategy to transfer much of the anticipated administrative and financial burden to Simcoe County while enabling City staff to focus on other priorities identified in the AHS.

City-Led Disposition

The City could also lead the land disposition process internally. The following process is recommended for any future City-owned property being used for new affordable housing development:

- Create certainty in development entitlements and maximize achievable density on the property.
- Maximize the number of affordable housing units that can be delivered by remaining open to mixed-income developments as a means of subsidizing the affordable housing units.
- Set preliminary criteria related to depth of affordability, length of affordability, and target income groups. These criteria should be refined as

analysis is undertaken on the site and funding requirements are better understood.

- Prioritize rental tenure development over ownership. A mixed-income rental tenure development could provide the benefit of delivering two types of housing that are currently in short supply in Barrie.
- Notwithstanding the above, some sites may be appropriate for non-profit affordable ownership groups such as Habitat for Humanity, particularly if properties are likely to only accommodate lower-density housing types.
- Offer the property without cost, or at below market value. It is not recommended that City-owned lands be sold at full market value, later reinvesting proceeds into other incentives/priorities, unless there is a clear rationale that will allow for the delivery of more affordable units. The reasons for this recommendation include:
 - The City has more control over the delivery of new affordable housing, and the timeline of its delivery, if they own the land or dispose of it at below market value in exchange for affordable housing (with requirement on title);

- Without a specific plan for how the funds from a land sale will be utilized to deliver new affordable housing, these monies are likely to sit in a reserve fund as land values and the cost of housing construction increases.
- Without land, the deployment of capital and the delivery of affordable housing is delayed and likely will result in fewer affordable housing units delivered.
- Be open to creative solutions around construction techniques, building design, and housing models that can reduce the cost of development on City-owned land, support more affordable housing delivery, and support the City's housing needs and priorities.
- Identify partners to not only develop the housing, but also operate any affordable housing units after construction is completed.

To ensure transparency and that the best project with the largest number of affordable units, greatest affordability depth, and best value for money is selected, for any site identified for new affordable housing, the City should undertake a Request for Expression of Interest ('RFEOI') and Request for



Proposal ('RFP') process to select a development partner.

While a RFEOI may not be necessary for every property, it helps the City understand interest in the property, the availability of partners and funding, and if preliminary expectations / requirements need to be adjusted. It will also allow the City to understand how local-incentives and subsidy / financing from other levels of government will need to come together for the project to advance.

4.4 Work Towards a Decision Faster

Delays drive up the cost of housing. Several studies in recent years undertaken by both public sector (e.g. CMHC) and private sector (e.g. BILD) organizations have indicated that delays in the development approvals process have direct impacts on making housing less affordable and can add tens of thousands of dollars to the cost of a single unit.

The City of Barrie should strive to simplify the development approvals process with a goal of speeding up the delivery of new housing supply and increasing efficiency. This could in turn reduce the cost of all new residential development without requiring direct subsidies.

The Province's Bill 109 has implemented requirements for specific timelines for decisions related to site plan and zoning applications. Other recent changes also included allowing projects with 10 or fewer units to be exempt from site plan control. These items should help to speed up development approvals and have all parties work towards delivering new housing faster.

However, the City of Barrie should explore whether there are other changes that can be made to their own



internal processes to spur more construction activity. Designing internal processes to match staffing capacity is a key step in ensuring that these processes are efficient. Some of the steps that may allow the City to increase the speed at which housing is delivered include, among others:

- Limiting the number of public consultations beyond what is required, particularly for applications that conform with local planning policies. Utilizing existing technology for additional input (e.g. ensuring that public consultations have a hybrid in-person-virtual approach, allowing for comments through the City's website, etc), as needed, should be considered sufficient for many applications;
- Streamline the process for low-risk or uncomplicated development applications;
- Streamline the approval of building permits;
- Streamline pre-submission meetings to ensure that a decision can be made quickly once an application has been submitted;
- Critically review and consider reducing the number of required studies for certain residential developments;

- Eliminate peer review requirements, where possible, particularly if initial studies are completed by qualified professionals or firms qualified by the City of Barrie;
- Improve communication and decision-making between departments to support a more efficient approvals process;
- Consider the creation of pre-approved 'off-the-shelf' home designs (see below for further detail).

We would also recommend creating a process whereby priority projects can be fast-tracked. In this case, we would recommend that those priority projects either be ones that provide affordable housing for moderate and low-income households, or market-rate purpose-built rental projects given the lack of rental options in Barrie today. This would help to speed up the delivery of the housing that is most needed in Barrie.

It is also notable that through their Housing Supply Challenge, CMHC is funding research on breaking down pre-construction barriers to deliver more affordable housing. Fourteen projects are being funded for this segment of the Housing Supply Challenge. The results of this work should be tracked closely to



determine if any solutions are uncovered that could be relevant to Barrie's processes.

Lastly, and as noted in Section 5.0, it would also be valuable to advocate for more streamlined approvals – and timelines for approvals – for any applications that require input from other levels of government, or governmental agencies (e.g. conservation agencies). We have heard from a variety of stakeholders that there is a need to improve processes at these other levels / agencies to speed up the delivery of new affordable and market-rate housing.

The following provides additional details on two other ways to speed up the delivery of new housing.

Community Infrastructure and Housing Accelerator (CIHA)

The Community Infrastructure and Housing Accelerator ('CIHA') is a tool that the City of Barrie could consider for speeding up the development process for priority projects, particularly those that include an affordable housing component.

A CIHA is like a Minister's Zoning Order ('MZO') in that it does not have to conform to the local Official Plan and

cannot be appealed – avoiding delays, reducing project risk, and providing certainty. However, the CIHA does require some public consultation, unlike an MZO, though less than a typical zoning by-law amendment. CIHAs are meant to expedite priority developments, including housing of all types, and need to be requested by a municipality to the Minister of Municipal Affairs and Housing on a site-by-site basis. The CIHA must be municipally led and allows for an agreement to be registered on title of a property.

Pre-Approved 'Off-the-Shelf' Building Designs

As a means of accelerating the development process, reducing costs, and increasing housing supply, the City of Barrie should consider creating pre-approved 'off-the-shelf' building designs. Builders can then choose from the various designs depending on what type of housing is permitted on their property and construct them as-of-right without having to go through a complex approvals process.

This 'off-the-shelf' design approach has been taken in municipalities elsewhere, primarily for lower-density housing types, and is a similar idea to CMHC's 'Victory Homes' designs that were utilized to build homes for returning veterans after World War 2.

The City should consider a similar pre-approved 'off-the-shelf' approach for building types that are recommended to be permitted as-of-right in neighbourhoods. To do so would require hiring an architect to design some simple home designs for a variety of building scales – multiplexes, townhouses, stacked townhouses, and low-rise apartment buildings (3 and 4-storeys). This approach would allow interested parties to understand quickly what type of development could occur on their lot, reducing risk, cost, and resources necessary to hire an architect and planner individually to then work with City planning and Council.

Ideally this would be something that the Province, CMHC, or Simcoe County would undertake. However, in the absence of this, the City of Barrie should take the initiative on this item.

A recent example of another municipality utilizing pre-approved 'off-the-shelf' building designs is South Bend, Indiana. Their building designs can be found [here](#), with information on the development process for these buildings found [here](#). This is a good example of a simple, easy to understand process that Barrie could replicate.

4.5 Create a Concierge Program

There are several different parties in any housing market who are interested in participating in the delivery of new housing. However, there are few mechanisms to easily connect these parties, particularly those that may not have sophisticated operations or experience.

For example, there are many non-profits with existing capital that are interested in delivering new housing, but who do not have land. We also know that there are many landowners, such as churches, who have surplus land that they wish to use to serve their community in a positive way, but do not have the capacity or expertise to redevelop them on their own.

The City of Barrie should create a 'concierge' program whereby interested parties – those with equity/capital, landowners, developers, or others – that otherwise may not cross paths, can be connected to help deliver more housing, both affordable and market-rate.

The program could also help connect potential affordable housing providers to other public funding sources (e.g. CMHC programs) and help them navigate City Hall and the development process. This would essentially be a broader approach to the 'one-window'



programs many municipalities offer to help guide housing providers through the approvals process.

Whoever oversees this type of concierge program needs to have a deep understanding of all current funding and financing programs – how they work, who they are meant for, what the requirements are, how much funding is available, timelines for funding, etc.

Having a deep understanding of the wide variety of funding and financing programs from upper levels of government would allow the City of Barrie to provide advice to housing providers who are interested in building new affordable housing or purpose-built rental housing in Barrie. The City could direct these housing providers to the programs that would offer their projects the biggest benefit and provide them with guidance on how to apply for and access the available funding/financing through the concierge program.

Finally, we have also heard that it would be beneficial for housing providers to receive letters of support from the municipality as part of their applications for these funding programs. This would be an easy way for the City to support these organizations that would not have budgetary implications in the same way as other means of support.

4.6 Enhance the Simcoe County Secondary Suite Program ('Barrie Bonus')

The City of Barrie should stack additional funding to the County of Simcoe's existing Secondary Suites program. Simcoe currently offers \$30,000 in funding for the creation of a Secondary Suite that is provided at 100% of the CMHC AMR, which appears to be insufficient to create these units at a larger scale. The City of Barrie could consider allocating funding directly to Simcoe's program for any secondary suites built in Barrie (e.g., \$30,000 grant from Simcoe, matching \$30,000 grant from Barrie).

For example, the Town of Collingwood provides \$5,000 for all secondary suites – regardless of if they meet the County's affordability requirement – with an additional \$5,000 in funding for secondary suites that do meet the County's affordability requirements. The program also offers a 'one-window' service that streamlines the approvals process for secondary suites, as well as pre-approved 'off-the-shelf' designs that are meant to save homeowners time, money, and effort.



4.7 Enact a Rental Replacement By-Law to Preserve Existing Rental Stock

While nearly 1,200 new purpose-built rental units have been completed over the past 20 years, the City of Barrie has seen just 350 net new purpose-built rental apartments added to its rental supply over this time period, according to CMHC. This is a common problem in many communities, often driven by rental demolition and conversion to condominium tenure outpacing new rental development.

Given that many of the older rental buildings in Barrie provide relatively affordable monthly rents, and that new buildings generally do not, it would be beneficial for the City to take action to increase the difficulty at which these units can be removed from the market.

One way to do so is with a rental replacement by-law. Section 99.1 of the Municipal Act grants municipalities the authority to regulate or prohibit the demolition or conversion of residential rental properties with six units or more. While the Province's Bill 23 gives the Minister of Municipal Affairs and Housing new powers to impose limits and conditions on municipal authority in this area, we still believe it would be worthwhile to implement a

rental replacement by-law to avoid further reduction of the existing older rental stock in Barrie, and to protect existing renters from displacement.

In addition to a rental replacement by-law, creating a more permissive development environment through the planning reforms noted earlier should also help to reduce the pressure to demolish or convert these existing buildings. When housing providers have a wide range of development opportunities, they are less likely to pursue the demolition of multi-unit buildings.

4.8 Continue Shifting the Public Discourse Around Growth, Density, and Affordable Housing

Most municipalities in Ontario are in need of a shift in how new development, intensification, and affordable housing is viewed by the average resident. The City of Barrie is already making efforts to shift the conversation around these topics through events like the Housing Symposium held in May 2023, as well as planned changes to the City's zoning by-law.

The City should make use of its website and social media pages to educate residents about the importance of increasing housing supply and why certain changes are being undertaken to address affordability challenges. Topics that should be considered as part of any public education on this issue include:

- Who new housing will benefit (e.g. nurses at the hospital, the teacher at your child's school, the barista or waiter at your favourite coffee shop or restaurant, etc.);
- How new housing development benefits the City of Barrie and all residents (e.g. supports more retail amenities, drives economic activity, expands tax

base, supports attraction and retention of labour for local businesses, etc.);

- Policy changes being made to support more affordable and market-rate residential development (see recent video about zoning from the [City of North Vancouver](#) as an effective example of clear communication on a municipal issue);
- Dispelling myths associated with new development (e.g. affordable housing = increased crime, traffic concerns, 'too tall' or 'too dense');
- Supply and demand economics (e.g. less housing = higher prices) and the impact of this on younger residents.

Updating the zoning by-law as recommended would also allow Council and staff to avoid compromising on items like height, density, and number of units in a new development to appease NIMBY voices, reducing some risk that these compromises can create around development feasibility.

There are many studies that dispel some of the information pushed by NIMBY groups, including narratives about new development increasing crime, causing traffic chaos, ruining neighbourhood character, and/or having negative impacts on property values.



Council and staff could draw on these studies to push back against anti-change narratives, while also utilizing some of the information from the public education materials noted above to further explain the benefits of growth and new development.

4.9 Explore the Potential for Inclusionary Zoning in Barrie

Inclusionary Zoning ("IZ") is a tool that allows municipalities to require affordable housing within Protected Major Transit Station Areas ("PMTSA"). The process for implementing IZ is complex and requires numerous studies that evaluate the need for affordable housing, PMTSA plans that dictate minimum densities, a market assessment report that evaluates the impact of the policy on development feasibility, and other similar matters. Barrie has two PMTSAs at the Allandale and Barrie South GO Station and while these geographies are limited, they are also locations where considerable growth and development are directed by the City's Official Plan.

Since the IZ legislation was approved in 2018, only Toronto and Mississauga have advanced its implementation, with economic support from NBLC.

Recently, the Province has also restricted the use of IZ to a maximum of 5% of a building's gross floor area, a maximum affordability length of 25-years, and municipalities are required to waive development charges, parkland fees, and community benefit charges for the affordable units.

IZ is fundamentally different from incentives in that it requires a developer to deliver affordable housing through zoning, whereas incentive programs are voluntary and require enough subsidy that the private market is incented to participate. However, if the IZ requirements are too onerous, development feasibility can be impacted and projects will not advance, a condition that will make affordability worse as housing is not supplied in strategic growth areas. As such, the regulations require a substantial amount of planning and economic analysis to ensure that development remains viable despite the requirement for affordable housing. It may be possible that a municipality is required to layer on additional incentives for the policy to be implemented.

A common issue that has been identified with IZ in Ontario is the preference of developing condominium buildings over rental tenure. Since IZ cannot dictate



tenure, this will remain the choice of developers moving forward. In the absence of incentives that encourage rental housing, it is therefore likely that condominium-tenure buildings will continue to advance in the City's PMTSA's. Condominium-tenure projects will likely choose to satisfy IZ requirements by providing affordable ownership housing, rather than proceeding with the complexity of a mixed-tenure building. Affordable ownership, while needed in the community, are often affordable only to the first household, which can then be sold at market rate upon resale.

The municipality has several options with dealing with this issue:

- Capture a portion of the increase in value upon the future sale of an affordable ownership unit (capped at 50% by O. Reg. 232/18).
- Creating a framework that protects affordability over the long-term by restricting the value increase or future sale of the unit.
- Partnering with non-profit groups to manage these units.
- The City of Barrie or Simcoe County could also acquire these units and manage them within a

housing portfolio. These could be managed as a perpetual affordable ownership model or rented to lower-income households.

- Many households may also qualify for an affordable ownership unit based on their income, but may not have the required downpayment to purchase a home. These units must also be sold in the pre-construction phase of a project, meaning eligible affordable purchasers will need a 20% downpayment. The City could consider a downpayment assistance program to assist the eligible households on the waitlist.

5.0 Additional Considerations and Advocacy Initiatives

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In addition the specific strategies identified in Section 4.0, the following offers a number of other considerations and advocacy initiatives that that the City of Barrie should consider through the implementation of this AHS. Some of these items are ones that the City of Barrie can undertake on their own,

while others represent advocacy initiatives for the City to take as they seek more direct participation from the Provincial and Federal governments on the issue of affordable housing. **Table 4**, below, provides a summary of these items, with **Appendix B** providing a more fulsome discussion of each.

Table 4

Additional Considerations and Advocacy Initiatives City of Barrie Updated Affordable Housing Strategy			
	Impact (1 to 5)	Cost (\$ to \$\$\$)	Timeline (Immediate to Long-Term)
Additional Considerations for the City of Barrie			
Invest Budget Surpluses Into Desired Housing Outcomes	4	\$\$/\$\$\$	Near
Explore the Potential for Density Bonusing for Priority Projects	3	\$	Medium
Ensure the City has Robust Data Collection to Support Good Decision-Making	3	\$	Near
Be Encouraging of Non-Traditional Construction Techniques, Housing Tenures, and Funding Models	3	\$ / \$\$	Immediate
Require Housing Above or in Conjunction with New Public / Community Facilities	2	\$\$/\$\$\$	Long
Declare Housing as a Human Right	2	\$	Immediate
Advocacy Initiatives			
Advocate for the Elimination or Deferral of HST on New Purpose-Built Rental Developments	5	\$	Near
Advocate to CMHC for More Streamlined Access to Funding and Financing Programs	4	\$	Long
Advocate for More Revenue Tools to Reduce the Burden on the Property Tax Base	5	\$	Medium / Long
Ask the Province to Define Attainable Housing and Incentivize It	3	\$	Near / Medium
Advocate for Increased Labour Supply for New Development	4	\$	Long
Advocate for More Progressive Property Taxation Options	2	\$\$	Long
Advocate for Simcoe County and the Province to Fund Social Housing as Operating Agreements Expire	5	\$\$\$	Near
Advocate to Upper Levels of Government for More Tenant Protections	3	\$	Medium
Advocate for Housing Funding/Investments to Align with Population (including student) Growth Targets	5	\$	Medium / Long
Advocate for Streamlined and Predictable Approvals Processes from Other Levels of Government and Governmental Agencies	4	\$	Near / Medium
Leverage the Collective Power of Municipalities in Advocacy	3	\$	Long
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)			

6.0 Monitoring and Reporting

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This AHS is a snapshot in time and will require consistent monitoring by the City. As with any long-term strategy, a wide variety of market, policy, funding, political, and other shifts will undoubtedly require changes in direction as the Plan evolves.

It is also important that the City monitor the effectiveness of budget amounts and the recommended strategies themselves to ensure they are achieving desired outcomes. If outcomes are not being achieved, the City must uncover the factors limiting success and recommend changes for Council to consider.

City staff should report to Council every year on the implementation of the AHS. It is recommended that the City report to Council on an annual basis in two ways: 1) overall housing market indicators, and 2) progress and monitoring of specific strategies.

The first group of reporting metrics should include market indicators that illustrate to Council whether housing affordability is improving or worsening. This is preferred over the selection of an arbitrary housing target, which would become out of date within a year of this AHS being approved. Recommended indicators include:

- Number of housing starts and mix of housing units by type relative to the City's forecasted growth documented in the Official Plan.
- Changes in the rental housing universe to understand if more rental housing is being delivered as follows:
 - % change in the rental vacancy rate.
 - % change in the average market rent.
 - % change in the average resale price in Barrie.
 - # of affordable ownership units created

The second group of reporting metrics should include monitoring of specific strategies recommended through this AHS. Monitoring will include different measures, depending on the initiative in question. Examples include:

- Once the zoning update has taken place, the City should be monitoring how much intensification is occurring, the number of second suites created, the number of multi-unit buildings, etc. Where targeted outcomes are not being achieved, investigation should occur to uncover whether the limiting factor is the regulatory regime (i.e., zoning standards are



limiting) or the outcome is not economical and may require subsidy. Recommendations to Council on recommended changes should then occur.

- Review of take-up in the incentive and public land program, with specific recommendations to Council to improve effectiveness if required, through increased funding or other measures.

In addition to the annual reporting to Council, we would recommend that Staff undertake a more detailed review of the Affordable Housing Strategy every five years – or earlier if the annual reporting is showing that the AHS is not achieving desired outcomes.

A template of a sample monitoring report is provided in **Appendix D**.

Appendix A – Housing Needs Assessment

nblc

Provided under separate cover.

Appendix B – Strategic Direction Options Report

nblc

Provided under separate cover.

Appendix C – What We Heard Consultation Summary

nblc

Provided under separate cover.

Appendix D – Sample AHS Monitoring Template

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Reporting Status 1: Housing Market Indicators	
# of Housing Starts	
# of Housing Starts Forecasted	
(+/-) Target	
(+/-) Change in Accessory Dwelling Units	
(+/-) Change in County-Funded Second Suites	
(+/-) Change in Purpose-Built Rental Housing Stock	
(+/-) % Change in Rental Vacancy Rate	
(+/-) % Change in Average Market Rent	
(+/-) % Change in Affordable Housing Wait List	
(+/-) % Change in Average Resale Price	

Reporting Status 2: AHS Strategies				
AHMP Strategy	Status	Previous Update	Current Update	Recommended Actions
Undertake a Comprehensive Review of the City's Zoning By-Law				
Update the City's Existing Incentive Program and Increase the Annual Budget				
Use Public Land to Deliver New Affordable Housing				
Work Towards a Decision Faster (Shorten Approvals Timelines)				
Create a Concierge Program to Connect Parties Who are Interested in Partnering to Deliver New Housing				
Enhance the Simcoe County Secondary Suite Program for Barrie (Barrie Bonus)				
Enact a Rental Replacement By-law to Preserve Existing Rental Stock				
Continue Shifting the Public Discourse Around Growth, Density, and Affordable Housing				
Explore the Potential for Inclusionary Zoning in Barrie				



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APPENDIX "B"
Strategic Direction Options Report



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City of Barrie

Strategic Direction Options Report: Affordable Housing Strategy

Table of Contents

1.0 Introduction	1
2.0 Housing Needs Assessment Summary	2
3.0 What is Causing Affordability Gaps?	4
4.0 Recommended Action Items	12
5.0 Additional Considerations and Advocacy Initiatives	36

Disclaimer:

The conclusions contained in this report have been prepared based on both primary and secondary data sources. NBLC makes every effort to ensure the data is correct but cannot guarantee its accuracy. It is also important to note that it is not possible to fully document all factors or account for all changes that may occur in the future and influence the viability of any development. NBLC, therefore, assumes no responsibility for losses sustained as a result of implementing any recommendation provided in this report.

This report has been prepared solely for the purposes outlined herein and is not to be relied upon, or used for any other purposes, or by any other party without the prior written authorization from N. Barry Lyon Consultants Limited.

1.0 Introduction

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The City of Barrie ('the City') retained N. Barry Lyon Consultants Limited ('NBLCL') in early 2023 to develop an Affordable Housing Strategy as a new 10-year update to their current strategy.

The updated Affordable Housing Strategy is meant to provide the City with an actionable strategy to address the affordability challenges experienced by current and future residents.

The current strategy was based on Simcoe County's 10-Year Affordable Housing and Homelessness Prevention Strategy (2015). While the City has exceeded the original target of 840 affordable units established in the current strategy, affordability continues to erode as the housing crisis continues to intensify.

The affordability profile and overall housing gaps have also shifted significantly since the current strategy was written in 2015, with both rent and home prices rising significantly over this period, creating significant affordability pressures across a much wider spectrum of the income distribution and housing continuum.

The City has decided to revisit the current strategy and prepare a comprehensive update that is intended to more closely align with current housing needs, affordability pressures, housing targets, affordable housing definitions, development economics, and overall demand characteristics.

Phase 1 of the Affordable Housing Strategy work was to complete a detailed Housing Needs Assessment, a foundational assessment of housing needs and affordability challenges in the City of Barrie

that was meant to establish current conditions and guide the recommendations brought forward through the Affordable Housing Strategy. The Housing Needs Assessment was completed in May 2023.

This Draft Strategic Direction Options report represents the first step of Phase 2 of the Affordable Housing Strategy work, mapping out a list of potential action items and other considerations for the City of Barrie as they look to address the growing affordable housing issues in the community.

We expect that the initial list of options in this report may evolve further as we receive feedback from staff, Council, the public, and other stakeholders.



Source: Ontario Away

2.0 Housing Needs Assessment Summary

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A Housing Needs Assessment ('HNA') was completed in May 2023 with the intention of providing a foundational assessment of housing needs and affordability challenges in the City of Barrie to guide the updated Affordable Housing Strategy.

The following are some of the key takeaways from the HNA:

- There are next to no options in the market for low and moderate-income households in both ownership and rental tenures.
- New rental housing development has been stagnant in recent decades despite renters driving household growth in Barrie. Only 350 net new units have been added to Barrie's rental supply in the past 20 years. Limited new development has required that the secondary market fill the gap between supply and demand, but private leases do not provide tenants with the same security of tenure as purpose-built rentals.
- Rental rates have been rising rapidly, with most options now exceeding \$2,000 per month.
- Renter households are far more likely than owners to be in Core Housing Need (i.e., living in unaffordable, unsuitable, and/or inadequate housing) in Barrie. There is clearly a more pressing need to address the needs of renter households across a variety of incomes and characteristics.
- While residential building permits are above average for 2023, the supply of ownership housing is not meeting demand, particularly from low and moderate-income households.
- Barrie's ownership housing stock has experienced significant price growth over the last decade – with average resale prices rising 172%, compared to just 34% for average incomes. Most households, and particularly first-time home buyers, would be challenged to buy a new or resale home in the Barrie market today.
- A lack of affordability in the ownership market is driving 'would-be' purchasers to the already constrained rental market.
- To accommodate the forecasted population growth to 2051, more than 58,000 new homes will be needed, or about 1,950 homes annually. This will require a significant increase to construction activity relative to recent years (average of 530 housing completions annually since 2006).

The table on the following page synthesizes the market information collected by NBLC as part of the HNA with the income decile data from Statistics Canada to understand the market and non-market housing that is affordable to households in Barrie based on average prices. This helps to visualize what is or is not affordable to different income groups in Barrie's housing market today.

Ownership Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$117,237	\$175,855	\$230,077	\$283,933	\$340,719	\$399,388	\$472,610	\$517,018	\$728,207
Housing Type	Avg. Purchase Price									
NEW SALE										
Single-Detached	\$1,286,000									
Semi-Detached	\$933,000									
Townhouse	\$817,000									
Condominium Apartment	\$680,000									
RESALE										
Single/Semi-Detached	\$827,000									
Multiplex	\$890,000									
Townhouse	\$705,000									
Condominium Apartment	\$592,000									
Rental Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$635	\$895	\$1,182	\$1,425	\$1,734	\$2,043	\$2,430	\$2,927	\$3,728
Housing Type	Avg. Rental Rate									
Purpose-Built Rental Market										
New Purpose-Built Rental Apartment	\$2,370									
Old Purpose-Built Rental Apartment	\$1,960									
Secondary Rental Market										
Privately Leased Single/Semi-Detached	\$2,680									
Privately Leased Townhouse	\$2,470									
Privately Leased Condominium Apartment	\$2,210									
Privately Leased Basement Apartment	\$1,735									
Community Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$635	\$895	\$1,182	\$1,425	\$1,734	\$2,043	\$2,430	\$2,927	\$3,728
% CMHC Average Market Rent	Avg. Rental Rate									
100% AMR	\$1,487									
80% AMR	\$1,190									
60% AMR	\$892									

Note: Affordability threshold is determined based on 30% of gross household income going towards housing costs. Average prices are based on a survey of available units or recent transactions. Resale prices are from the 2022 calendar year. These prices are point in time and can change based on a variety of economic and market factors.

Source: N. Barry Lyon Consultants Limited, Atlas Data Studio, Canada Mortgage and Housing Corporation, Simcoe County Realtor

3.0 What is Causing Affordability Gaps?

nblc

This section provides an overview of some of the reasons that Barrie and other municipalities are seeing housing affordability gaps. This information helps to set the table for the strategic options included in this report. While the issues causing housing gaps are complex, this section is intended to provide a high-level overview of each identified factor.

We Are Not Building Enough Housing

Arguably the biggest factor that has led to affordability gaps across Ontario and Canada is a lack of sufficient housing supply. Simply put, we are not building enough housing to meet the demand from a changing and growing population. As with any commodity, when demand outstrips available supply, availability is reduced, and prices climb.

Figure 1 illustrates the number of housing completions per capita of new residents in Ontario over the past 70 years. Housing completions have been declining over the past 15 years, and over the past five years, construction activity on a per capita basis has been at its lowest point (319 homes per 1,000 new residents) since the mid-to-late-1950's (254 homes). In fact, the past five years have represented a rate of new construction activity that is less than 40% of peak activity in the mid-to-late-1970's.

Relative to the rest of Canada, the lack of supply is particularly acute in Ontario. As illustrated in Figure 2, the number of private dwellings per capita in Ontario is lowest of all provinces in Canada, well below both the Canadian and G7 average. According to

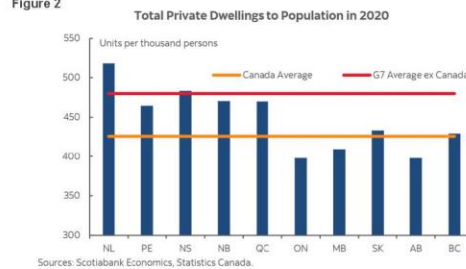
Scotiabank, Ontario would need to add about 650,000 homes to reach the Canadian per capita average.

Figure 1



Source: Statistics Canada

Figure 2



Sources: Scotiabank Economics, Statistics Canada.

CMHC has identified similar shortage, estimating that Canada requires an additional 3.5M homes (above baseline trends) by 2030 to restore housing affordability.

Household Dynamics are Changing

In addition to scarcity of housing, household dynamics are also shifting, putting a further strain on the market. There are two main causes worth noting:

- The aging of the large Baby Boomer generation has resulted in many empty-nester households seeking to downsize; and,
- Younger adults are getting married later and having fewer children than in past decades.

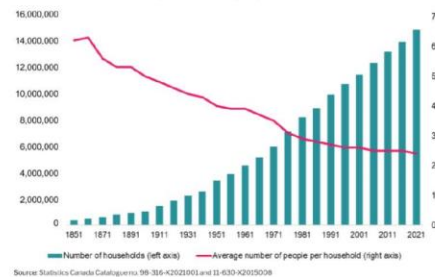
These two factors have combined to reduce the average household size. *As household sizes decline, more housing is needed to serve the same size population.*

For example, if a population of 1,000,000 residents has an average household size of 3.0, a minimum of 333,333 homes are needed. If that average household size declines to 2.5, the same population requires a minimum of 400,000 homes. This does not include additional homes needed to service demand from post-secondary students, temporary foreign workers, and demand for secondary homes or short-term rentals, among others.

Figure 3 illustrates the long-term trend of average household sizes in Canada to 2021. The average household size of 2.43 persons in 2021 represents a significant shift from the 1950's through 1970's

when average household sizes were between 3.0 and 4.0 persons, while Ontario was also building more housing per capita.

Figure 3: Average household size and total households in Canada, 1851 - 2021



Changing Lifestyles / Limited Downsizing Options for Seniors

The large Baby Boomer generation is now into their senior years and are healthier and living longer than past generations. This has had an impact on housing choices, with more seniors choosing to stay in their single-family homes longer, delaying the natural turnover that occurred in previous decades.

Further compounding this is that for many seniors who would like to downsize, there are few options. Outside of some select municipalities in Ontario, most residential options are low-rise, ground-oriented housing types (68% in Ontario, 77% outside

Toronto), which do not meet the needs of many downsizers. At the same time, apartment development that has occurred in recent years often consist of increasingly compact units and high proportions of one-bedroom units.

Limited Affordable and Market-Rate Rental Development

The tenure of housing that is being built is also playing a role in the affordability crisis. For several decades, there has been far too little affordable and market-rate rental housing constructed – two housing types that have historically accommodated low and middle-income households.

Canada built a lot of federally-assisted affordable housing units in the 1960s through to the 1980s. Downloading of responsibilities to the provinces and then to municipalities, the end of federal funding for new social housing in the mid-1990s, and the end of social housing as a significant national policy priority all contributed to the steep decline in affordable rental housing supply (Figure 4).

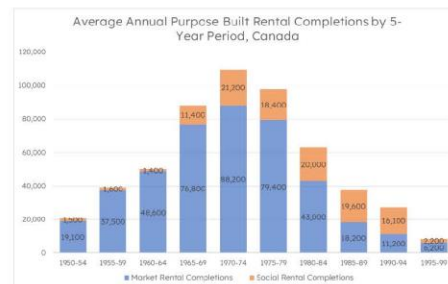
Construction activity has started to improve in recent years in response to initiatives borne out of the Federal government's National Housing Strategy. However, after 25+ years of relative inaction, and widening affordability gaps, this represents just a small portion of what is needed.

Figure 4



Source: The Tyee, "Why Can't We Build Like It's the 1970s?", April 22, 2022

Figure 5



Source: Dr. Mike P. Moffatt

At the same time, changes were also made that impacted the attractiveness of new market-rate purpose-built rental investment. The private sector built a significant amount of new market rentals in the 1960s and 1970s (Figure 5). Policy changes since then around rent control, GST/HST, subsidies, and other measures led to a steep decline of private sector rental investment starting in the 1980's, requiring that the growing base of renters in Canada rely on secondary rentals that do not offer the same security of tenure.

Today, rental development is plagued by high equity requirements and relatively low returns, which has led to most projects pursuing condominium tenure. Condominium projects present less risk, higher and quicker returns, and higher land values, which rental projects struggle to compete with.

Restrictive Planning Policies & Onerous Development Process

Outdated restrictions on new development require that many developers seek amendments to zoning by-laws or Official Plans to build new housing. This delays new development and adds to the costs and risk profile of new housing development. These costs can impact project feasibility and restrict housing supply. Where demand for housing outstrips supply, these dynamics mean that developers can (and need to) charge more for housing in order to maintain viability.

In many municipalities, the development process has become more and more complicated, with design guidelines and other requirements that exert further control over what can and cannot be

built. Appeals, a long list of required studies, peer reviews, public consultation requirements that can go beyond what is set out in the Planning Act, and other factors also play a role in making development process more onerous and creating an environment where it is harder to build new housing.

Restricting where new housing development can be built also creates a premium for developable land. Where few development sites exist, land values increase substantially, which creates many unintended consequences:

- High land values due to competition from developers, requiring high density and premium market positioning for projects to 'pencil'.
- Landowners seeking planning permissions to improve the value of their land, but without near-term plans to build.
- Most development is undertaken by the larger developers who have substantial capital, expertise, resources, and political connections necessary to undertake a complicated and multi-year entitlement and construction process. These groups seek above market profits to justify their investment.

Local Opposition to New Development (NIMBYism)

Residents who are passionate about their communities often want to have a say about what gets built and where it gets built. However, within this space, there is some extreme opposition to change and new development. These individuals or resident groups are often labelled as 'NIMBY' ('not-in-my-backyard').

The impact of opposition voices can delay new development or require compromises from the developer that can risk project feasibility and can reduce affordability. In some communities where the NIMBYism issues are well-known, it may even discourage some developers from trying to build at all, with a belief that opposition to growth and change is so strong that it may not be worth the effort, time, and resources, particularly if they must acquire a site in a new market.

Restrictive planning policies help support opposition to new development, increasing the importance of reforming local land use restrictions and creating a more streamlined approvals process.

Construction and Development Costs

The cost of development has been rising. This includes both hard construction costs and soft costs (soft costs include costs such as municipal fees and charges, consultants, financing, etc.). Table 2 summarizes how hard construction costs have changed in recent years¹, increasing between \$80 to \$130 per square foot, or 45% to 70%, since 2019. At the same time, development charges have increased in many municipalities, and rising interest rates more recently are now also making construction more expensive.

Table 2

Change in Per Square Foot Construction Costs GTA, 2019 to 2023				
Housing Type	2019 Average	2023 Average	Change (2019 to 2023)	
Single-Detached	\$165	\$245	\$80	48%
Townhouse	\$133	\$223	\$90	68%
Stacked Townhouse	\$158	\$253	\$95	60%
6-Storey Apartment	\$188	\$283	\$95	51%
12-Storey Apartment	\$225	\$328	\$103	46%
25-Storey Apartment	\$223	\$328	\$105	47%
40-Storey Apartment	\$230	\$360	\$130	57%
Underground Parking	\$138	\$233	\$95	69%

Note: Average pricing per square foot is based on the mid-point of the range provided by Altus Group in their annual construction cost guide.
Source: Altus Group

Delays caused by restrictive planning policies, an onerous development process, and the impacts of NIMBYism also contribute to the rising cost of development in many communities.

As costs increase, developers must either pursue pricing towards the higher end of the market, or not build at all if an adequate profit cannot be achieved. Rising costs mean that most developers now compete at the upper end of the market to achieve the rate of return on investment that will be required by lenders and equity investors in a project. Historically, new housing projects were positioned

¹ Specific construction cost data was not available for Barrie, however, we would expect similar trends in Barrie as the GTA given their proximity.

towards a broader segment of the population, including middle/moderate-income groups, which was made possible by lower development costs and a strong supply of development-ready greenfield land where low-density housing could be built quickly.

These rising costs also have a significant impact on the delivery of new affordable housing. These developments are often exposed to the same costs as a market-rate project. As such, as costs increase, the required level of subsidy to fund the affordable housing increases, which impacts the scale of housing that can be delivered. Non-profits, in particular, are being affected by this issue, as rising interest rates have reduced the amount of project costs that can be financed, requiring greater upfront equity for projects to advance.

Labour and Material Shortages

Labour supply for new development is a key factor contributing to the housing shortage and may be a limiting factor in the Province reaching its own goal of 1,500,000 new homes over 10 years.

The construction industry is already short an estimated 80,000 workers across Canada according to CIBC, including shortages for both labourers and skilled trades. A coming wave of retirements could make the problem worse over the next decade.

Job vacancies in the construction industry not only limit how much new housing can be delivered on an annual basis, but also drive up building costs, which has a trickle down effect on housing affordability, as noted throughout this section.

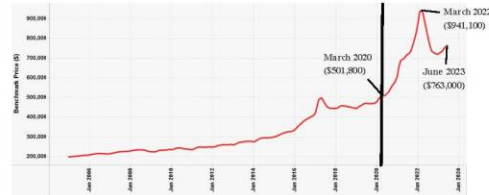
Material shortages – such as lumber, steel, and aggregates – while not as acute as labour shortages today, were also a significant limiting factor during the COVID-19 pandemic, contributing to the recent slowdown of new development. Alternative construction techniques such as modular housing, panelization, shipping containers, and others, could help to reduce the burden on more traditional construction from a materials and labour standpoint.

Impacts of COVID-19

The COVID-19 pandemic changed the way many people live and work, including the lifestyle and housing priorities of many households. Many took this time to leave rental apartments and smaller homes in urban centres like Toronto in favour of larger homes in communities across the GTA, including the City of Barrie. Since 2020, communities such as Barrie, as well as more modest market areas like Woodstock, London, Kingston, Collingwood, and many others all experienced rapid home price appreciation as demand for low-density homes and larger apartments increased.

Figure 6 illustrates the monthly benchmark resale price in Barrie since 2005, which follows a similar trend as most other municipalities in Southern Ontario. At the beginning of the pandemic in March 2020, benchmark resale prices in Barrie were just over \$500,000, but quickly rose to more than \$940,000 in two years (+88%). While prices have since declined due to rising interest rates, they are still up about 52% in just over three years.

Figure 6: Benchmark Resale Prices in Barrie: 2005 to 2023



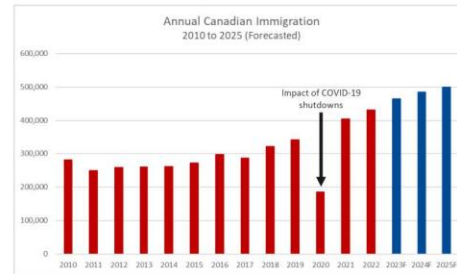
Source: Barrie and District Association of Realtors

Population Growth

Relating back to the subsection on housing supply, population growth also plays a significant role in the shortage of housing, particularly in recent years.

Canada's immigration targets have been ramped up in recent years and are forecasted to reach 500,000 new Canadians annually by 2025 (Figure 7). This has an obvious impact on the housing market. As the population grows, construction activity needs to grow with it. Unfortunately, for a variety of reasons – included many noted within this section – construction activity has not kept pace with the increasing rate of population growth.

Figure 7



Source: Statistics Canada

Post-Secondary Enrollment Pressures

Many students require relatively affordable housing options and often have to compete in the market with low- or moderate-income households, putting a further strain on this increasingly limited segment of the market. As post-secondary enrollment increases, so too does housing demand from students.

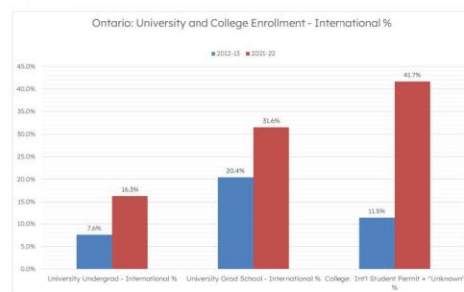
More recently, both Universities and Colleges have expanded their international enrollment – with the increase being particularly dramatic for Colleges, about half of which in Ontario now feature a student body with 40%+ international students (Figure 8).

While many domestic students can live with family if attending school locally, international students cannot. The shift towards a

higher proportion of international students has had a considerable impact on housing markets, particularly those that include Colleges, like Barrie.

At the same time, these schools are not building student housing at a rate that responds to these changes in enrollment – and the housing that is built tends to be unaffordable for most students. This forces students seeking housing to look elsewhere in the housing market and to compete with residents for housing the limited supply of relatively affordable housing in the market. This is putting significant strain on the rental market.

Figure 8



Source: Dr. Mike P. Moffatt

4.0 Recommended Action Items

nblc

The analysis underpinning this Strategic Directions Options report indicates that the affordable housing crisis will not be resolved without significant action from all levels of government, including the City of Barrie. While municipalities have many levers available that can meaningfully impact housing affordability, their revenue tools and overall capital budgeting is limited. Greater action and funding from senior levels of government are therefore also necessary to meaningfully address the housing challenges experienced by low- and moderate-income households.

While terms such as ‘the financialization’ or ‘commodification’ of housing are frequently noted as causes of the housing crisis, these are merely symptoms of an undersupplied market. Where demand significantly exceeds supply, for both housing and developable land, prices will increase and actors (e.g., developers, investors, landowners, homeowners) will seek to capitalize on these market conditions. The City of Barrie, along with most communities in Ontario and Canada broadly, require increased housing supply to restore affordability.

While increased supply can restore housing affordability over the longer term, a broader supply of housing is also needed, where more rental apartments, missing middle typologies, and affordable housing are also part of the solution. These solutions can provide more immediate affordability relief, but require more substantial policy and financial intervention from the public sector.

We see four critical levers that should be considered as part of Barrie’s updated Affordable Housing Strategy. These four levers

have guided the recommended options that are provided in this section and we believe these levers will allow the City of Barrie to start to address its growing affordability issues:

- **Policy and Process Reform:** Given existing fiscal constraints, the most active role a municipality can have in delivering housing is through land use planning. Creating a more permissive policy environment and more efficient internal processes to ensure more housing (of all types and prices) is constructed will be critical moving forward to try to bring balance to the market. As outlined in the previous section, and in our HNA, a lack of supply is a significant contributing factor to the affordability gaps being observed today.

Not only does a more permissive policy environment allow more housing to be built, but more efficient internal processes should also reduce delays, which has positive impacts on project costs and development feasibility. Lowering costs and increasing the supply of developable land creates more elasticity in pricing, allowing developers to compete at a wider range of prices while still achieving their required return. It also allows for more varied participation in the development of housing beyond only the largest developers undertaking complicated higher density development with risk adjusted profit expectations.

- **Offer Development Incentives:** The City of Barrie needs to provide various incentives to reduce the cost of development for housing providers who are seeking to build the types of housing that are identified as a priority.



Development incentives improve the feasibility of new housing that is not already being delivered naturally by the market. There are a wide range of incentives that can be provided by the City of Barrie, in addition to the use of City-owned land for new residential development. Senior levels of government must also play a role here.

- **Take a Leadership Role:** While the City of Barrie may not have the ability or resources to construct or fund a significant amount of new housing on their own, they can take a leadership role in the delivery of new housing in other ways. This includes taking the initiative to declare new residential development a priority, educating residents on the benefits of new development, identifying public land for new housing, connecting interested parties to potential partners and funding programs, among other initiatives.
- **Advocate to Upper Levels of Government:** More active participation from the Provincial and Federal governments will be required to have a more significant and lasting impact on housing affordability, particularly when it comes to subsidizing new affordable housing development. As such, advocacy to upper levels of government for help in solving housing affordability issues, ideally with targeted requests, will be a critical part of the go-forward strategy. Notwithstanding this, the Affordable Housing Strategy will primarily be focused on actions the City of Barrie can take, so advocacy initiatives should be a secondary consideration.

Together, our recommendations will create a strategy that couples market-oriented land use planning reforms with a proactive government role – including leveraging public land as well as direct investment – to increase the development of market-rate and affordable housing. The recommendations have been shaped by our research, stakeholder input, and NBLC's own extensive experience in the housing industry.

Based on our work to date and research on current market conditions, we generally believe that the City should be prioritizing the following housing types, in this order, through the Affordable Housing Strategy:

- Affordable rental housing;
- Market-rate rental housing;
- Affordable ownership housing.

Notwithstanding this, flexibility will be key, particularly when it comes to the use of incentives. An adequate program budget will also be required to achieve the stated goals.

While we understand that City resources are limited in Barrie, like in most municipalities, the affordable housing issue is in desperate need of focused and accelerated action after decades of relatively limited action. Upon completion of the Affordable Housing Strategy in Fall 2023, the City of Barrie should plan to act as soon as possible and utilize lessons learned over time to adjust any programs and policies accordingly to maximize effectiveness.



Table 3, below, provides a summary of NBLC's 10 recommended action items for the updated Affordable Housing Strategy. For each recommendation in this section, we have provided detailed commentary, in addition to high-level information on estimated impact, potential cost, and timeline to implementation. An explanation of the scoring system for these items can be found on page 15.

The first four items in our list of recommendations relate to planning reforms, development incentives, the use of public land,

and shortening approval timelines. These will be particularly critical and impactful in getting more affordable and market-rate housing supply built in Barrie moving forward.

We expect that this list of options may still evolve in the coming months as we receive feedback and work towards finalizing the updated Affordable Housing Strategy. Additional work will also need to be completed as it relates to costing of these items, understanding available funding, and setting priorities related to groups served, housing tenures, and other key factors.

Table 3

Recommended Action Items City of Barrie Updated Affordable Housing Strategy			
	Impact (1 to 5)	Cost (\$ to \$\$\$)	Timeline (Immediate to Long-Term)
Undertake a Comprehensive Review of the City's Zoning By-Law	5	\$\$	Medium
Offer Development Incentives for Targeted Projects Through a CIP and/or MCFB	5	\$\$\$	Medium
Prioritize Housing Outcomes on Public Land	5	\$	Medium
Work Towards a Decision Faster (Shorten Approvals Timelines)	4	\$\$	Medium
Create a Funding Stream Specifically for Affordable Housing	4	\$	Near
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



Methodology

The following explains the scoring system that will be utilized in the coming pages for all of the strategic options in terms of potential impact of the option, the potential cost of its implementation, and the estimated timeline for implementation. This scoring is meant to provide the City of Barrie with additional insight into each of these strategic options, however, this scoring is an estimate. It is possible that in any option, the true impact may be above or below what we have estimated.

Impact: How impactful will the option be in increasing housing options in Barrie, relative to other options?

The level of impact is estimated based on a number of factors such as how scalable the recommendation is, how much new housing supply it is likely to create, how likely it is that the recommendation will produce housing for moderate-income households, and how much control the City has over the that specific recommendation, among others.

- ★ Minimal Impact
- ★★ Low Impact
- ★★★ Moderate Impact
- ★★★★ High Impact
- ★★★★★ Maximum Impact

Cost: How much should the City expect the implementation and/or ongoing administration of the strategic option to cost?

\$: Low-Cost (<\$100,000): This may represent no cost to the City, a small one-time cost, or the cost of one new staff member.

\$\$: Medium Cost (\$100,000 to <\$1,000,000): This option may require the hiring of consultants, several staff members, and/or ongoing costs.

\$\$\$: High-Cost (\$1,000,000+): Options in this category are likely to be most significant from a budget and investment perspective.

Timeline: How long might it take to implement this strategic option?

Immediate: These options can be implemented immediately after the Strategy is completed. Implementation could take less than a month.

Near-Term: These options can be implemented in less than one year.

Medium-Term: These options are likely to take between one and three years to implement.

Long-Term: These options are likely to take three or more years to implement.

Undertake a Comprehensive Review of the City's Zoning By-Law

Impact: ★★★★★ Cost: \$\$ Timeline: Medium-Term

Significant changes to planning policy province-wide are needed to increase housing supply. At the municipal level, this generally means refinements to zoning and Official Plans where they place outdated restrictions on new development. Getting these planning changes correct will be critical in the execution of the other recommendations in this report.

The City of Barrie is in the process of creating a new comprehensive Zoning By-law to support the newly approved Official Plan (2023). To help guide that ongoing work, we would recommend the following be considered to achieve the goals of the affordable housing strategy, many of which are being contemplated in the most recent draft of the new zoning by-law:

- **Upzone along arterial roads:** Where it does not exist already, the City should consider opportunities to upzone along arterial roads where the lot depths and other factors might allow. We would suggest that, at minimum, mid-rise heights should be permitted as-of-right, with taller buildings permitted in strategic locations.
- **Eliminate single-family-only zoning:** Eliminating single-family-only zoning is not meant to restrict the construction or existence of single-detached homes, but rather to end zoning that *only* permits this built form. In any residential 'neighbourhood' – even those that are primarily low-rise homes – semi-detached, townhouses, and multiplex built forms should be permitted as-of-right to increase housing options.
- **Allow more density in neighbourhoods:** The Province through Bill 23 has already required that three units be permitted as-of-right on any serviced residential parcel. There is an opportunity to take this further by ensuring medium-density housing types like traditional, back-to-back and stacked townhouses are allowed as-of-right in all neighbourhoods, as well as denser multiplex homes like four and six-plexes (e.g. encourage more "missing middle"). Legalizing rooming houses (which could even be used as employee housing) in all residential zones would also be beneficial.

We would also recommend that the City of Barrie consider permitting low-rise apartment buildings (3 or 4-storeys) with no required on-site parking in all neighbourhoods as well. These types of apartments already exist in parts of the low-rise neighbourhoods in Barrie and can be integrated easily. These missing middle built forms and low-rise apartments can be constructed more cost effectively, be priced lower, and be undertaken by a wider range of developers/investors relative to larger projects.

Communities often see older single-family homes knocked down and replaced with larger single-family homes. This is partially due to market forces, but it is also because zoning restricts the ability to develop anything denser. Allowing denser forms of housing to be built within neighbourhoods can result in the same labour (e.g., smaller builders, contractors) and investors who are currently redeveloping single-family homes to transition their business model to constructing these higher density outcomes, if the approval process was as straightforward and simple as the process to build a larger single-family home. If these outcomes are not achieved after zoning reform, additional reforms may be necessary, and possibly the provision of financial incentives if the economics are not supportive. Both the City of Toronto and City of Kitchener are currently exploring zoning reforms to allow these types of outcomes in existing low-density neighbourhoods, including the layering of incentives to ensure these outcomes present the highest and best use of these lands.

- **Allow residential development to be integrated into designated commercial areas:** While changes within the commercial-retail sector were already occurring due to the proliferation of digital platforms, e-commerce opportunities, and the decline of the traditional mall, they were accelerated during the COVID-19 pandemic. The nature and need for brick-and-mortar retail has changed. Large-format retail plazas are being re-imagined across Ontario to incorporate a mix of residential uses on existing surface parking lots and create more complete communities.

The City of Barrie should recognize this emerging trend and create a related policy framework that provides flexibility to add housing supply to these commercial properties. Importantly, this would put more housing within walking distance of key commercial amenities. These are also areas that should be considered appropriate for increased maximum building heights – in the range of at least 6 to 12-storeys, with opportunities for taller buildings as well.

- **Eliminate minimum parking requirements:** Parking can add significant costs to apartment developments, particularly if it needs to be located underground. Eliminating minimum parking requirements would allow housing providers to provide parking based on market expectations as opposed to policy requirements, building only what is needed. Consideration should also be given to eliminating parking minimums for the commercial component of mixed-use buildings as well.

We understand that some opponents of no parking minimums are concerned about a potential increase of residents parking on streets. In our view, this is an enforcement issue, not a planning issue. Strong investments in transit can also mitigate any negative externality of reduced on-site parking.

- **Community integration of new housing:** Unless the proposal is in a heritage district, better balance the preservation of the community with the creation of housing supply through the new zoning by-law. It is probable that with careful reconsideration, low-density zones could allow for a broader range of more dense housing formats.

- Update other zoning permissions to accommodate the above changes:
The City should review the by-law to make any necessary changes related to setbacks, building depths, minimum lot sizes, lot coverage, etc.

The zoning reforms listed above will encourage development of all housing forms and price points, including those at the upper-end of the market. The goal of these reforms should be to start the process of getting more housing built in general as opposed to just affordable housing, to bring more balance to the market in terms of supply and demand. This is the best strategy for improving overall affordability in the community over the longer term.

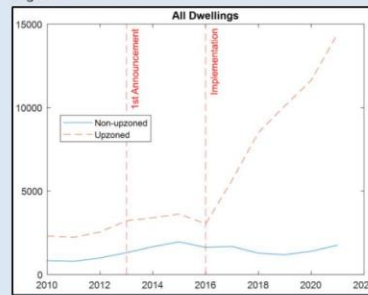
Simplifying the City's zoning by-law could also have a positive impact on getting more housing supply built, making it easier for builders to get to the construction phase quickly and to increase the number of participants in housing delivery. In addition to zoning reforms, there are a number of approaches that the City of Barrie could take to simplify its zoning. Any changes should focus on creating clarity and predictability and could include, among other options:

- Reducing the number of zone categories and expanding the range of permitted uses in each zone;
- Increasing as-of-right opportunities (as noted previously);
- Limiting development by height as opposed to density, number of units, floor space index, or lot coverage;
- Simplifying the language in the by-law;
- Utilizing graphics and images to help explain any complex zone provisions;
- Reviewing all exceptions and determine whether they should be incorporated into general zone categories, carried forward in their current form if still relevant, or deleted entirely.

Impacts of Upzoning in Auckland, New Zealand

In 2016, Auckland implemented large-scale zoning reforms under the Auckland Unitary Plan ("AUP") that eliminated single-family-only zoning and relaxed height and density permissions on about 75% of its residential land area. According to a recent study, Auckland's upzoning reforms led to a significant increase in new housing permits, increasing every year since the AUP was enacted, from approximately 6,000 permits in 2015 to 14,300 permits in 2020 (Figure 9). According to the study, building permits for 26,903 additional residential units have been issued as a direct result of the AUP policies over the first five years since its implementation.

Figure 9



Source: Greenway-McGreevy & Phillips (2022)

Offer Development Incentives for Targeted Projects Through a CIP and/or MCFB

Impact: ★★★★★ Cost: \$\$\$ Timeline: Medium-Term

There is no business case for the private sector to build affordable housing on their own. The revenues associated with affordable rental or affordable ownership prices are not sufficient to cover the costs of new development while also providing the developer with a reasonable return. Non-profits do not require a return, but they struggle to secure the financing and equity needed for an affordable housing project to advance. (Figure 10).

While simplifying and speeding up the development process is one way to reduce development costs in a more indirect way and for all types of housing, there are also options for the City of Barrie to more directly subsidize new development that achieves municipal priorities.

The City of Barrie should aim to reduce the cost of development using development incentives to encourage private sector and non-profit developers to participate in the delivery of affordable and market-rate rental housing.

Affordable housing should be the highest priority for incentives, but market-rate purpose-built rental development should also be considered as a secondary priority given the limited new investment occurring in Barrie over the past 20 years. As noted in our housing needs analysis, condominium tenure development is more economically appealing than purpose-built rental development for a variety of reasons including lower equity requirements, ease of financing, differences in costs, and shorter timeline to achieving profits.

The City can offer incentives through either a City-wide Community Improvement Plan ('CIP') or through Municipal Capital Facility Agreements ('MCFAs'). CIPs and MCFAs are similar tools that allow municipalities to offer incentives to achieve specific outcomes.





We understand that the City of Barrie has an existing CIP, the programs for which have been put on hold while the Affordable Housing Strategy is being completed. The following provides an overview of CIPs and MCFAs to help guide the City's decision-making.

Community Improvement Plan (CIP)

Section 28 of the Planning Act loosely defines the types of incentives that can be used through a CIP. The Act generally allows for the acquisition, preparation, and disposition of land by the municipality as well as the offering of grants and loans. Section 28(7) generally states that "the municipality may make grants or loans, in conformity with the community improvement plan, to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area". Grants and loans can be offered to partially or wholly cover eligible costs (but not exceed), which can include anything from site preparation, development, construction, redevelopment, and other related items. Municipalities may also offer property tax relief through a CIP, however, only for eligible heritage and brownfield properties. For other community improvement objectives, property taxes can be addressed through grants (i.e. tax increment equivalency grant), such as the retention or conversion of residential units above existing commercial uses in the Downtown Core.

Common incentives within a CIP includes grants for development charges, capital grants, tax increment equivalent grants ("TIEG"), application and building permit grants, feasibility study grants, façade improvement grants, capital grants to offset construction costs, construction financing, offering municipal land in support of a community improvement, parking rate reductions, fast tracked application reviews, and many others.

Municipal Capital Facilities Agreement / By-Law (MCFA / MCFB)

An MCFA is like a CIP in that it offers a municipality the flexibility to provide financial incentives to the development industry in exchange for affordable housing. While the definition of what constitutes a municipal capital facility is narrow, affordable housing is specifically permitted. As such, an MCFA is commonly used in Ontario as a mechanism to encourage affordable housing, though it is limited in its ability to achieve other planning and economic objectives relative to the flexibility of a CIP. Its use beyond affordable housing is therefore limited.

An MCFA is enabled through Section 110 of the Municipal Act, which states that municipalities can enter into an agreement with non-profit and for-profit developers to provide incentives in exchange for affordable housing. Incentives can include giving or lending money, giving, leasing, or selling property, guaranteeing borrowing, and reducing wholly or partially development charges and property taxes.



To enter into an MCFA, a municipality must first pass a Municipal Capital Facility By-Law ('MCFB') that must define affordable housing, define the eligibility requirements, include references to current acts and legislation, include a summary of the provisions that agreements must contain, and other language as required by the Act. Once the by-law is in force, a municipality can then enter into individual agreements, referred to as Municipal Capital Facility Agreements, with selected projects.

Choosing the Right Tool

While these tools are similar, a MCFB can be implemented and amended much more quickly than a CIP. MCFBs require only a single by-law to Council and require almost no administrative burden to change parameters of the program. A CIP on the other hand requires public meetings and can be appealed by a member of the public, both through initial approval and any subsequent amendment. A MCFB can also only be used for affordable housing, whereas a CIP can achieve multiple objectives. Finally, while a MCFB can only be used for affordable housing, recent MCFBs have defined affordable as anywhere from social housing to market rental, given the housing needs in the community, so there is some flexibility in the definition of 'affordable'.

From the perspective of incenting affordable housing development, many communities across Ontario have increasingly been using the MCFB due to its added flexibility and ease of implementation.

Development Incentive Options

When building an incentive program, we would recommend avoiding those that increase demand for existing housing. The Federal government has introduced several initiatives in recent years to help first-time home buyers, in particular. While these efforts are helpful for some, they also increase demand for ownership housing without policies to create more supply to offset the increase in demand. The City of Barrie should avoid similar demand-side incentives where possible and instead focus their resources on solutions that will create more affordable and market-rate housing supply. The gap between supply and demand has been a key driver of the rapid increase in housing prices and rising unaffordability (see Section 3.0).

Regardless of whether a CIP or MCFB is pursued, we would recommend that the City of Barrie explore the potential for providing the following incentives:



- Development charge grants, waivers, or deferrals (this would represent deeper incentives than what is now required through the Province's recent Bill 23);
- Property tax grants or reductions;
- Application and building permit grants;
- Study grants for non-profits;
- Capital grants to offset construction costs;
- Construction financing;
- Guaranteeing borrowing or offering no or low-cost loans, particularly for non-profits who often struggle to access traditional financing;
- Renovation credits to create additional housing units or renovate existing units.

Many of these incentives are already provided as part of the Affordable Housing Development Program in the existing CIP, while others would help to build on the existing program to provide deeper subsidy and broaden the interest from housing providers for available incentives.

These types of incentives can have a significant impact on development feasibility and the level of affordability in a new development. Regardless of whether a CIP or MCFB is pursued, we would recommend 'stacking' incentives where appropriate to increase affordability and/or the supply of new affordable or rental housing. Stacking incentives helps to further reduce the cost of development and can drive at deeper affordability or expand the number of units that are considered affordable in a new development. Stacking with senior-level funding and financing programs such as the Co-Investment Fund and Rental Housing Financing Initiative are also recommended. A proforma analysis should support the design and funding of the incentive program to ensure enough subsidy is being offered to achieve program goals.

Of note, more recent affordable housing programs have moved away from tying incentives to individual fee and charges. These programs instead pool capital funding and offer grants on a competitive basis through an annual proposal call. For example, the Region of Peel recently (2020) implemented the Peel Affordable Rental Housing Incentive Program that was funded with a budget of \$7.5M in the first year, which has increased to \$10M in 2023. Eligibility criteria require that all applications be rental tenure, a maximum of 135% AMR for 20 years, as well as other requirements related to suite mix and unit sizes that cater to families and larger households. Funding is released each year through an annual proposal call, where applicants request the amount of subsidy they require for their project to be feasible (e.g., \$100,000 per unit). Applications are then scored based on a list of criteria related to length/depth of affordability (more points for longer and deeper affordability),



energy efficiency, subsidy requested, locational amenities, and others. This process is effective because every project is unique in terms of building size, depth/length of affordability, underground vs surface parking, wood vs. concrete construction, return expectations, non-profit vs for-profit builder, etc. There is no single package of incentives that will work for every project, and this process allows the Region to negotiate with individual applicants to ensure that their funding results in a viable project and that valuable municipal funding is allocated on a competitive basis. Peel's program secured 135 affordable units through the first proposal call, with the second round currently underway. The Region of Durham and City of Toronto have similar programs, which are all administered through a MCFB.

Where incentives are tied to individual fees and charges, developers simply will not apply if the funding is insufficient. Alternatively, they may apply and seek other funding sources, often tying up valuable municipal resources as they seek other sources of capital.

Incenting Market-Rate Purpose-Built Rental Development

As noted, affordable housing should be the priority for incentives, but consideration should also be given to providing incentives for market-rate purpose-built rental development given the shortage of new construction in Barrie. This could be in the form of lesser grants or reductions on some of the above noted incentives, as is currently offered through the existing CIP.

Within the context of the Peel Region example noted above, Peel selected a high eligibility target of 135% of AMR, as near market rental housing was also needed in the community. Evaluation criteria, however, identify that significantly more points are available if applicants pursue deeper affordability. This allows the Region to incent housing up to 135% of AMR if that project is competitive relative to the other applications submitted. Alternatively, if more applications are pursuing deeper affordability, Peel can allocate the limited amount of funding to those projects instead. This type of flexibility has resulted in strong uptake in the program.

Deferrals can be particularly effective for market-rate purpose-built rental housing, while not placing the same burden on City finances as a grant or waiver. York Region, for example, currently offers development charge deferrals for up to 20 years on purpose-built rental projects that offer pricing at 175% of Average Market Rent, or less. A similar approach could be considered in Barrie that acknowledges that pricing above 100% AMR can still provide affordable rental rates for income groups that are currently underserved in the market today (e.g. 135% = affordable for 6th income decile, 160% = affordable for 7th income decile).

Changes to property taxes for purpose-built rental buildings could also incent new development. Whether affordable or market-rate, property taxes represent a significant portion of a rental building's operating expenses. A reduced property tax rate for purpose-built rental buildings



could be used to incentivize new market-rate development, while a deeper reduction or waiver could be a key incentive for rental operators looking to maintain affordable rental rates, or to support existing and prospective affordable housing providers.

Prioritize Housing Outcomes on Public Land

Impact: ★★★★★ Cost: \$ Timeline: Medium-Term

Like development incentives, no-cost or low-cost land is a way to subsidize the development of new affordable housing and can have a significant impact on project affordability.

The City of Barrie should utilize City-owned land for new affordable housing. We would recommend that the City undergo an RFP process for any property that is deemed to be vacant or underutilized and that would be considered appropriate for a new residential or mixed-use development. The RFP process would allow housing providers and/or long-term operators to compete for the opportunity to develop the site based on a list of requirements as set out in the RFP.

We would recommend that on any City-owned property being used for new affordable housing development, the City:

- Maximize the density on the property;
- Maximize the number of affordable housing units delivered. Be open to mixed-income developments as a means of subsidizing the affordable housing units;
- Set clear expectations for depth of affordability, length of affordability, and target income groups;
- Prioritize rental tenure development over ownership. A mixed-income rental tenure development could provide the benefit of delivering two types of housing that are currently in short supply in Barrie;
- Offer the property without cost, or at below market value. We would not recommend selling City-owned lands at full market value and reinvesting profits into other incentives/priorities, unless there is a clear rationale that will allow for the delivery of more affordable units;
- Be open to creative solutions around construction techniques, building design, and housing models that can reduce the cost of development on City-owned land, support more affordable housing delivery, and support the City's housing needs and priorities;
- Identify partners to not only develop the housing, but also operate any affordable housing units after construction completion.

We would recommend the City undertake a portfolio review of publicly-owned land in Barrie. This would allow the City to better understand which properties are best suited for new residential development and what is needed in order to prepare these sites for redevelopment.

As part of this portfolio review, we recommend investigating revitalization of existing Simcoe County social housing properties in Barrie. Many communities across Ontario are reevaluating existing and older social housing sites that are often underutilized and require significant capital repairs to remain viable. These sites can be redeveloped with more density to include more homes and a greater social mix. Examples include redevelopments undertaken at Regent Park in Toronto, Jamesville in Hamilton, Rideau Heights in Kingston, and many others.

Finally, we would recommend against the City of Barrie becoming developers through the creation of a development corporation, land trust, or housing cooperative, or becoming landlords through a housing corporation. Government, in general, is less nimble than the private and/or non-profit sectors, includes more bureaucracy, and does not have the same level of existing expertise. In addition, Simcoe County as Service Manager, is already positioned to operate and build lower income housing.

With any new development on City-owned land, we would recommend that the City utilize partnerships with private and non-profit sector partners to leverage their existing knowledge about market-rate and affordable housing development and operation. These groups are local experts in the types of development that the City of Barrie is likely to want to see moving forward and should be leaned on as much as possible moving forward.

Where public land may not be available, Barrie can consider acquiring new sites as opportunities become available. For example, older school properties can be acquired by municipalities if they are declared surplus, which is a situation occurring more

City of Toronto Housing Now Program

Housing Now is an initiative to activate City-owned sites for the development of affordable housing within mixed-income, mixed-use, transit-oriented communities. Through an annual RFP, the City offers public land at reduced value to the private sector. Sites are released on a competitive basis, where the City pre-zones and details the affordable housing to be included through each property.

Phase 1 of Housing Now launched in 2019 with an initial offering of 11 sites that are expected to deliver over 10,000 new homes, including 3,700 affordable rental units. Phase 2 added six new sites in 2020, and Phase 3 added another four sites in 2021.

Figure 11: Housing Now Proposal at 5207 Dundas St W



Source: Toronto Storeys

frequently in communities across Ontario. The City of Barrie could consider acquiring a surplus school property for the purpose of developing new affordable housing and community uses, as was done by the City of Orillia and Simcoe County at the Orillia District Collegiate and Vocational Institute in the example to follow.

Orillia District Collegiate and Vocational Institute, City of Orillia

The County of Simcoe purchased the surplus school property in 2018 with the intent to transform it into a regional community hub combining social services and affordable housing under one roof. The new 216,000 square foot ('sf') facility will include 130 mixed affordable units capped at 80% of the CMHC Average Market Rent ('AMR') and 60,000 sf of commercial/ community space.

Funding for the project comes from all levels of government including the City of Orillia, County of Simcoe, and the federal and provincial government through the Ontario Priorities Housing Initiative.

Figure 12: Conceptual Design for Orillia Affordable Housing Hub Project



Source: Orillia Matters

Work Towards a Decision Faster (Shorten Approval Timelines)

Impact: ★★★★★ Cost: \$\$ Timeline: **Medium-Term**

Delays drive up the cost of housing. Several studies in recent years undertaken by both public sector (e.g. CMHC) and private sector (e.g. BILD) organizations have indicated that delays in the development approvals process have direct impacts on making housing less affordable and can add tens of thousands of dollars to the cost of a single unit.

The City of Barrie should strive to simplify the development approvals process with a goal of speeding up the delivery of new housing supply and increasing efficiency. This could in turn reduce the cost of all new residential development without requiring direct subsidies.



The Province's Bill 109 has implemented requirements for specific timelines for decisions related to site plan and zoning applications. Other recent changes also included allowing projects with 10 or fewer units to be exempt from site plan control. These items should help to speed up development approvals and have all parties work towards delivering new housing faster.

However, the City of Barrie should explore whether there are other changes that can be made to their own internal processes to spur more construction activity. Designing internal processes to match staffing capacity is a key step in ensuring that these processes are efficient. Some of the steps that may allow the City to increase the speed at which housing is delivered include, among others:

- Limiting the number of public consultations beyond what is required, particularly for applications that conform with local planning policies. Utilizing existing technology for additional input (e.g. ensuring that public consultations have a hybrid in-person-virtual approach, allowing for comments through the City's website, etc), as needed, should be considered sufficient;
- Streamline the process for low-risk or uncomplicated development applications;
- Streamline the approval of building permits;
- Streamline pre-application meetings to ensure that a decision can be made quickly once an application has been submitted;
- Critically review and consider reducing the number of required studies for certain residential developments;
- Eliminate peer review requirements, where possible, particularly if initial studies are completed by qualified professionals or firms qualified by the City of Barrie;
- Improve communication and decision-making between departments to support a more efficient approvals process;
- Consider the creation of pre-approved 'off-the-shelf' home designs (see below for further detail).

We would also recommend creating a process whereby priority projects can be fast-tracked. In this case, we would recommend that those priority projects either be ones that provide affordable housing for moderate and low-income households, or market-rate purpose-built rental projects given the lack of rental options in Barrie today. This would help to speed up the delivery of the housing that is most needed in Barrie.

Lastly, it is also notable that through their Housing Supply Challenge, CMHC is funding research on breaking down pre-construction barriers to deliver more affordable housing. Fourteen projects are being funded for this segment of the Housing Supply Challenge. The results of this work should be tracked closely to determine if any solutions are uncovered that could be relevant to Barrie's processes.

The following provides additional details on two other ways to speed up the delivery of new housing.

Community Infrastructure and Housing Accelerator (CIHA)

The Community Infrastructure and Housing Accelerator ('CIHA') is a tool that the City of Barrie could consider to speed up the development process for priority projects, particularly those that include an affordable housing component.

A CIHA is similar to (but less controversial than) a Minister's Zoning Order ('MZO') in that it does not have to conform to the local Official Plan and cannot be appealed – avoiding delays, reducing project risk, and providing certainty. However, the CIHA does require some public consultation, unlike an MZO, though less than a typical zoning by-law amendment. CIHAs are meant to expedite priority developments, including housing of all types, and need to be requested by a municipality to the Minister of Municipal Affairs and Housing on a site-by-site basis. The CIHA must be municipally-led and allows for an agreement to be registered on title of a property.

Pre-Approved 'Off-the-Shelf' Building Designs

As a means of accelerating the development process, reducing costs, and increasing housing supply, the City of Barrie should consider creating pre-approved 'off-the-shelf' building designs. Builders can then choose from the various designs depending on what type of housing is permitted on their property and construct them as-of-right without having to go through a complex approvals process.

This 'off-the-shelf' design approach has been taken in municipalities elsewhere, primarily for lower-density housing types, and is a similar idea to CMHC's 'Victory Homes' designs that were utilized to build homes for returning veterans after World War 2.

The City should consider a similar pre-approved 'off-the-shelf' approach for building types that are recommended to be permitted as-of-right in neighbourhoods. To do so would require hiring an architect to design some simple home designs for a variety of building scales – multiplexes, townhouses, stacked townhouses, and low-rise apartment buildings (3 and 4-storeys). This approach would allow interested parties to understand quickly what type of development could occur on their lot, reducing risk, cost, and resources necessary to hire an architect and planner individually to then negotiate with City planning and Council.

Ideally this would be something that the Province or even CMHC would undertake. However, in the absence of this, the City of Barrie should take the initiative on this item.



A recent example of another municipality utilizing pre-approved 'off-the-shelf' building designs is South Bend, Indiana. Their building designs can be found [here](#), with information on the development process for these buildings found [here](#). This is a good example of a simple, easy to understand process that Barrie could replicate.

Create a Funding Stream Specifically For Affordable Housing

Impact: ★★★★★ Cost: \$ Timeline: Near-term

As noted previously, adequate and consistent funding will be required to make an impact on the delivery of more affordable housing in Barrie. This will require that the City of Barrie either find new revenue that can be allocated to any programs that come out of the updated Affordable Housing Strategy, or to find room in the existing budget by reallocating funds from elsewhere to housing priorities.

If funding streams are unavailable within the current municipal budget, we would recommend that the City of Barrie explore the feasibility of a modest property tax increase to fund affordable housing priorities as a small increase can have a significant impact on available revenue. The revenues from this tax increase could be utilized to fund the CIP or MCFB incentives, for example.

As an example of the effectiveness of a modest tax increase, with more than 55,000 households, and over 57,000 private dwellings as of the 2021 Census, a \$100 per year increase to property taxes for the average household would raise over \$5,000,000 annually to go towards affordable housing initiatives while costing the average household less than \$10 per month.

If it would help with buy-in from the City's residents, the increase for affordable housing could even be included as a separate line item on individual tax bills, similar to the City of Toronto's City Building Fund. For full transparency on why the extra money is being collected, the City could even include a pamphlet as part of its property tax mailers that provides insight on how the funds were used the previous year and plans for which initiatives they will fund in the coming year.

Notwithstanding the above, we would also recommend exploring the limited number of other revenue tools that are available to municipalities as a means of raising revenues that can be used towards housing outcomes and help to reduce the burden on the property tax base where possible. Some of the available municipal revenue tools that could be explored to determine if they could contribute towards affordable housing funding, if they are not already in use by the City of Barrie, include:

- Municipal Accommodation tax;
- Vacant homes tax;
- Landfill levy;
- Licensing fees (e.g. for secondary homes, short-term rentals, etc).

While these tools should be explored, it will be important to consider that their potential to raise significant revenues will be limited compared to property taxes. In some cases, administrative costs may outweigh the revenue that is collected. Finally, we note later in our advocacy recommendations, that the City should advocate to the Province for additional revenue tool options, at the very least in line with what has been permitted for Toronto through the City of Toronto Act.

Create a Concierge Program to Connect Parties Who are Interested in Partnering to Deliver New Housing

Impact: ★★★★★ Cost: \$ Timeline: Near-term

There are several different parties in any housing market who are interested in participating in the delivery of new housing. However, there are few mechanisms to easily connect these parties, particularly those that may not have sophisticated operations or experience.

For example, there are many non-profits with existing capital that are interested in helping to deliver housing, but who do not have land. We also know that there are many landowners, such as churches, who have surplus land that they wish to use to serve their community in a positive way, but do not have the capacity or expertise to redevelop them on their own.

The City of Barrie should create a 'concierge' program whereby interested parties – those with equity/capital, landowners, developers, or others – that otherwise may not cross paths, can be connected to help deliver more housing, both affordable and market-rate.

The program could also help connect potential affordable housing providers to other public funding sources (e.g. CMHC programs) and help them navigate City Hall and the development process. This would essentially be a broader approach to the 'one-window' programs many municipalities offer to help guide housing providers through the approvals process.

Some of the existing funding and financing programs that could be advantageous to connect housing providers to, include:



- [Housing Accelerator Fund](#) (Federal);
- [Affordable Housing Innovation Fund](#) (Federal);
- [Rental Construction Financing Initiative](#) (Federal);
- [Rapid Housing Initiative](#) (Federal);
- [National Housing Co-Investment Fund](#) (Federal);
- [Seed Funding](#) (Federal);
- [Housing Supply Challenge](#) (Federal);
- [Canada-Ontario Housing Benefit](#) (Federal-Provincial);
- [Ontario Renovates Program](#) (Provincial);
- [Rental Development Program](#) (Development Charge Rebate) (County);
- [Affordable Homeownership Program](#) (Down Payment Assistance) (County);
- [Secondary Suites Program](#) (Simcoe County).

Whoever oversees this type of concierge program needs to have a deep understanding of all current funding and financing programs – how they work, who they are meant for, what the requirements are, how much funding is available, timelines for funding, etc. Having a deep understanding of the wide variety of funding and financing programs from upper levels of government would allow the City of Barrie to provide advice to housing providers – non-profits, private developers, and others – who are interested in building new affordable housing or purpose-built rental housing in Barrie. The City could direct these housing providers to the programs that would offer their projects the biggest benefit and provide them with guidance on how to apply for and access the available funding/financing through the concierge program.

Finally, we have also heard that it would be beneficial for housing providers to receive letters of support from the municipality as part of their applications for these funding programs. This would be an easy way for the City to support these organizations that would not have budgetary implications in the same way as other means of support.



Enhance the Simcoe County Secondary Suite Program for Barrie (Barrie Bonus)

Impact: ★★☆☆ Cost: \$\$ / \$\$\$ Timeline: Near-term

As noted above, one of our recommended incentives in a CIP or MCFB would be to provide renovation credits to create additional housing units or renovate existing units.

One way to more easily do this and reduce the administrative burden on the City of Barrie would be to participate in the County of Simcoe's existing Secondary Suites program, providing additional funding for any homeowners in Barrie seeking to add a secondary suite or additional dwelling unit ("ADU"). This would improve the effectiveness of that program in creating new affordable housing options, by increasing the feasibility of adding a secondary suite or ADU to existing homes. Additional funding or even matching the County's incentive could be provided to anyone in Barrie who creates a new secondary suite or ADU under the County's existing program.

The City could also take this one step further by creating their own ADU program, similar to what Collingwood has implemented with their 'Rapid ADU' program. Collingwood's program provides funding of \$5,000 for all secondary suites – regardless of if they qualify for the County's program – with an additional \$5,000 in funding for a limited number of secondary suites that do meet the County's affordability requirements. The program also offers a 'one-window' service that streamlines the approvals process for secondary suites, as well as pre-approved 'off-the-shelf' designs that are meant to save homeowners time, money, and effort. Consultation and analysis should be undertaken to ensure the level of subsidy offered is sufficient to result in adequate take up.

Enact a Rental Replacement By-law in Order to Preserve Existing Rental Stock

Impact: ★★☆☆ Cost: \$ Timeline: Near-term

As noted in our housing needs analysis, the City of Barrie has seen just 350 net new purpose-built rental apartments constructed over the past two decades. While nearly 1,200 new purpose-built rental units have been completed during this period, the net growth in units is low because the City has also seen a notable amount of rental demolition and conversion to condominium tenure.

Given that many of the older rental buildings in Barrie provide relatively affordable monthly rents, and that new buildings generally do not, it would be beneficial for the City to take action to increase the difficulty at which these units can be removed from the market.



One way to do so is with a rental replacement by-law. Section 99.1 of the Municipal Act grants municipalities the authority to regulate or prohibit the demolition or conversion of residential rental properties with six units or more. While the Province's Bill 23 gives the Minister of Municipal Affairs and Housing new powers to impose limits and conditions on municipal authority in this area, we still believe it would be worthwhile to implement a rental replacement by-law to avoid further reduction of the existing older rental stock in Barrie, and to protect existing renters from displacement.

In addition to a rental replacement by-law, creating a more permissive development environment through the planning reforms noted earlier should also help to reduce the pressure to demolish or convert these existing buildings. When housing providers have a wide range of development opportunities, they are less likely to pursue the demolition of multi-unit buildings.

Continue Shifting the Public Discourse Around Growth, Density, and Affordable Housing

Impact: ★★☆☆ Cost: \$ Timeline: Immediate

Most municipalities in Ontario are in need of a shift in how new development, intensification, and affordable housing is viewed by the average resident. The City of Barrie is already making efforts to shift the conversation around these topics through events like the Housing Symposium held in May 2023.

The City should make use of its website and social media pages to educate residents about the importance of increasing housing supply and why certain changes are being undertaken to address affordability challenges. Topics that should be considered as part of any public education on this issue include:

- Who new housing will benefit (e.g. nurses at the hospital, the barista or waiter at your favourite coffee shop or restaurant, etc.);
- How new housing development benefits the City of Barrie and all residents (e.g. supports more retail amenities, drives economic activity, expands tax base, supports attraction and retention of labour for local businesses, etc.);
- Policy changes being made to support more affordable and market-rate residential development (see recent video about zoning from the [City of North Vancouver](#) as an effective example of clear communication on a municipal issue);
- Dispelling myths associated with new development (e.g. affordable housing = increased crime, traffic concerns, 'too tall' or 'too dense');
- Supply and demand economics (e.g. less housing = higher prices) and the impact of this on younger residents.



Updating the zoning by-law as recommended would also allow Council and staff to avoid compromising on items like height, density, and number of units in a new development to appease NIMBY voices, reducing some risk that these compromises can create around development feasibility.

There are many studies that dispel some of the information pushed by NIMBY groups, including narratives about new development [increasing crime](#), causing traffic chaos, ruining neighbourhood character, and/or having [negative impacts on property values](#). Council and staff could draw on these studies to push back against anti-change narratives, while also utilizing some of the information from the public education materials noted above to further explain the benefits of growth and new development.

Explore the Potential for Inclusionary Zoning in Barrie

Impact: ★★☆☆ Cost: \$\$ / \$\$\$ Timeline: **Medium-Term**

Inclusionary Zoning ("IZ") is a tool that allows municipalities to require affordable housing within Protected Major Transit Areas ("PMTSA"). The process for implementing IZ is complex and requires numerous studies that evaluate the need for affordable housing, PMTSA plans that dictate minimum densities, a market assessment report that evaluates the impact of the policy on development feasibility, and other similar matters. Barrie has two PMTSAs at the Allendale and Barrie South GO Station and while these geographies are limited, they are also locations where considerable growth and development are directed by the City's Official Plan.

Since the legislation was approved in 2018, only Toronto and Mississauga have advanced its implementation, with economic support from NBLC. Recently, the Province has also restricted the use of IZ to a maximum of 5% of a building's gross floor area, a maximum affordability length of 25-years, and municipalities are required to waive development charges, parkland fees, and community benefit charges for the affordable units.

IZ is fundamentally different from incentives in that it requires a developer to deliver affordable housing through zoning, whereas incentive programs are voluntary and require enough subsidy that the private market is incented to participate. However, if the IZ requirements are too onerous, development feasibility can be impacted and projects will not advance, a condition that will make affordability worse as housing is not supplied in strategic growth areas. As such, the regulations require a substantial amount of planning and economic analysis to ensure that development remains viable despite the requirement for affordable housing. It may be possible that a municipality is required to layer on additional incentives for the policy to be implemented.



A common issue that has been identified with IZ in Ontario is the preference of developing condominium buildings over rental tenure. Since IZ cannot dictate tenure, this will remain the choice of developers moving forward. In the absence of incentives that encourage rental housing, it is therefore likely that condominium-tenure buildings will continue to advance in the City's PMTSA's. Condominium-tenure projects will likely choose to satisfy IZ requirements by providing affordable ownership housing, rather than proceeding with the complexity of a mixed-tenure building. Affordable ownership, while needed in the community, are often affordable only to the first household, which can then be sold at market rate upon resale.

The municipality has several options with dealing with this issue:

- Capture a portion of the increase in value upon the future sale of an affordable ownership unit (capped at 50% by O. Reg. 232/18).
- Creating a framework that protects affordability over the long-term by restricting the value increase or future sale of the unit.
- Partnering with non-profit groups like Habitat for Humanity to manage these units.
- The City of Barrie or Simcoe County could also acquire these units and manage them within a housing portfolio. These could be managed as a perpetual affordable ownership model or rented to lower-income households.
- Many households may also qualify for an affordable ownership unit based on their income, but may not have the required downpayment to purchase a home. These units must also be sold in the pre-construction phase of a project, meaning eligible affordable purchasers will need a 20% downpayment. The City could consider a downpayment assistance program to assist the eligible households on the waitlist.

5.0 Additional Considerations and Advocacy Initiatives

nblc

In addition to the 10 recommended actions in Section 4.0, NBLC also offers a number of other considerations for the City of Barrie as they seek to address growing housing affordability issues in the community. Some of these items are ones that the City of Barrie can undertake on their own, while others represent advocacy initiatives for the City of Barrie to take as they seek more direct participation from the Provincial and Federal governments on the issue of affordable housing. Table 4, below, provides a summary of these items.

Table 4

Additional Considerations and Advocacy Initiatives City of Barrie Updated Affordable Housing Strategy			
	Impact (1 to 5)	Cost (\$ to \$\$\$)	Timeline (Immediate to Long-Term)
Additional Considerations for the City of Barrie			
Invest Budget Surpluses Into Desired Housing Outcomes	4	\$\$/\$\$\$	Near
Explore the Potential for Density Bonusing for Priority Projects	3	\$	Medium
Ensure the City has Robust Data Collection to Support Good Decision-Making	3	\$	Near
Be Encouraging of Non-Traditional Construction Techniques, Housing Tenures, and Funding Models	3	\$ / \$\$	Immediate
Require Housing Above or in Conjunction with New Public / Community Facilities	2	\$\$/\$\$\$	Long
Declare Housing as a Human Right	2	\$	Immediate
Advocacy Initiatives			
Advocate for the Elimination or Deferral of HST on New Purpose-Built Rental Developments	5	\$	Long
Advocate to CMHC for More Streamlined Access to Funding and Financing Programs	4	\$	Long
Advocate for More Revenue Tools to Reduce the Burden on the Property Tax Base	5	\$	Medium / Long
Ask the Province to Define Attainable Housing and Incentivize It	3	\$	Near/Medium
Advocate for Increased Labour Supply for New Development	4	\$	Long
Advocate for More Progressive Property Taxation Options	2	\$\$	Long
Leverage the Collective Power of Municipalities in Advocacy	3	\$	Long



Additional Considerations for the City of Barrie

These additional items are either not as impactful or considered to be less critical than those in the previous section, but are nonetheless still important for the City of Barrie to consider moving forward.

Invest Budget Surpluses Into Desired Housing Outcomes

Impact: ★★★★★ Cost: \$\$ / \$\$\$ Timeline: Near-Term

While it would not be a reliable or consistent source of funding, the City of Barrie should give consideration to investing budget surpluses towards affordable housing initiatives – whether they be those within this list of recommendations or otherwise. This would provide the City with the opportunity to invest more heavily in certain years when more funding is available, or put these surpluses into an affordable housing reserve to be used in future years when additional funding is needed for items like staffing, purchasing land for affordable housing development, increasing the package of incentives, etc.

Explore the Potential for Density Bonusing for Priority Projects

Impact: ★★★ Cost: \$ Timeline: Medium-Term

The City of Barrie can explore ways to incorporate density bonusing for priority projects or to achieve specific housing outcomes. For example, it could be beneficial if the City provides additional height or density to a project if a certain percentage of the additional units gained were priced within a particular range of affordability. Another option could be to use density bonusing to encourage the development of new purpose-built rental supply instead of condominium tenure projects.

Previously, Section 37 of the Planning Act was the primary mechanism for density bonusing. That has since been changed by the Provincial government. With the City's legal department, we recommend exploring whether there are other mechanisms to incorporate density bonusing to achieve specific housing outcomes. One way to do so may be to add a statement within the City's Official Plan that permits increasing height and density beyond base permissions in exchange for affordable housing.

London, Ontario provides an example of using density bonusing through the Official Plan in the absence of Section 37. London's Official Plan states that *'Building height and densities may be increased, in conformity with the Our Tools part of this Plan, to support the provision*



of affordable housing in planning and development proposals'. The London Plan dictates base densities and bonus densities that are available if certain housing outcomes (i.e., Affordable Housing) and community benefits are realized.

Another consideration to utilize density bonusing could be to offer additional density to existing development applications, particularly those that are already approved, provided a proportion of the additional density is allotted for affordable housing (potentially supported with incentives). Projects already in the application stage – whether approved or not – are further along in the development process, so targeting them in the near-term could be a way to accelerate the delivery of affordable housing in the near to mid-term as opposed to waiting for new applications looking to take advantage of future incentives or planning changes.

Ensure the City has Robust Data Collection to Support Good Decision-Making

Impact: ★★☆☆ Cost: \$ Timeline: Near-term

Many municipalities have room for improvement when it comes to data collection. The City of Barrie should ensure that their data collection efforts are robust moving forward to help make more informed decisions around housing and to have a better grasp on current and historical market conditions. Data should be collected on a wide variety of items including, but not limited to, monthly resale pricing by housing type, pricing for new construction housing, number of affordable housing units in Barrie and their price points / groups, number of accessory dwelling units / secondary units in Barrie, how Barrie compares to other municipalities on the above items, etc.

Where possible, the City should make an effort to collect historical data on these and other items in order to understand how these things have changed over time. Robust data collection will also be helpful in accurately monitoring progress made as part of the City's Affordable Housing Strategy, and could help to make decision-making more efficient, not just when it comes to housing, but also for many other municipal responsibilities.

Data sources like Statistics Canada, CMHC, the local real estate association(s), and others are a good place to start for this data collection and building up a database.



Be Encouraging of Non-Traditional Construction Techniques, Housing Tenures, and Funding Models

Impact: ★★☆☆ Cost: \$/\$\$ Timeline: Immediate

The City of Barrie should create an environment that is welcoming to creative ideas related to construction techniques, housing types, building designs, funding models and other elements of the development process. In many cases, there are emerging options that can reduce costs and construction timelines relative to more traditional developments. There is an opportunity to create pilot programs that put the City of Barrie at the leading edge of some of these emerging alternatives.

While specific municipal policy or regulatory barriers have not been identified, these recommendations relate to proactive support and openness to these alternatives. The City of Barrie should ensure that there are enabling policies to allow for these emerging development options and should also be open to using them in new developments on public land, where appropriate, particularly if they deliver additional value in the form of deeper affordability, a higher proportion of affordable housing units, or more rapid delivery of affordable units. The City can also be supportive of these alternative construction options by working to connect housing providers interested in delivering more affordable housing in Barrie – whether non-profit or for-profit – with providers of these alternative options.

Non-Traditional Construction Techniques

The two most common construction materials for new multi-family buildings are wood-frame and concrete. In recent years, the cost of construction associated with both materials has increased dramatically. Over the past five years, concrete and wood-frame construction costs have risen by an estimated 40% to 60%, according to Altus Group.

Alternative construction techniques, like modular housing or panelization, can provide some construction cost relief while also delivering housing quicker – something that cannot be overlooked in a community where there is a significant shortage of affordable housing options.

Based on information provided to NBLC by a modular general contractor, modular housing construction has fewer cost overruns than traditional developments, increased certainty due to off-site and indoor manufacturing, and is generally 30% to 40% faster to deliver than traditional construction, with some 4-storey buildings delivered within 12 months from design through construction completion. It is also highly scalable and provides the advantage of easy replication due to simple floorplates and building designs.



Non-Traditional Housing Tenures / Types

Like alternative construction techniques, we would also recommend that the City create an environment that is open to non-traditional housing tenures, ensuring that local planning policies enable these types of developments to be constructed. Some recent examples of non-traditional housing tenures that are likely to provide more affordability than traditional ones include co-housing, multi-generational housing, dormitory-style workforce housing, and tiny homes.

It is probable that there are already non-traditional housing tenures that exist in Barrie. By creating a policy framework related to these housing tenures, the City can encourage them while also ensuring they are safe.

Non-Traditional Funding Models

The City should consider what they can do to support organizations proposing non-traditional funding models for affordable housing if they were to emerge in the coming years, whether they are designed as a co-op, community land trust, or another model. The most obvious support could be through property tax breaks or other incentives in exchange for affordability guarantees. This could potentially be implemented through the CIP or MCFB noted earlier.

Require Housing Above or in Conjunction with New Public / Community Facilities

Impact: ★★ Cost: \$\$ / \$\$\$ Timeline: **Long-Term**

One way to encourage additional affordable housing is to require it above or in conjunction with new public or community facilities, where appropriate. For example, if the City of Barrie were to build a new library or community centre, consideration should be given to constructing the building with housing above the community use. This adds density in proximity to important community amenities and forces the City to take a 'complete communities' approach to this type of public building rather than simply constructing a new single-storey facility.

Partnering with a developer on the project could allow the developer to build new market-rate housing as part of the development to help subsidize the cost of any affordable housing units and create a new mixed-income building.

Also worth consideration within this topic is whether there are opportunities to build new housing above existing community facilities. Modular apartments could potentially be constructed on top of these buildings, with separate entrances to the residential units apart from the existing community facilities.



Declare Housing as a Human Right

Impact: ★★ Cost: \$ Timeline: Immediate

Safe, stable, affordable housing was first recognized as a human right in the United Nations' 1948 Universal Declaration of Human Rights. Since then, many jurisdictions have followed suit, including the Federal government in Canada.

While this may be seen by some as simply a symbolic declaration, it would provide Council with an additional reason to justify and encourage sufficient investments in housing construction and affordability, whether that be policy changes that increase housing supply or the introduction of new subsidies to spur the development of new affordable housing units.

This declaration would be an affirmation that a new direction is required going forward.



Advocacy Initiatives

The City of Barrie – and all other municipalities – have limited resources to deal with the growing shortage of affordable housing. They can only do so much on their own.

More active participation from the Provincial and Federal governments will be required moving forward to have a more significant and lasting impact, particularly when it comes to subsidizing new affordable housing development. As such, the City of Barrie should be advocating to upper levels of government for help in solving their affordability issues, ideally with targeted requests.

Notwithstanding this, advocacy alone will not be enough. The City of Barrie needs to undertake the changes that are within its own control prior to or in tandem with this advocacy work. It will be important for the City to do as much as they can on their own to demonstrate to these upper levels of government that they have ‘skin in the game’.

Advocate for the Elimination or Deferral of HST on New Purpose-Built Rental Developments

Impact: ★★★★★ Cost: \$ Timeline: Long-Term

One of the most significant differences between the development of a condominium apartment building and a purpose-built rental apartment building is the payment of HST. While in a condominium apartment, the developer can pass the HST off to individual buyers in the purchase price of a unit, the developer is the one who has to pay the HST for a new purpose-built rental development. This adds significant cost to the purpose-built rental development and the difference in cost is one of the reasons that most new apartment development in Ontario is condominium tenure.

To incent more purpose-built rental development, we recommend advocating to upper levels of government to waive or defer the cost of HST on new purpose-built rental buildings. A recent release from CIBC in June 2023 indicated that the contribution to profit margins of waiving HST on a new rental development could be in the range of 7%. The Ontario government has already signalled a potential willingness to consider this, but it will require the Federal government’s participation as well.

Advocate to CMHC for More Streamlined Access to Funding and Financing Programs

Impact: ★★★★★ Cost: \$ Timeline: Long-Term

We have heard time and again about the challenges for non-profits in accessing CMHC's funding and financing programs. We would recommend that the City of Barrie advocate CMHC and the Federal government to create a more streamlined process to access these funding and financing programs for these groups to more easily access low-cost financing to create new affordable and market-rate rental housing. The easier it is to access these programs, the more housing these organizations can deliver, and the bigger the benefit it will be for Barrie.

Advocate for More Revenue Tools to Reduce the Burden on the Property Tax Base

Impact: ★★★★★ Cost: \$ Timeline: Medium-Term / Long-Term

As noted, the revenue tools currently available to the City of Barrie are limited, requiring an over-reliance on the property tax base. The City of Barrie should advocate to the Province of Ontario for greater flexibility in how they collect revenues to pay for municipal priorities like affordable housing.

At the very least, Barrie should be advocating for expanded powers similar to those provided to Toronto through the City of Toronto Act. Additional revenue tools available through the City of Toronto Act include a vehicle registration tax, advertising tax, alcohol and tobacco taxes, a commercial parking levy, and others.

Consideration should also be given to advocating for even more powerful revenue tools like a municipal income tax, municipal sales tax, and others. These items have the potential to raise significant funds.

Ask the Province to Define Attainable Housing and Incentivize It

Impact: ★★★★★ Cost: \$ Timeline: Near-term / Medium-Term

Currently, there is no definition in Ontario for attainable housing. The City of Barrie should advocate for the Province to bring forth a clear definition of attainable housing relative to affordable housing, and then request that the Province provides funding to incentivize it, either through new programs or existing ones.



Advocate for Increased Labour Supply for New Development

Impact: ★★☆☆☆ Cost: \$ Timeline: Long-Term

As noted in Section 3.0, labour supply for new development is a key factor contributing to the housing shortage – and probably one that is underdiscussed. If there are not enough labourers and skilled trade workers, there is little chance that the Province will be able to reach its own goal of 1,500,000 new homes over 10 years.

Not only is there a shortage of construction and skilled trade labour, but according to CIBC, the existing workers are aging out quickly, with a rising proportion of workers above the age of 55. If these older adults are not replaced with younger workers, the shortage is only going to become more acute over the next decade.

These issues have been identified at upper levels of government, but we would recommend continuing to advocate to the Provincial and Federal governments to remedy the labour shortage issue to keep the pressure on. Some potential solutions could include:

- Prioritizing applications from New Canadians who have experience as skilled trades in the residential construction industry;
- Increase the number of foreign workers and other non-permanent residents that could be lured to Canada to work in the construction industry either as labourers or skilled trades;
- Encourage more young people to attend College and enter the skilled trades – potentially through tuition incentives.

Advocate for More Progressive Property Taxation Options

Impact: ★★☆☆☆ Cost: \$\$ Timeline: Long-Term

The City of Barrie should consider advocating to the Province for permission to take a more progressive approach to property taxation.

A property tax system based on housing type would charge the highest tax rate to single-detached homes – generally the most expensive housing type to service – with apartments paying the lowest tax rates, with rental tenure and/or affordable buildings potentially paying a lower rate than condominium apartments. This would essentially create a hierarchy in the property tax system based on the true cost of servicing these homes, with some leeway to reductions for priority housing types.



Alternatively, a system based on property value could take a similar approach to income taxes. Instead of using a flat mill rate across all homes, the tax rate could increase incrementally across multiple tax brackets as the value increases, or a surtax could be applied to properties above certain value thresholds (e.g. 0.25% surtax for properties between \$500K and \$1M, 0.5% for properties between \$1M and \$1.5M, etc).

These would represent significant changes to the standard property tax system. However, they would put Barrie at the leading edge of progressive taxation, would represent a more equitable approach, and could help with affordability of apartments and denser ground-oriented homes like townhouses and stacked townhouses by reducing carrying costs, potentially spurring more investment of these housing types.

Leverage the Collective Power of Municipalities in Advocacy

Impact: ★★☆☆ Cost: \$ Timeline: **Long-Term**

On its own, Barrie does not necessarily yield significant power. However, the issues that the City of Barrie faces from a housing perspective are common across many municipalities in Ontario and throughout Canada. Leveraging the collective power of municipalities who are seeking similar outcomes from upper levels of government would be more impactful than attempting to go it alone. Collectively, a large number of Ontario or Canadian municipalities all showing that they are seeking similar changes could go a long way to creating the necessary change that is being advocated for.

The same goes at the County level. The City of Barrie should work with other Simcoe County municipalities to present a united front on any requested policy changes or funding for new affordable housing from the County.



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APPENDIX "C"
What We Heard Consultation Summary

City of Barrie
Updated Affordable Housing Strategy

Summary of Consultation
'What We Heard' Reports



City of Barrie Updated Affordable Housing Strategy

Summary of Consultation

Table of Contents

Public Engagement Meeting #1.....	1
Public Survey & Online Discussion Forum #1	5
Technical Advisory Committee Meeting #1	17
Council Meeting #1	19
Technical Advisory Committee Meeting #2	20
Technical Advisory Committee Meeting #3	23
Technical Advisory Committee Meeting #4	26
Council Meeting #2 – Affordability Committee	28
Public Survey & Online Discussion Forum #2	30
Public Engagement Meeting #2.....	38



Public Engagement Meeting #1

*Affordable Housing Symposium – May 4th, 2023, 4:00 pm – 8:00 pm
Southshore Community Centre (205 Lakeshore Drive, Barrie, Ontario)*

Event Summary:

On Thursday, May 4, 2023, the City of Barrie hosted an Affordable Housing Symposium from 4:00 pm – 8:00 pm at the Southshore Community Centre in Barrie. Approximately 80 people participated in and attended the event.

The event included:

- A screening of the documentary *Searching for Home*, including a Q and A session.
- Booths featuring local affordable housing partners and organizations.
- The chance to share feedback on the City's Affordable Housing Strategy update.
- A panel discussion with experts in the field, discussing affordable housing across the spectrum.

A booth to showcase the City of Barrie's Affordable Housing Strategy was set up to provide the public and community stakeholders with an opportunity to learn about the initiative, engage with staff members and provide feedback. The booth was equipped with a board intended to inform the public about the City of Barrie's Affordable Housing Strategy and to highlight the summary and key findings of Housing Needs Assessment. Additionally, two other boards were included to solicit feedback from the public regarding their current housing situation, their perspectives on housing-related statements, as well as any advice, questions, and additional comments.

The symposium agenda is included in Appendix A.

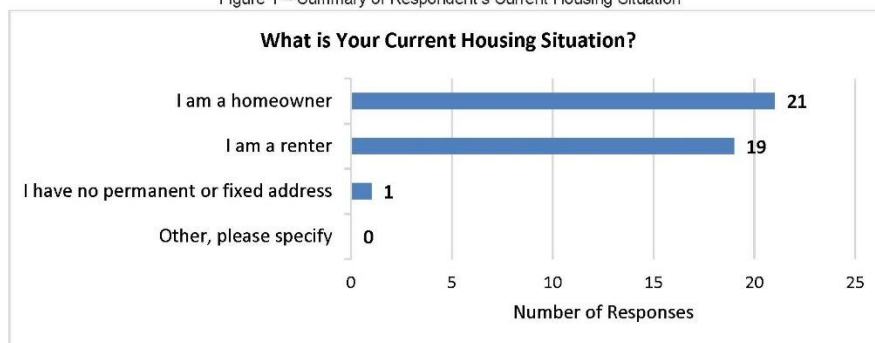
'What We Heard' Summary:

The feedback, advice, and considerations shared by participants through sticky notes and discussion during the symposium are captured below and organized by each feedback board question. This summary reflects the main points shared by participants during the meeting and is not intended to be a verbatim transcript.

Current Housing Situations in the City of Barrie:

Participants were invited to share their current housing situation. Approximately half of the respondents were homeowners, while the other half were renters. One respondent reported not having a permanent or fixed address.

Figure 1 – Summary of Respondent's Current Housing Situation



Participants were invited to place one dot sticker to indicate how each housing related statement resonated with them. The following indicates how many participants agreed or disagreed with the provided statements.

	<i>Housing affordability is a significant barrier to permanently living in Barrie.</i>	<i>Finding appropriate housing in Barrie is challenging.</i>	<i>I would consider moving if more affordable housing is not offered in Barrie.</i>
Agree	23	28	13
Disagree	0	0	5

Additional written comments providing further comments are summarized as follows:

- Searching for affordable housing is a challenge in Barrie.
- The need for affordable, safe, and stable housing is crucial.
- Even adult children with well-paying jobs cannot afford to move out of their parent's house.
- Government policies create disparities, benefiting some while leaving others at a disadvantage.
- Homeownership for young residents in Barrie is uncertain due to a lack of affordable housing.
- Affordable housing options are scarce for those who need to relocate.
- Access to affordable housing is a basic human right that must be fulfilled.

Feedback on the City of Barrie's Affordable Housing Strategy:

Participants were invited to share any advice, questions, or additional comments on the City of Barrie's Affordable Housing Strategy. The following reflects the key points shared by participants during the symposium and is organized by theme:



Provision of Affordable Housing

- Access to adequate housing is a human right that encompasses affordable housing.
- The 'affordable housing' in Barrie is not affordable. The definition of affordable housing needs to be more explicit.
- Affordable housing options in the form of co-ops, duplexes, secondary suites, and tiny houses need to be explored.
- Multicultural awareness and expansion of affordable housing options is key.
- The private sector alone cannot solve the affordable housing crisis in Barrie.

Proposed Solutions

- Office to residential conversions can be a viable solution to the affordable housing crisis.
- Incentives for adaptive reuse of housing in older neighbourhoods should be provided.
- Waterfront property homeowners should be allowed to create secondary suites to rent out.
- Housing rates should be aligned with room rental rates.
- Rent increases on new builds should not exceed affordable market rates.
- Rent increases need to keep up with inflation.

Housing Supports

- Young people and seniors need extra support.
- Affordable and safe housing options for the aging population and one-person households must be available.
- Affordable housing options with recreational activities and a sense of community for seniors are needed.
- Seniors require co-housing/co-living options where they can age comfortably in their own homes. These housing options can include shared laundry, cooking spaces, and sustainable gardening.
- Seniors, single parents, and single women often struggle to find affordable housing. Single parents require access to affordable childcare options.
- Rent-Geared-to-Income (RGI) housing and/or rent supplements are needed for all individuals receiving government benefits such as Ontario Works and Ontario Disability Support Program.
- Emergency housing options should be available for displaced refugees.
- Fixed incomes can lead to homelessness.

Financial Support, Grants and Additional Services

- Rent supplements should be provided for individuals receiving government benefits such as Ontario Works and Ontario Disability Support Program.
- Rent supports for young people, and seniors are necessary.
- First-time homebuyers require larger grants to allow for more affordable housing options.
- Renovation grants should be easier to access with faster timelines for new homeowners.
- Renovation grants should be provided that allow homeowners to split their homes into separate apartments.

Tenant and Landlord Rights and Regulations

- Appropriate housing regulations with population and tenant control are necessary.
- Tenants and landlords should have lease agreements recognizing shared spaces and tenant rights.
- Landlords should not be allowed to evict tenants arbitrarily.
- More tenant perspective is needed on the Ontario Landlord and Tenant Board.

Other Comments and Suggestions

- The online questionnaire could ask for feedback about ideas.
- The City of Barrie website requires improvement.

Next Steps:

Participants were invited to visit the project web page to learn more about the City of Barrie's Affordable Housing Strategy, sign up for project updates, and take the online survey. Additional public engagement opportunities will continue and include small group dialogues, and public meeting sessions. As the Housing Needs Assessment is completed, policy options will be evaluated to support the updated Affordable Housing Strategy.

Appendix A – Affordable Housing Symposium Agenda:

Time	Agenda
4:00 pm	Welcome and Public Consultation Booths
6:00 pm	Viewing of <i>Searching for Home</i> followed by a Question & Answer Session
7:00 pm	Panel Discussion
8:00 pm	Adjourn

Public Survey & Online Discussion Forum #1

May 1st to May 28th, 2023

Online

Event Summary:

An online survey was made available to the public to share feedback about the current conditions of affordable housing in Barrie and ideas to help improve housing issues. The survey was available on the BuildingBarrie website from May 1st to May 28th, 2023.

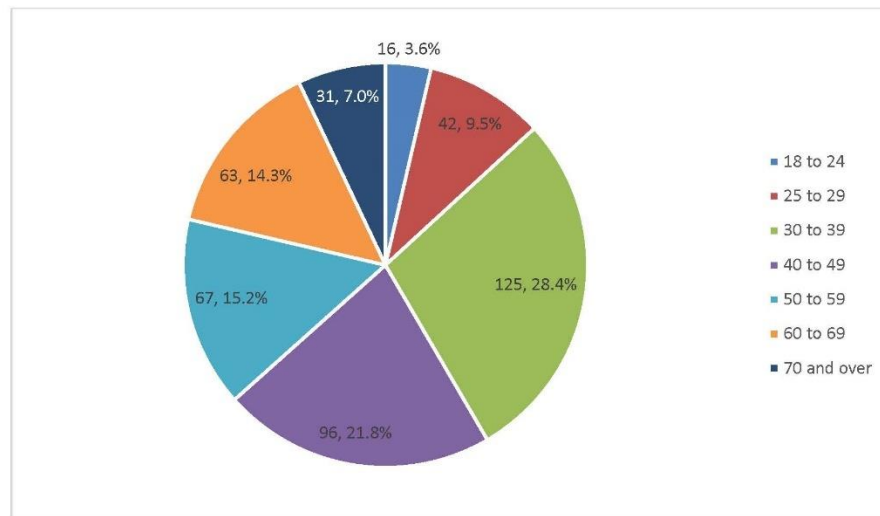
The survey was completed by 442 participants. Additionally, 20 people provided thoughts on what affordable housing in Barrie means to them through an online discussion forum.

'What We Heard' Summary:

The survey questions and a summary of the survey responses are provided below.

Question 1:

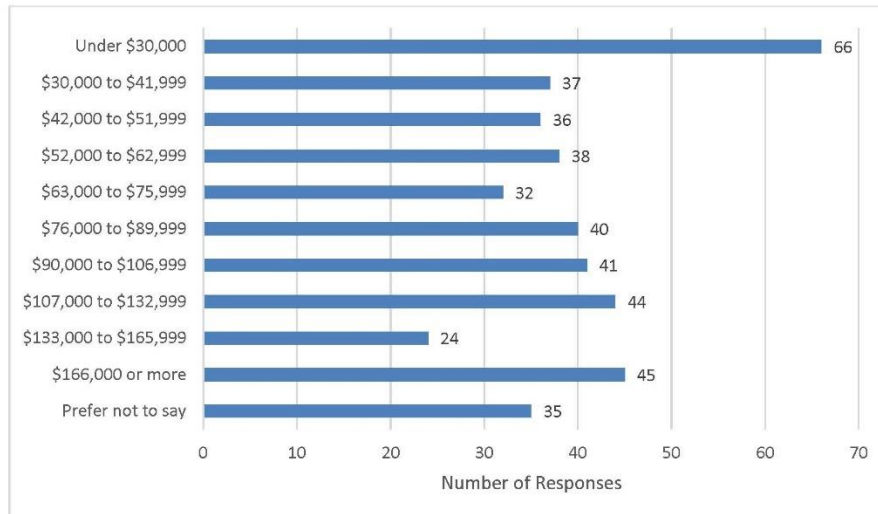
What is your age range?



- Most respondents to this survey (50%) are between the ages of 30-49.

Question 2:

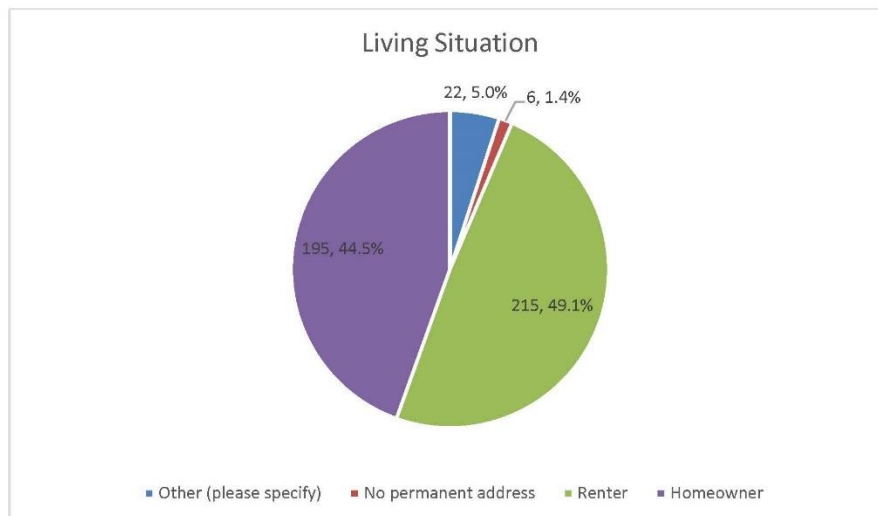
What is your household's approximate average annual income (before tax)?



- 32% of respondents have a household average annual income (before tax) under \$52,000, while 26% have over \$107,000.

Question 3:

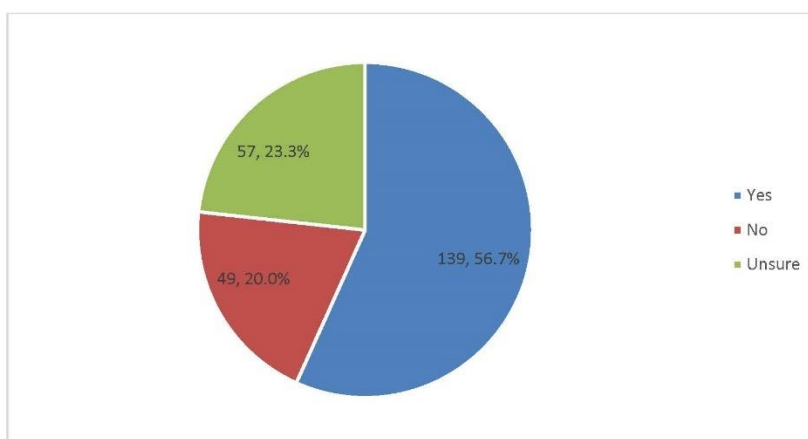
Which best describes your current living situation?



- 49% of respondents are renters, while 44% are homeowners. Those that chose 'Other' indicated that they were homeless, lived with family members (e.g., parent, relatives, in-laws), or in a housing condition that included room and board.

Question 4:

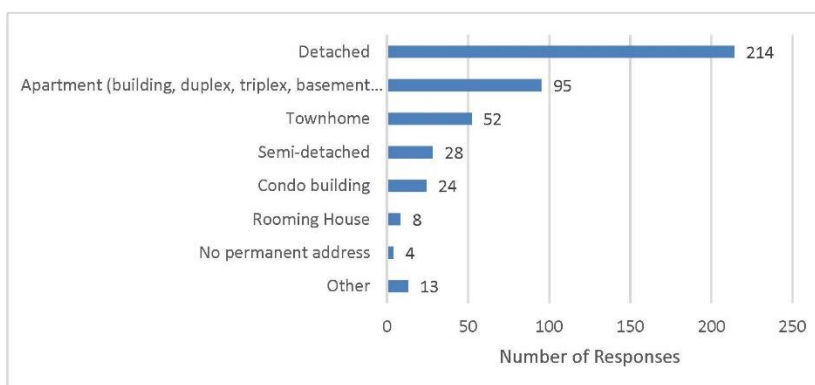
Is homeownership a goal for you?



- Many respondents (57%) indicated that homeownership is a goal for them.

Question 5:

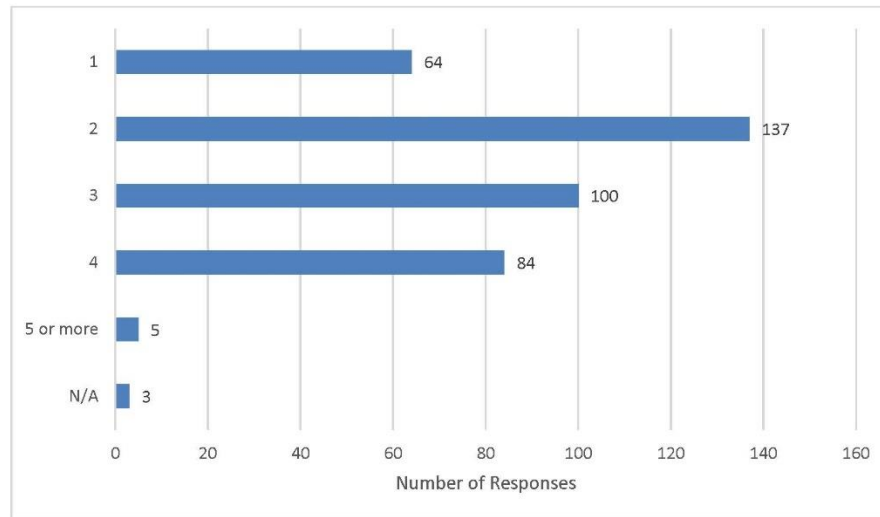
Which type of home most accurately depicts where you currently live?



- 49% of respondents currently live in a detached home. Those that chose 'Other' indicated that they live in a basement, staying in a motel, living with relatives, or homeless.

Question 6:

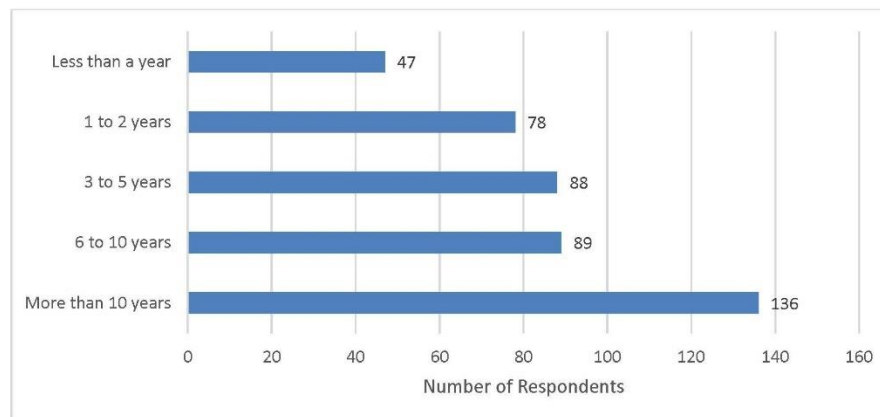
How many people currently live in your household?



- Many respondents (53%) indicated that there are 3 or more people currently living in their household.

Question 7:

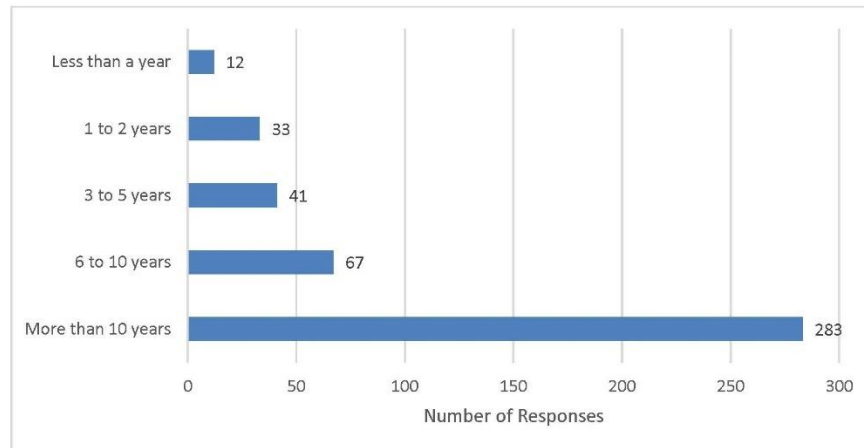
How long have you lived at your current place of residence?



- Many respondents (51%) indicated that they have lived at their current place of residence for at 6 years or more.

Question 8:

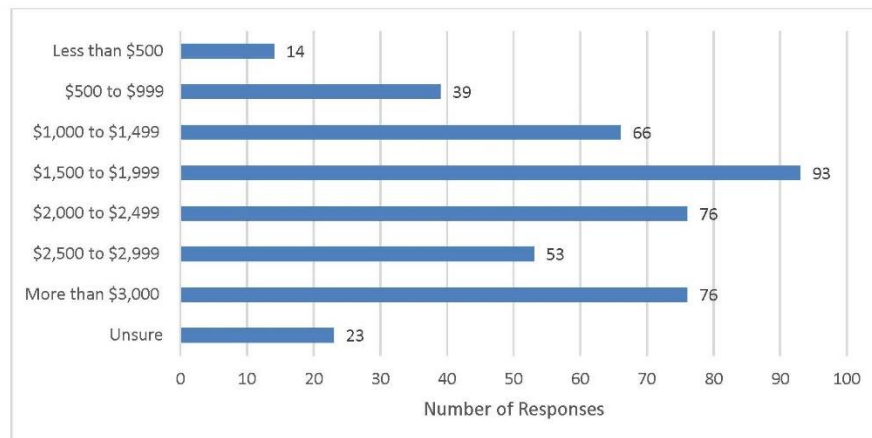
How long have you lived in Barrie?



- Many respondents (65%) indicated that they have lived in Barrie for more than 10 years.

Question 9:

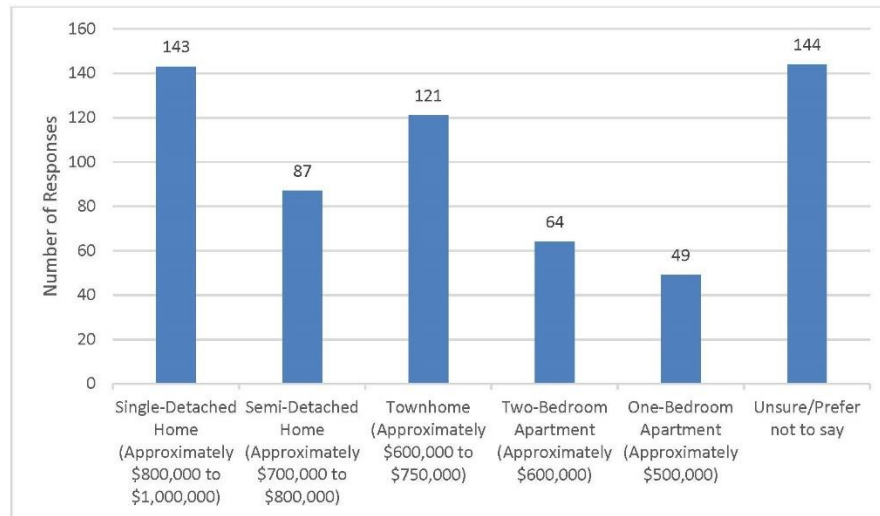
Approximately how much does your household spend on housing costs per month?



- 83% of respondents indicated that their household spend at least \$1,000 on housing costs per month, with 17% spending more than \$3,000.

Question 10:

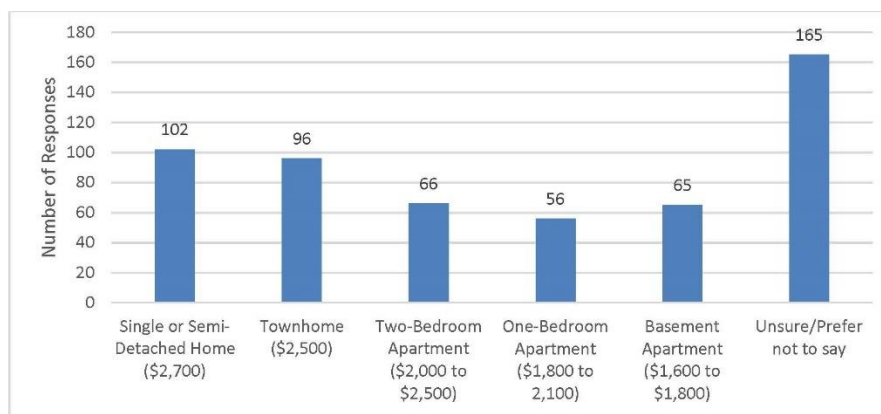
Considering estimated monthly cost to own, which of the following would you consider an acceptable form of housing for your household?



- The top options that the respondents selected as an acceptable form of housing for their household when considering the estimated monthly cost to own were:
 - Single-detached homes (33%),
 - Townhomes (28%), and
 - Semi-detached homes (20%).
- The respondents who included additional comments expressed that the following options are not an acceptable rental choice and were not financially feasible.

Question 11

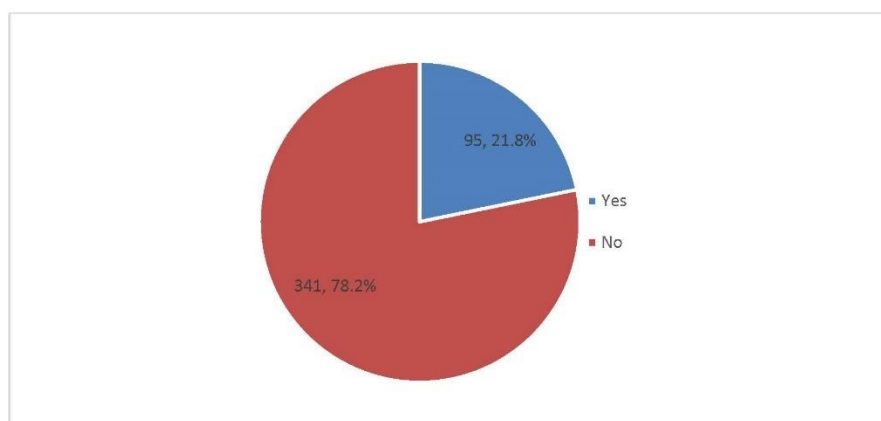
Considering estimated monthly cost to rent, which of the following would you consider an acceptable form of housing for your household?



- The top options that the respondents selected as an acceptable form of housing for their household when considering the estimated monthly cost to rent were single or semi-detached homes (24%) and townhomes (23%).
- The respondents included additional comments expressed that the rental amount for each housing segment is too high and unaffordable, particularly for those on a fixed income.

Question 12

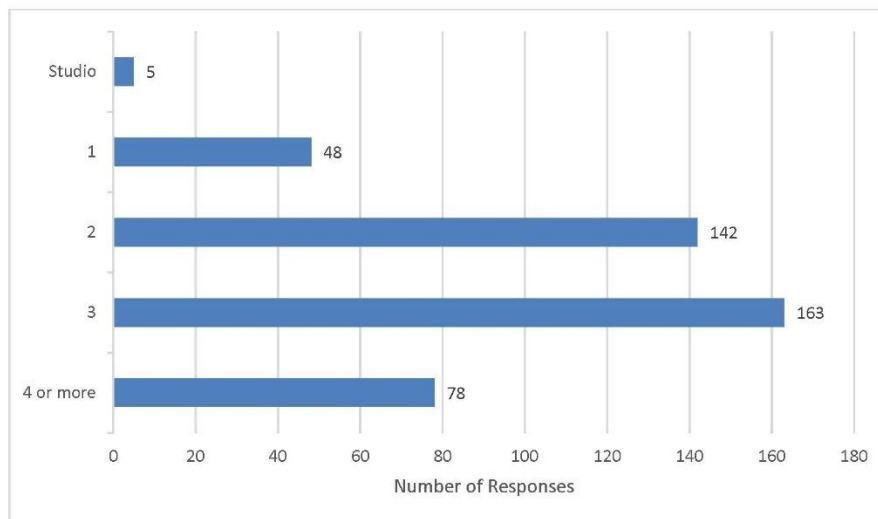
Would a basement apartment suit your needs?



- Many respondents (78%) indicated that a basement apartment would not suit their needs.
- The respondents who included additional comments expressed that a basement apartment does not meet their accessibility needs and would not be ideal due to lack of space, storage, privacy, access to sunlight.

Question 13

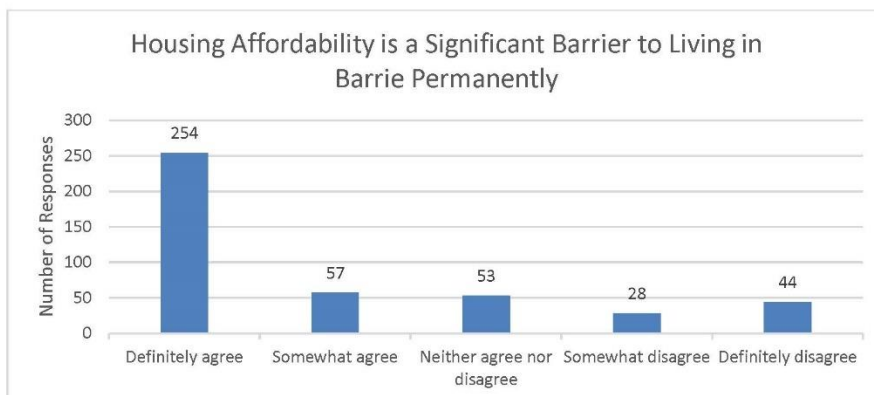
How many bedrooms do you anticipate your household needing in the future?



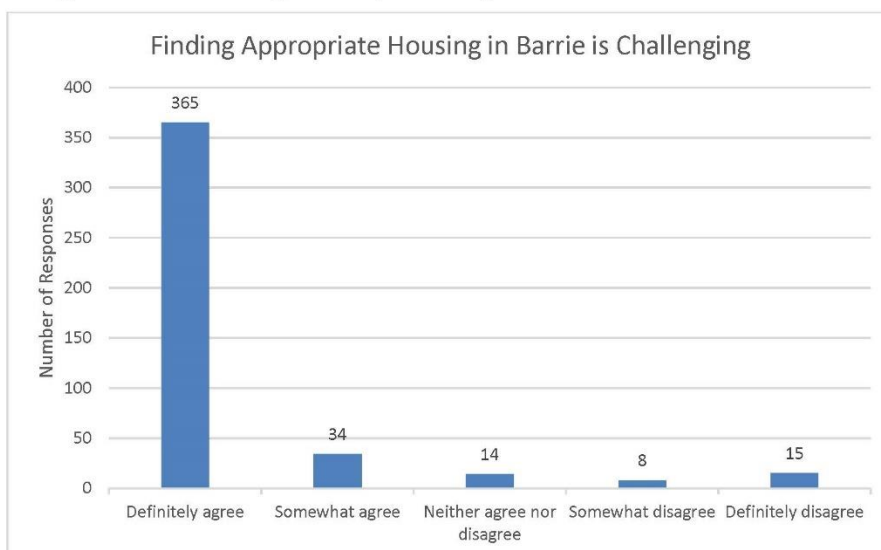
- 55% of respondents are anticipating needing 3 bedrooms or more for their household in the future.

Question 14:

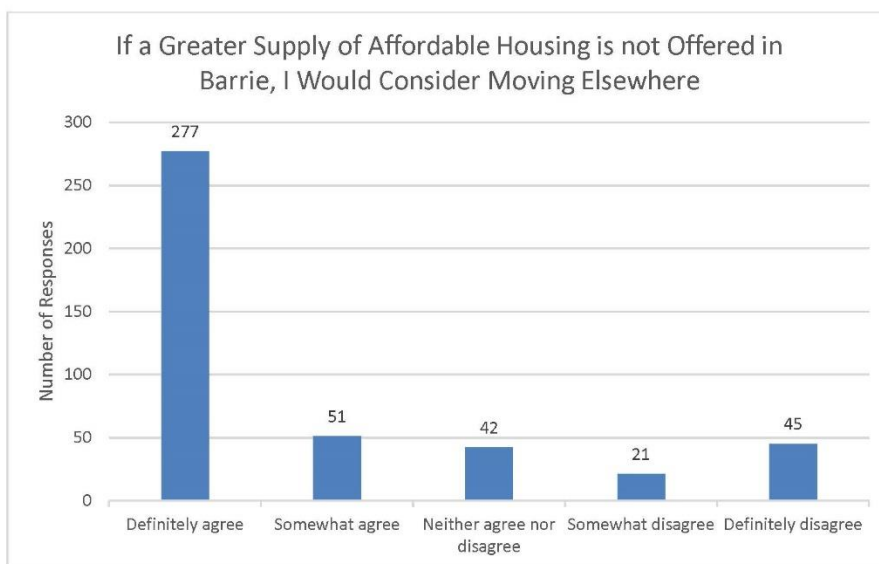
Please indicate your agreement level with the following statements.



- Many respondents (58%) indicated that they definitely agree that housing affordability is a significant barrier to living in Barrie permanently.



- Many respondents (83%) indicated that they definitely agree that finding appropriate housing in Barrie is challenging.



- Many respondents (63%) indicated that if a greater supply of affordable housing is not offered in Barrie, they would consider moving elsewhere.

Question 15

Please share any explanations for your responses to the previous question?

Respondents emphasized the widespread concern about the high and increasing cost of living in Barrie, particularly with housing.

- Housing options in Barrie are considered expensive for what is available.
- The estimated costs to rent or own are perceived as excessively high, making it challenging to afford living in Barrie.
- Barrie is generally viewed as an expensive place to live and unaffordable for students, families, and individuals with average incomes.
- Barrie's rising housing costs and high costs of living disproportionately affect lower-income individuals, making it challenging to cover basic necessities and provide for their families.
- Respondents desire a better quality of life beyond basic shelter and minimal food expenses.
- Barrie's housing costs are comparable to larger and more urban cities, highlighting the intensity of the housing crisis in the area.
- Affordable housing units in new builds are often priced out of reach for many potential buyers.



- The lack of affordable housing options contributes to the overall challenge of finding reasonable living arrangements in Barrie.
- Transit costs in Barrie have increased to the point of being comparable to larger cities like Toronto without corresponding affordable housing options.

Some respondents have considered relocating or have been forced to move out because of Barrie's rising cost of living.

- Respondents are contemplating relocating to more affordable regions due to Barrie's increasing cost of living.
- Some express the idea of moving out of the province if the situation and affordability do not improve.
- Some individuals have been forced to leave Barrie due to high costs, leading to a sense of loss for their community and connections.

Respondents who are homeowners find it increasingly difficult to afford and sustain homeownership due to high property prices, escalating property taxes, and limited affordable housing solutions.

- Property prices have surged along with property taxes, making it challenging even for those with moderate incomes to sustain homeownership without accumulating significant debt.
- High-interest rates and increasing home prices have made it challenging for people to move or afford their homes.
- Homeowners are concerned about financial stability and the long-term feasibility of residing in Barrie.
- The pandemic's impact on jobs and financial stability has made homeownership inaccessible for many.

Question 16

Are you or someone you know affected by the affordability of housing in Barrie? Please share about these challenges and your lived experience.

Respondents highlighted the diverse housing challenges faced by individuals and groups across various income levels, age groups, and backgrounds due to Barrie's lack of affordable housing options. Their responses demonstrate how this has impacted them as renters and potential homeowners. The majority have also highlighted their difficulties in being able to pay their rent, property taxes or mortgages in Barrie.

- Families are forced to live together due to unaffordable housing, resulting in multiple generations sharing one household.
- Families live with extended relatives to distribute housing costs, with some individuals relying on certain family members to help cover rent expenses.
- Many households live in cramped spaces and cannot move out to more suitable ones due to financial constraints.



- Most living situations are shaped by affordability rather than personal preference.
- Single parents with employment still face difficulties finding affordable housing.
- The younger generation finds it challenging to access affordable housing, and with limited job prospects, it is harder for them to consider staying in Barrie long-term.
- Financial constraints force some individuals to remain in unhappy or abusive living conditions because they cannot afford separate living arrangements.
- Individuals living in unauthorized apartments endure safety and health hazards.
- Students are having trouble securing safe and affordable housing, often enduring years in cramped shared spaces.
- Escalating property taxes and housing costs are forcing homeowners to sell their properties and consider relocation.
- Landlords are evicting tenants to sell the property for capital gains or raise rent prices.
- Average earners cannot afford housing despite having a regular income.
- Many low-income and homeless individuals depend on government aid for housing assistance.
- There are limited affordable housing options for seniors transitioning from their homes.
- Seniors who are unable to afford rent rely on assistance from their families.
- Retirement homes and home care services are increasingly costly, making it challenging for seniors and those on fixed incomes.



Technical Advisory Committee Meeting #1

May 24th, 2023, 10:00 am – 12:00 pm

Virtual

Event Summary:

On Wednesday, May 24, 2023, the City of Barrie, NBLC, and the Technical Advisory Committee (TAC) met for the first time. The TAC is a group of individuals from a diverse range of backgrounds established into a committee by the City of Barrie to provide input on the Updated Affordable Housing Strategy project.

The TAC is composed of the following groups:

- Social Housing at the County of Simcoe
- Barrie Housing
- Camphill Foundation
- Chantal+Michael Realty Group Brokerage
- MCL Architects
- Georgian College
- Redwood Park Communities
- City of Barrie Finance Department

The meeting included a presentation by NBLC, which involved the following:

- Overview of the project including where we are now and phases to be completed.
- Presentation of the Draft Housing Needs Assessment.
- Proposed Engagement Strategy.
- Next steps for the project.

After NBLC's presentation a question and answer period occurred. At this time NBLC made clarifications and educated the TAC on the project, the TAC provided feedback on the draft Housing Needs Assessment and suggested ideas for the later phases of work, and the City of Barrie discussed the role of the TAC and their next steps in this project overall.

'What We Heard' Summary:

Feedback from the TAC regarding the presented Draft Housing Needs Assessment and suggestions they had in terms of potential policy tools that could be explored are summarized below. Discussions that occurred regarding the presented engagement strategy are also summarized below.

Feedback on the Draft Housing Needs Assessment:

The TAC was invited to provide feedback on the Draft Housing Needs Assessment presented to them by NBLC. The following reflects the key points shared:

- Rented rooms should be added to the rental housing survey and affordability gap analysis. TAC members from community mental health and student housing backgrounds emphasized individuals resorting to renting rooms in Barrie because other housing options are unaffordable. TAC members were interested to see how the cost to rent a room compares to other rental units in Barrie in terms of affordability. TAC members offered to share data with NBLC and this will be explored further within a subsequent phase of the project.

Discussing Policies/Tools to Explore in Phase 2 and 3:

The meeting led into a discussion about the next phases of work where NBLC will begin to explore policy options that the City of Barrie could implement to increase the supply of affordable housing. The following summarizes the key ideas discussed:

- There is a difficulty for non-profit groups to obtain financing. TAC organizations have shared experience of long waiting times to get commercial mortgage approvals, which impacts their ability to compete in the market when purchasing new homes/buildings/sites.
- The supply of new affordable housing has slowed down given this struggle to secure financing for new affordable housing developments/purchases by non-profit and charitable organizations.
- Housing targets set out by the County of Simcoe and City of Barrie do not accurately capture affordability and should be re-evaluated to be more effective in the Updated Affordable Housing Strategy. Moving from a specific unit count/ target to a ratio or index will be explored.
- Incentives for smaller developers and builders should be explored in the next phases of work. Smaller organizations have different financial needs and abilities, a one-size-fits-all approach.

Self-Identifying Groups for Stakeholder Consultations:

Throughout the meeting some of the TAC groups self-identified to be part of the stakeholder consultation meetings. These groups and their interests are identified below:

- Camphill Foundation: Discussed they can provide the perspective of the needs of individuals who require supportive housing. Camphill acquires new homes to provide supportive housing and are also offering their own staff affordable housing as a means of attracting and retaining employees.
- Redwood Park Communities: Interested in discussing advocacy efforts or tools that can be implemented to help charitable organizations like themselves better secure lending from banks.



Council Meeting #1

June 7th, 2023, 7:30 pm

Barrie City Hall (70 Collier Street, Barrie, Ontario)

Event Summary:

On Wednesday, June 7, 2023, NBLC attended a City of Barrie Council meeting in-person at Barrie City Hall. In this meeting NBLC presented on the final Housing Needs Assessment to inform Councillors about the results of the analysis. A question and answer period occurred shortly afterward, with the following questions and feedback provided to NBLC from the City Councillors:

- How much does a single parent have to make to live affordably in the City of Barrie?
- Is the housing wait list composed of families or individuals?
- Would the home share program at Georgian College fall under next steps of this project?
- Is there any available data that can highlight the affordability issues in Barrie into the future? What about something that can be used by those with a 5 year mortgage coming to an end soon?
- If a finding is that we need to create more rental housing, how can Council control the tenure that support is going to?
- Moving forward do you see more social housing or co-op housing as a solution in the short term, understanding that other new affordable housing development would take 3-5 years?
- Is social housing for the middle class?
- What do you see as the impact of increasing development charges?
- Comments from the Mayor that the next presentation to Council on this project needs to be a solution to the problem. Also noted that it needs to be presented in 2023 so that they can understand what's to come for 2024 budget implications.

The above questions and comments were integrated into the development of the Strategic Direction Options Report.



Technical Advisory Committee Meeting #2

July 10th, 2023, 1:30 pm – 3:30 pm

Virtual

Event Summary:

On Monday, July 10, 2023, the City of Barrie, NBLC, and the Technical Advisory Committee (TAC) met for the second time.

The deliverable for Phase 2 of the Updated Affordable Housing Strategy is currently being developed, which consists of a list of draft recommended policy options that the City of Barrie can implement to address the need of affordable housing. In early July it was determined by the City of Barrie to delay further engagement with the public and other stakeholder groups to focus on engaging with the TAC as these policy option recommendations are being developed. To ensure all voices were heard, half of the TAC attended this meeting, with the other half attending a second meeting on July 11th, as detailed on Page 10. The July 10th meeting consisted of the following groups:

- Barrie Housing
- Camphill Foundation
- Georgian College
- Redwood Park Communities
- Simcoe County Alliance to End Homelessness

This meeting was facilitated by NBLC where we asked a variety of probing questions regarding the issue of affordable housing in the City of Barrie and the tools that could be developed as solutions. The meeting allowed for an open dialogue across all attendees to discuss individual experiences and opinions and to collaborate on potential policy options that could be recommended.

'What We Heard' Summary:

The questions asked by NBLC and a summary of the responses and feedback from the TAC are provided below.

Question 1:

What do you think are the biggest obstacles/barriers to date on the issue of affordable housing in the City of Barrie?

- Financing is a barrier, particularly to non-profit groups. Banks consider non-profits high-risk and make it difficult for them to receive financing. TAC members from non-profit groups discussed having unencumbered properties and equity in owned developments but still are unable to obtain financing from banks and secondary lenders. Overall opinion from TAC members that the financial industry has blacklisted charities and non-profits, and with little funding available from other levels of government it is a big obstacle to develop and maintain affordable housing units.



- Retention of affordable housing units is an obstacle. Discussion amongst the TAC that when individuals leave or get evicted from affordable housing units, the rent of the unit then gets increased to market levels for the next tenant. Interest in stabilizing these units and creating more protection for renters.
- Available partnerships and resources from the City or local corporations are not distributed equitably. Certain charities and non-profits have monopolized on local opportunities. Overall opinion from the TAC that smaller non-profit groups should be involved in the distribution of land, incentives, or public-private partnerships.

Question 2:

What do you think the City should be doing in the immediate term to improve housing conditions in Barrie?

- Improving funding was noted across all TAC members. Discussion about the End of Operating Agreements which will allow housing providers to move RGI units to higher rent levels. With no funding available, a lot of smaller affordable housing providers are tapped out of their resources and will be pushed to move units from affordable rates to market rates to operate their buildings.
- A City-operated subsidized secondary suites program or tiny homes program could help to get more units built that could be priced affordably. Building secondary suites in particular is relatively quick to do and could be developed in the short term. The TAC is eager to encourage the County to keep the scattered sites they are selling off and develop them with secondary suites or tiny homes included as an additional unit on site.

Question 3:

Discussion of potential policy tools/solutions:

- Non-traditional housing forms like home sharing programs and co-housing should be encouraged, particularly for younger renters.
- Building residential units on top of one-storey commercial buildings.
- Approved as-of-right site plans for housing that can easily be adapted – i.e. modular secondary suites, 4-storey wood-frame apartment buildings, stacked townhouses, etc.
- Improving housing targets – have them grounded based on a ratio of people within certain income bands to the number of homes existing at those rates or from a rental perspective being based on vacancy rates being within balanced conditions.

Question 4:

Keeping in mind that the City has limited resources, what do you think their priority should be?

- Declaring housing as a right and then prioritizing the people who don't have any.
- Increasing funding opportunities for non-profit groups.



- Encouraging a paradigm shift on the renter side – concern amongst the TAC about the City considering the issue of affordability in terms of individuals not being able to buy housing. Emphasis that there needs to be a priority placed on renter households who are struggling to afford first and last months rent over households struggling to put together a downpayment. Renters are driving household growth in Barrie and are important residents that need to be prioritized.

Question 5:

How should the City fund these potential recommendations/solutions?

- If possible, the City could co-sign on loans for non-profit groups or issue lines of credit for groups that have approved funding but haven't received it and want to start construction.
- Rework the existing CIP with increased funding for affordable housing.
- Increase property taxes but find a way to reframe it as a separate fund to align to the Mayor's 0% tax increase platform.



Technical Advisory Committee Meeting #3

July 11th, 2023, 9:30 am – 11:30 am

Virtual

Event Summary:

On Tuesday, July 11, 2023, the other half of the TAC that did not attend the July 10th meeting attended a virtual meeting with the City of Barrie and NBLC to discuss the issue of affordable housing in Barrie and the policy options being developed as solutions.

This meeting consisted of the following groups:

- Chantal+Michael Realty Group Brokerage
- MCL Architects
- Social Housing at the County of Simcoe
- City of Barrie Finance Department

This meeting was facilitated by NBLC where we asked a variety of probing questions regarding the issue of affordable housing in the City of Barrie and the tools that could be developed as solutions. The meeting allowed for an open dialogue across all attendees to discuss individual experiences and opinions and to collaborate on potential policy options that could be recommended.

'What We Heard' Summary:

The questions asked by NBLC and a summary of the responses and feedback from the TAC are provided below.

Question 1:

What do you think are the biggest obstacles/barriers to date on the issue of affordable housing in the City of Barrie?

- Lack of integration congruency across City departments. TAC members discussed examples of Councillors and the building, planning, and finance departments having differing opinions on development applications. Opinion from some TAC members to encourage these groups to work together, if a policy is permissive on one end it should be on all.
- From the City's perspective (Finance Department) growth is expensive and it is an obstacle to justify to a tax payer that they need to pay for infrastructure and servicing for growth in the South end of Barrie's greenfield land while they are already paying for the infrastructure they use. There are challenges to intensifying in places where the infrastructure already exists, and the City is also confined by their phasing plan which includes secondary plan areas with significant greenfield land needing development.



- NIMBYSM – there are specific areas of the City where there is significant pushback on intensification. People seem to understand height and density in the downtown core, but it's a struggle elsewhere, with the East end of Barrie being particularly difficult. On this topic, the issue of also intensifying with affordable housing is pushed back against as neighbours think that there will be crime and social issues coming along with affordable housing in the neighbourhood. Conversation that there needs to be an education component on the importance of developing high-density housing, affordable housing, and differences between low-income and middle-income groups. Suggestion from some TAC members that having a figure of authority from the City like a Councillor push back against NIMBYSM would help a lot.

Question 2:

What do you think the City should be doing in the immediate term to improve housing conditions in Barrie?

- A subsidized registered secondary suites program would improve housing conditions and can be done in the short term. Secondary suites are an advantage for people from an affordability standpoint to getting a mortgage and also to paying it off.
- Advocate to upper levels of government to clearly articulate the state of housing and the emphasis that needs to be placed on the rental market.
- Create clarity in the approvals process, avoid red tape and the need for numerous revisions and resubmissions to applications which can be a burden to soft cost firms like architects and engineers.
- Advocate to Provincial and Federal government regarding mandates on immigration and foreign investment – both are factors driving demand but there is not enough supply to keep pace.

Question 3:

What are your thoughts on the best use of City-owned land from an affordable housing perspective?

- Gearing it towards rental housing and to the people who are most in need.
- Creating partnerships with community organizations and non-profits on the development of affordable housing on City-owned land.
- Consider as-of-right zoning for higher densities.

Question 4:

What revenue tools are available to the City of Barrie?

- The City of Barrie just passed their first CBC by-law which collects 4% of land value for growth related infrastructure, including affordable housing development. Noted this is the only revenue tool that they have and it provides no where near what charging development charges for affordable housing did (now exempt through Bill 23).



- There is no other funding unless it's a grant from another level of government or funding from the City's tax base.

Question 5:

How should the City fund these potential recommendations/solutions?

- Adding a line to the property tax bill for affordable housing is palatable. Discussion amongst the TAC that many people aren't fully aware what's on their tax bill, and if it is collected through a separate fund like the 'City Building Fund' in Toronto then it doesn't go against the Mayor's 0% tax increase mandate. Overall, opinion that people will always argue that tax payers shouldn't have to pay for certain things, but it's all philosophical and depends on Council voting.



Technical Advisory Committee Meeting #4

September 18th, 2023, 12:30 pm – 2:30 pm

Virtual

Event Summary:

On Monday, September 18, 2023, the City of Barrie, NBLC and the Technical Advisory Committee (TAC) met to discuss NBLC's Draft Strategic Direction Options Report.

This meeting consisted of the following groups:

- MCL Architects
- Campfield Communities Ontario – Barrie & Simcoe County
- Barrie Housing
- Social Housing at the County of Simcoe
- Social and Community Services at the County of Simcoe
- Simcoe County Alliance to end homelessness – Barrie Chapter
- City of Barrie Finance Department

This meeting was facilitated by the City of Barrie. A presentation was provided on the Draft Strategic Direction Options Report to highlight the solutions being considered to improve housing affordability in the City of Barrie. A question and answer period occurred afterward, where NBLC received feedback and answered inquiries from the TAC on the draft report.

'What We Heard' Summary:

The following provides a summary of the key feedback and commentary received from the TAC.

- It was noted that the report was heavily focused on supply side issues and recommendations. While municipalities do not have much control over demand side forces, they should still advocate for demand side solutions.
- Referring to the perceived need for more demand solutions in the report, and in response to the impact of rental exploitation as a factor in current housing conditions, rental protections were suggested as an addition to the report's recommendations.
- The numbers cited to be Altus cost estimates should be better articulated in terms of what the costs include, as these will likely be scrutinized upon review by other parties.
- Parking reduction/elimination via zoning changes, as well as of case studies that reflect this, should be included in the report.
- Leveraging public land for social housing on a municipal level is an important solution.



- It's easy for people to gloss over national housing targets, but putting the focus on how many homes should be built on the municipal level, based on the national targets, can help make the housing needs in various municipalities clearer.
- When for-profits operate affordable housing, issues come up. Having operators that focus on making enough money to operate the housing without prioritizing profit maximization is important.
- There are international students that can no longer afford to live in Canada and are forced to return to their country of origin after finishing school. Student housing is noted as an important need.
- End of Operating Agreements should be discussed in the report. While the social housing operators primary mandate is to stay affordable, they will have to increase their share of market rate units to offset costs of operating RGI units without subsidies. Barrie Housing would have to flip quite a few of their RGI units to market rent levels to cover costs.
- There currently are illegally operating secondary suites in the City of Barrie. Legislation requiring these landlords to meet building standards could cause them to stop operating these units as they may not be able to afford the costs. This should be discussed in the report.



Council Meeting #2 – Affordability Committee

September 27th, 2023, 5:00 pm

Barrie City Hall (70 Collier Street, Barrie, Ontario)

Event Summary:

On Wednesday, September 27, 2023, NBLC attended an in-person meeting with the City of Barrie's Affordability Committee. In this meeting the City of Barrie presented on the Strategic Directions Options report to show the Affordability Committee the draft policy options being brought forward through the Updated Affordable Housing Strategy.

A question and answer period occurred after the presentation, with the following questions and feedback provided to NBLC from the committee:

- In terms of the recommendation to enact a rental replacement bylaw to preserve existing rental stock, there should be a piece of that where if the City expropriating a property with existing rental units they would also be responsible for restoring that rental stock.
- Why is prioritizing housing outcomes on public land considered a minimum impact? Discussed it was an element to the lack of public land that the City has.
- Under creating a funding stream for affordable housing and development incentives - the City has a funding stream through affordable housing and chooses to deliver that through the County. Comment about changing this policy recommendation to say 'increase' or 'enhance' the funding stream.
- Discussion about new affordable housing costing between \$100,000 and \$300,000 a door. If the City delivered \$100M, it would return 1,000 affordable housing units. City Council looking for further examples of this to determine if they should weigh their funding to the County of Simcoe. The deeper the level of affordability of those units the greater the subsidy required.
- Where does the need for rental fit in in targeting affordability? Is there any rental policy opportunities and ways to incentivize rental getting built?
- Shifting of the public discourse on infill development is important. Hopefully consultation feedback from the future perspective first-time buyer in particular can be heard.
- It's extremely problematic that there are 'next to no options of rental or ownership housing for moderate income households.' If the private market cannot provide this, it presumably needs to be the public market. Traditionally the public sector paid for it and now that they are out of the business of housing we are reaping the impacts. In the absence of the federal government contributing, there does need to be more public involvement.
- The Official Plan has a target of 15% of units being affordable, and if developers don't want to build them they can pay cash-in-lieu (MMAH approved both of these 6 months ago). Can NBLC provide some tools to put these into effect? Discussion that the municipality cannot require affordable housing, only try to meet their targets through incentives and regulatory approaches.



- For neighbourhoods that are sensitive to change, off the shelf designs will allow Councillors to work with the residents to provide something more accepted that provides an older neighbourhood feel.

The above questions and comments will be integrated into the development of the final Updated Affordable Housing Strategy.

Public Survey & Online Discussion Forum #2

Oct 23th to Nov 14th, 2023

Online

Event Summary:

Feedback gathered for the Housing Needs Assessment in spring 2023 has informed the creation of multiple affordable housing policy options in Barrie, resulting in 10 action items.

An online survey was made available to the public to determine the most important priorities and action items. The survey was available on the Building Barrie website from Oct 23th to Nov 14th, 2023. The survey was completed by 123 participants.

Council will consider the feedback received when deciding which action items to prioritize for updating the Affordable Housing Strategy.

'What We Heard' Summary:

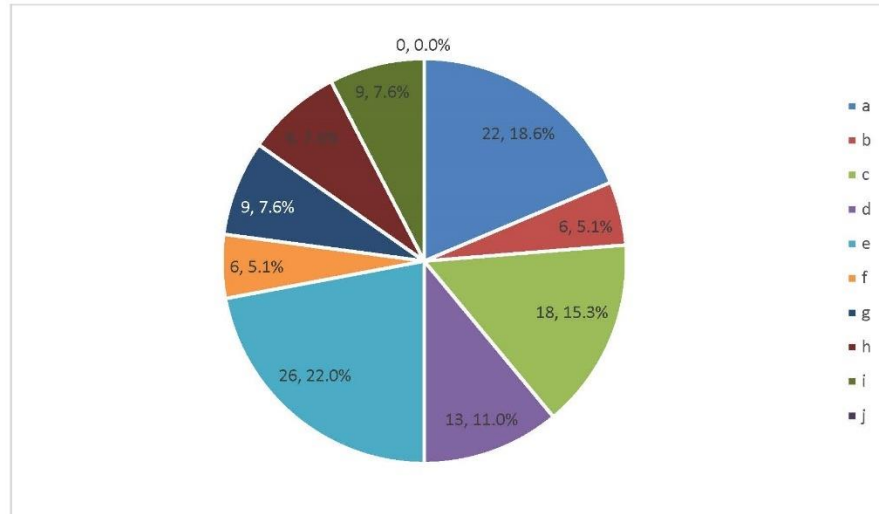
The survey questions and a summary of the survey responses are provided below.

Question 1:

In your opinion, which action item is most important?

- a) Undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories).
- b) Financial incentives: Offer financial incentives for projects contributing affordable units.
- c) Prioritize housing outcomes on public land: This option looks at municipal land holding that may be appropriate for residential development.
- d) Work towards a decision faster: Timely City approvals directly ties to a project's affordability. This option prioritizes continuous process improvements for even faster approvals.
- e) Create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects).
- f) Create a concierge program to move strategic projects through the organization's approval process: This option prioritizes expanding the current concierge's project portfolio throughout various City departments.
- g) Enhancing participation in Simcoe County's Secondary Suite Program: The City is currently taking part in this program. This option prioritizes allocating additional funding to those providing deeply affordable accessory dwelling units.
- h) Enact a Rental Replacement By-law: With more Federal/Provincial rental housing development support, this option prioritizes preserving current stock while ensuring long-term maintenance of newly built rentals.
- i) Continue shifting the public discourse around growth/housing: This option prioritizes continually working with neighbourhoods, developers, and the public to understand their needs while also gently intensifying where appropriate.

- j) Explore the potential for Inclusionary Zoning in Barrie: Inclusionary zoning would permit significant changes in the city's two Major Transit Station Areas to require a developer to deliver affordable housing through zoning.



- Most respondents to this survey (22.0%) chose option E, 'create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects)'.

Question 2:

Why? (a) Undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories)

- Increased density standards and allowing multi-unit dwellings in all neighbourhoods can reduce housing costs city-wide.
- Create measures to discourage single, detached housing construction.
- Encourage rental units that are affordable to both students and seniors.
- It should be legally enforced for developers to build a percentage of affordable housing units in all new developments.
- Redevelop unused plazas and malls into multi-use developments that include both housing and shopping.
- More density translates to more affordable housing.
- Functional and affordable public transit requires greater density.
- City policies and procedures need to be reviewed to improve treatment of people and residents.
- Need a medium between single-detached housing and high-rise developments, such as walk-up style, few floor apartments.
- More flexible zoning to allow for the re-use of underutilized land and buildings.
- Gently intensifying and reducing yard setbacks can enable homeowners to utilize land without sacrificing their backyards.

Why? (b) Financial incentives: Offer financial incentives for projects contributing affordable units.

- Provide incentives to landlords and developers.

Why? (c) Prioritize housing outcomes on public land: This option looks at municipal land holding that may be appropriate for residential development.

- Blend new development with existing urban fabric.
- Cost effective option that can be implemented in addition to the donation of materials and time from local contractors and builders.
- This option will add to the tax base and help finance other options going forward.
- Can facilitate faster development and make use of underused, existing space.
- Consider building mobile or prefabricated temporary homes for faster solutions.
- These lands can be converted quickly as they are likely already serviced and examined.
- Consider locations such as old factories, lofts and churches.

Why? (d) Work towards a decision faster: Timely City approvals directly ties to a project's affordability. This option prioritizes continuous process improvements for even faster approvals.

- Confront current red tape – resulting in delays and additional costs.
- Accelerate approvals and impose penalties in the event of a delay for developers.



Why? (e) Create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects).

- Affordable housing can work to address the city's homelessness crisis.
- Affordable housing opportunities will foster successful participation in employment.
- Increase funding towards housing cooperatives.
- Find alternative options for housing - separate from private developments.
- The market and private sector cannot be the sole primary provider, government assistance is necessary.
- Can work to fix current issues of low-income people and those on ODSP not having anywhere to live.
- Include social and mental health supports.
- Can have immediate impact.
- Consider the re-allocation of existing funds.
- Important to create solutions that are not controlled by a profit motive.

Why? (f) Create a concierge program to move strategic projects through the organization's approval process: This option prioritizes expanding the current concierge's project portfolio throughout various City departments.

- No comments received.

Why? (g) Enhancing participation in Simcoe County's Secondary Suite Program: The City is currently taking part in this program. This option prioritizes allocating additional funding to those providing deeply affordable accessory dwelling units.

- Can result in quicker housing options.
- More attention to be paid towards non-corporate developers.
- Second suites and detached accessory units are more urgent and can provide quicker results.
- Allows for the residents to be involved and participate in creating more affordable housing options.

Why? (h) Enact a Rental Replacement By-law: With more Federal/Provincial rental housing development support, this option prioritizes preserving current stock while ensuring long-term maintenance of newly built rentals.

- Create affordable, safe and comfortable housing options for young adults, aside from high-density options.
- Government enforcement needed to provide rent caps.
- Create subsidized housing for peoples with disability, seniors, and those on fixed income.
- Work towards intensification, rather than developing on new land.
- Control current Airbnb and short-term housing to increase the availability of long-term rentals.



Why? (i) Continue shifting the public discourse around growth/housing: This option prioritizes continually working with neighbourhoods, developers, and the public to understand their needs while also gently intensifying where appropriate.

- Create a discourse and proper understanding of “affordable housing”.
- Create and understanding in the community, that “affordable housing” as we know it, is still not affordable for many.
- Shifting the discourse around growth/housing is the most economical option.
- Target existing city issues such as gridlock and traffic congestion prior to targeting new development.
- Due to the lack of public funds, resident and municipal taxes should go towards this cause.

Why? (j) Explore the potential for Inclusionary Zoning in Barrie: Inclusionary zoning would permit significant changes in the city’s two Major Transit Station Areas to require a developer to deliver affordable housing through zoning.

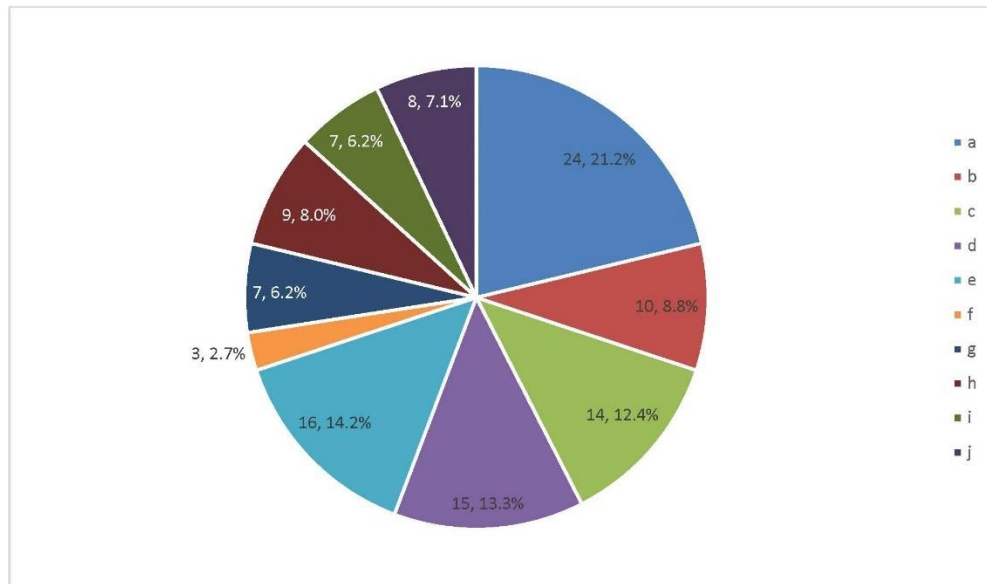
- Important to create affordable housing in the areas that foster employment opportunities and access to transit.
- Need affordable, high-density housing near transit.
- Will promote access to essential services.

Question 3:

In your opinion, which action item is the best to implement in Barrie?

- Undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories).
- Financial incentives: Offer financial incentives for projects contributing affordable units.
- Prioritize housing outcomes on public land: This option looks at municipal land holding that may be appropriate for residential development.
- Work towards a decision faster: Timely City approvals directly ties to a project’s affordability. This option prioritizes continuous process improvements for even faster approvals.
- Create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects).
- Create a concierge program to move strategic projects through the organization’s approval process: This option prioritizes expanding the current concierge’s project portfolio throughout various City departments.
- Enhancing participation in Simcoe County’s Secondary Suite Program: The City is currently taking part in this program. This option prioritizes allocating additional funding to those providing deeply affordable accessory dwelling units.
- Enact a Rental Replacement By-law: With more Federal/Provincial rental housing development support, this option prioritizes preserving current stock while ensuring long-term maintenance of newly built rentals.

- i) Continue shifting the public discourse around growth/housing: This option prioritizes continually working with neighbourhoods, developers, and the public to understand their needs while also gently intensifying where appropriate.
- j) Explore the potential for Inclusionary Zoning in Barrie: Inclusionary zoning would permit significant changes in the city's two Major Transit Station Areas to require a developer to deliver affordable housing through zoning.



- Most respondents to this survey (21.2%) chose option A, 'undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories)'.

Question 4:

Why? (a) Undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories).

- Make it easier to create affordable housing units through less restrictive zoning bylaws.
- Create measures to discourage single, detached housing construction.
- Encourage rental units that are affordable to both students and seniors.
- It should be legally enforced for developers to build a percentage of affordable housing units in all new developments.
- Need more diverse housing options.
- More flexible zoning to allow for the re-use of underutilized land and buildings.
- Redevelop unused plazas and malls into multi-use developments that include both housing and shopping.
- Greatest likelihood for faster improvement.
- Create more accessible ways for community members interested in development, to contact and connect with the City.
- Build in areas that are quiet and peaceful in addition to main/busy areas.
- Involve builders in the solution so that it can be sustainable, and equal for both sides.

Why? (b) Financial incentives: Offer financial incentives for projects contributing affordable units.

- Financial incentives can work to encourage affordable housing amongst community members/neighbourhoods who may initially be hesitant.
- Can help keep costs low for potential buyers and rentals.
- Encourage and incentivize people modifying current homes to include additional units for those requiring affordable housing.

Why? (c) Prioritize housing outcomes on public land: This option looks at municipal land holding that may be appropriate for residential development.

- This option will add to the tax base and help finance other options going forward.
- Can facilitate faster development and make use of underused existing spaces.
- Consider building mobile or prefabricated temporary homes for faster solutions.
- Blend new development with existing urban fabric.

Why? (d) Work towards a decision faster: Timely City approvals directly ties to a project's affordability. This option prioritizes continuous process improvements for even faster approvals.

- Removing red tap can help push initiatives forward.
- Accelerate approvals and impose penalties in the event of a delay for developers.
- Prioritize the improvement of housing for those currently in poor housing conditions.

Why? (e) Create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects).



- Affordable housing can work to address the city's homelessness crisis.
- Affordable housing opportunities will foster successful participation in employment.
- Find alternative options for housing - separate from private developments.
- Can work to fix current issues of low-income people and those on ODSP not having anywhere to live.
- Include social and mental health supports.

Why? (f) Create a concierge program to move strategic projects through the organization's approval process: This option prioritizes expanding the current concierge's project portfolio throughout various City departments.

- No comments received.

Why? (g) Enhancing participation in Simcoe County's Secondary Suite Program: The City is currently taking part in this program. This option prioritizes allocating additional funding to those providing deeply affordable accessory dwelling units.

- Create rent caps on all units of all sizes and quality.
- There are units that are under-used because they are not affordable or worthy of price.

Why? (h) Enact a Rental Replacement By-law: With more Federal/Provincial rental housing development support, this option prioritizes preserving current stock while ensuring long-term maintenance of newly built rentals.

- Need to preserve rental stock.
- Can work to stop erosion.

Why? (i) Continue shifting the public discourse around growth/housing: This option prioritizes continually working with neighbourhoods, developers, and the public to understand their needs while also gently intensifying where appropriate.

- Create a discourse and proper understanding of "affordable housing".
- Create and understanding in the community, that "affordable housing" as we know it, is still not affordable for many.

Why? (j) Explore the potential for Inclusionary Zoning in Barrie: Inclusionary zoning would permit significant changes in the city's two Major Transit Station Areas to require a developer to deliver affordable housing through zoning.

- Need affordable, high-density housing near transit.
- Will promote access to essential services.



Public Engagement Meeting #2

*Affordable Housing Strategy Update Open House – Nov 9th, 2023, 3:30 pm – 6:00pm
City Hall Rotunda (70 Collier Street, Barrie, Ontario)*

Event Summary:

On Thursday November 9, 2023, the City of Barrie hosted an Open House from 3:30 pm – 6:00 pm at City Hall Rotunda in Barrie. Approximately 21 people participated in and attended the event.

This drop-in event provided an opportunity to the public to:

- Learn about the types of policies which could be implemented, the possible costs associated with the proposed initiatives & the work already being done to assist in developing affordable housing.
- Engage with staff and ask questions.
- Share which of the possible action items is most important to you.

A booth to showcase the City of Barrie's Affordable Housing Strategy Updates was set up. The booth was equipped with two engagement boards intended to inform and seek feedback from the public about the City of Barrie's Affordable Housing Strategy including policy options. The public was invited to share advice, questions, and additional comments.

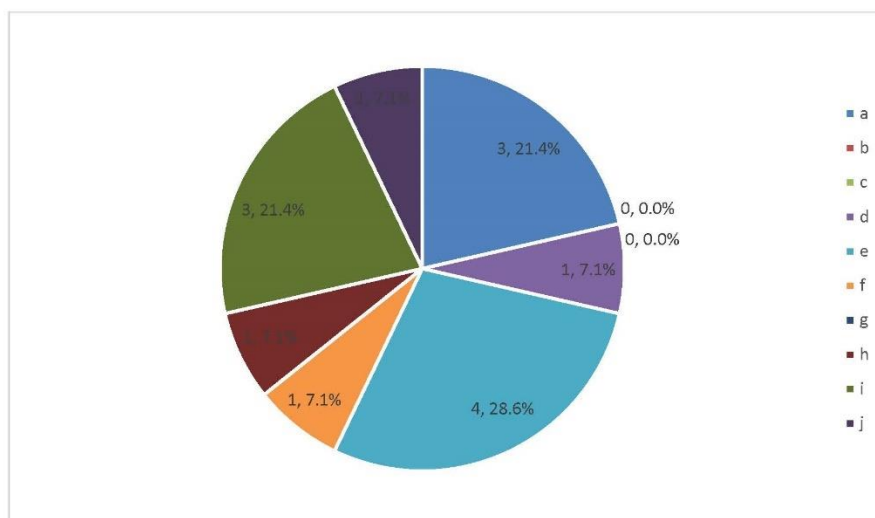
Conversations were guided by a series of engagement questions on each of the engagement boards:

Question 1:

In your opinion, which action item is most important?

- Undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories).
- Financial incentives: Offer financial incentives for projects contributing affordable units.
- Prioritize housing outcomes on public land: This option looks at municipal land holding that may be appropriate for residential development.
- Work towards a decision faster: Timely City approvals directly ties to a project's affordability. This option prioritizes continuous process improvements for even faster approvals.
- Create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects).
- Create a concierge program to move strategic projects through the organization's approval process: This option prioritizes expanding the current concierge's project portfolio throughout various City departments.
- Enhancing participation in Simcoe County's Secondary Suite Program: The City is currently taking part in this program. This option prioritizes allocating additional funding to those providing deeply affordable accessory dwelling units.

- h) Enact a Rental Replacement By-law: With more Federal/Provincial rental housing development support, this option prioritizes preserving current stock while ensuring long-term maintenance of newly built rentals.
- i) Continue shifting the public discourse around growth/housing: This option prioritizes continually working with neighbourhoods, developers, and the public to understand their needs while also gently intensifying where appropriate.
- j) Explore the potential for Inclusionary Zoning in Barrie: Inclusionary zoning would permit significant changes in the city's two Major Transit Station Areas to require a developer to deliver affordable housing through zoning.



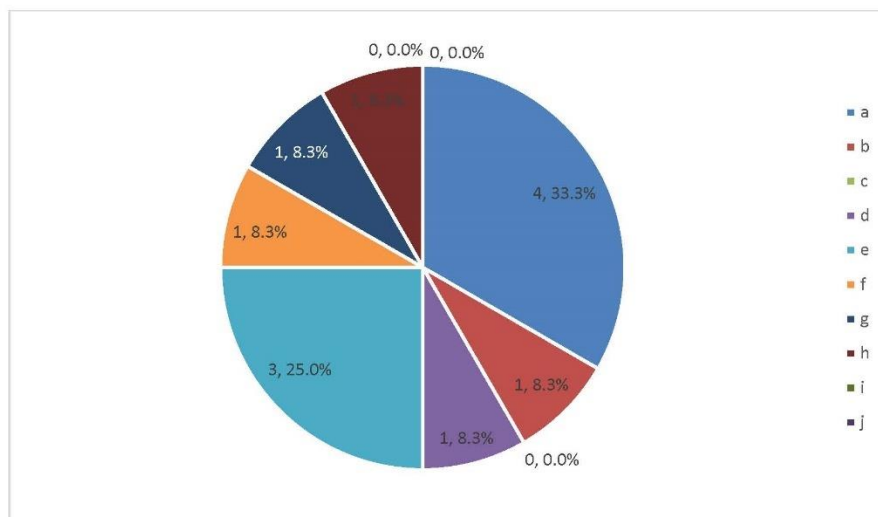
- Most respondents to this survey (43%) chose option E, 'create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects)'.

Question 2:

In your opinion, which action item is the best to implement in Barrie?

- a) Undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories).
- b) Financial incentives: Offer financial incentives for projects contributing affordable units.
- c) Prioritize housing outcomes on public land: This option looks at municipal land holding that may be appropriate for residential development.

- d) Work towards a decision faster: Timely City approvals directly ties to a project's affordability. This option prioritizes continuous process improvements for even faster approvals.
- e) Create an affordable housing funding stream: This option looks to create a funding program for affordable housing projects (i.e., increase taxes to designate funds to assist with the creation of new affordable housing projects).
- f) Create a concierge program to move strategic projects through the organization's approval process: This option prioritizes expanding the current concierge's project portfolio throughout various City departments.
- g) Enhancing participation in Simcoe County's Secondary Suite Program: The City is currently taking part in this program. This option prioritizes allocating additional funding to those providing deeply affordable accessory dwelling units.
- h) Enact a Rental Replacement By-law: With more Federal/Provincial rental housing development support, this option prioritizes preserving current stock while ensuring long-term maintenance of newly built rentals.
- i) Continue shifting the public discourse around growth/housing: This option prioritizes continually working with neighbourhoods, developers, and the public to understand their needs while also gently intensifying where appropriate.
- j) Explore the potential for Inclusionary Zoning in Barrie: Inclusionary zoning would permit significant changes in the city's two Major Transit Station Areas to require a developer to deliver affordable housing through zoning.



- **Most respondents to this survey (33.3%) chose option A, 'undertake a Zoning By-law review: prioritizing how zoning standards and regulations can contribute to affordable housing development (i.e., increased height and density, reduced setbacks, more permissive building types in all zone categories)'.**

APPENDIX "D"
Housing Needs Assessment



Table of Contents

1.0 Income and Affordability Thresholds	Page 4
2.0 Barrie Housing Market	Page 13
2.1 Ownership Resale Market	Page 21
2.2 Ownership New Sale Market	Page 26
2.3 Rental Market	Page 32
3.0 Affordable Housing Supply	Page 41
4.0 Affordability Gap Analysis	Page 46
5.0 Households in Core Housing Need	Page 51
6.0 Summary and Key Findings	Page 56
7.0 APPENDIX – Market Data Tables	Page 58

Housing Needs Assessment – Introduction

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Introduction

The City of Barrie has retained N. Barry Lyon Consultants Limited (NBLC) to develop an Affordable Housing Strategy as a new 10-year update to their existing strategy. As part of this work, NBLC is to develop a Housing Needs Assessment to determine the near and long-term demand for housing and the current gaps observed across the housing continuum.

This Housing Needs Assessment will provide a foundational assessment of the housing needs and affordability challenges in the City of Barrie. This work seeks to understand the major housing gaps observed in the municipality, the housing and affordability challenges experienced by low- and moderate-income households, the characteristics of households in need of adequate, suitable, and affordable housing, as well as the roles and responsibilities of delivering housing across the continuum (e.g., Federal and Provincial governments, Simcoe County as Service Manager, City of Barrie, non-profit and cooperative sector, private sector).

In updating the Affordable Housing Strategy we will evaluate the success and challenges of existing affordable housing programs in the City of Barrie, as well as the market, planning, demographic, economic, and political forces causing affordability to worsen. We will also identify the types and prices of homes missing in the market that should be addressed through the updated Affordable Housing Strategy. The Affordable Housing Strategy will be heavily informed by this Housing Needs Assessment to provide feasible approaches the City can consider to meet the evolving needs of the City's population.



Source: StreetView imagery

3



1.0 Income and Affordability Thresholds



Introduction

The following section provides an overview of income and housing affordability thresholds in the City of Barrie.

The section starts by reviewing definitions of affordable housing before analyzing household incomes – both historical and current (as of the 2021 Census) in Barrie. The income data is then utilized to determine affordability thresholds by income decile for both owners and renters using the definitions of affordable housing.

The purpose of this section is to set the stage on affordability and understand what households with different income levels in Barrie can afford, informing our market survey later in this report to understand whether the market is currently delivering housing to meet the City's needs.

Key Findings

The following are key findings from this section:

- While average household incomes have grown significantly over the last several Census periods, the majority of this income growth is attributed to an increasing share of high-income households.
- Incomes for low and moderate-income households have not increased measurably in recent years.
- While renter incomes have increased at a slightly higher pace than ownership incomes, owners have consistently earned double the income of renters since 2006.
- Approximately 65% of renter households earn less than \$60,000 annually, with only 11% earning more than \$100,000 annually. The opposite is true for owners, with a much higher proportion of high-income households and few low-income households.
- Affordable purchase price thresholds for ownership households range from about \$117,000 to \$728,000 in Barrie from the 1st to 9th decile.
- Affordable rent thresholds for rental households range from about \$635 to \$3,730 per month in Barrie from the 1st to 9th decile.

5

Affordable Housing Definition

The definition of affordable housing in Ontario is changing. The Provincial government has proposed a new definition, through Bill 23, that ties affordability to a specific price point as opposed to income and what individual households can actually afford. This new definition is useful in some circumstances, but is less relevant for this Housing Needs Assessment as we uncover where the affordability gaps are in the City of Barrie. As such, we recommend continuing to utilize the Provincial Policy Statement definition for affordable housing for this work.

The following definitions of affordable housing have been used throughout this report, based on the 2020 Provincial Policy Statement (PPS):

Affordable Ownership Housing is the least expensive of:

- Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate-income households; or
- Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area.
- *Bill 23 has proposed a revised definition of affordable ownership housing as 80% of the average resale purchase price in the regional market area.*

Affordable Rental Housing is the least expensive of:

- A unit for which the rent does not exceed 30% of gross annual household income for low and moderate-income households (see below for definitions); or
- A unit for which the rent is at or below the average market rent of a unit in the regional market area (i.e., 100% of the CMHC Average Market Rent 'AMR').
- *Bill 23 has proposed a revised definition of affordable rental housing as 80% of the CMHC AMR.*

Low and Moderate Income Households:

- Low Income: Households in the 3rd income decile or lower.
- Moderate Income: Households between the 4th and 6th income decile.
- Affordable Ownership Housing: Considers income distribution for all households.
- Affordable Rental Housing: Considers income distribution for renter households only.

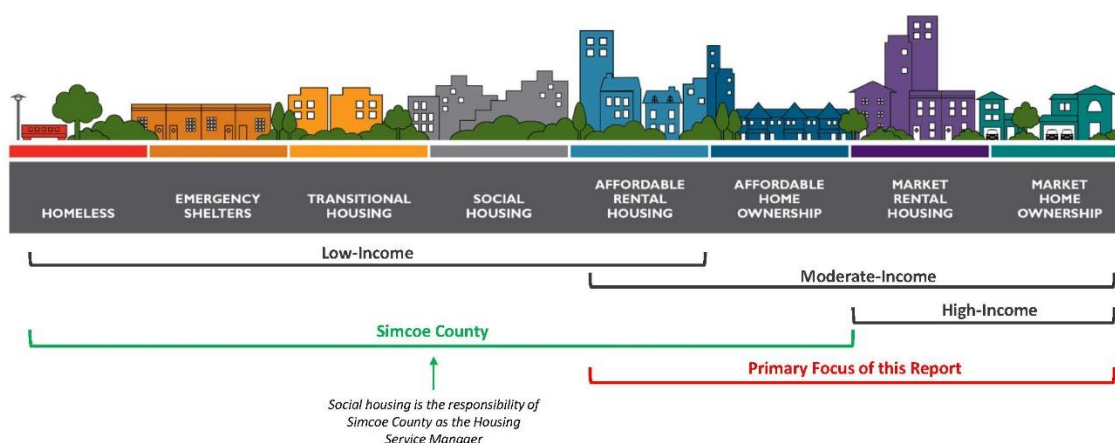
Barrie Official Plan:

- The Barrie Official Plan (2023) definition matches the PPS definition.

6

Typical Income Distribution Along the Housing Continuum

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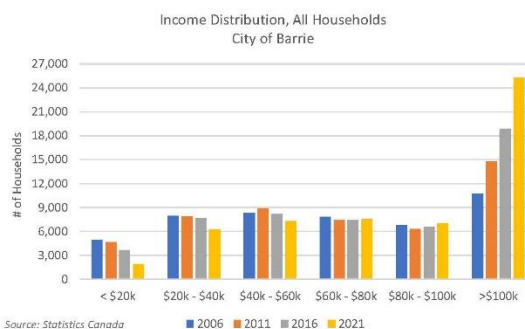
Income Growth and Distribution

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- Between 2006 and 2021, the average household income in Barrie increased by 48%, from about \$73,000 to \$108,300. The highest growth has occurred between 2016 and 2021, with average incomes increasing by nearly 18% (+\$16,300).
- Most of the observed income growth can be attributed to the increasing share of high-income households, particularly those earning above \$100,000. As illustrated to the right, the number of households earning above \$100,000 annually has more than doubled since 2006, increasing from 23% of all households (10,700) in 2006 to 46% as of 2021 (25,290).
- The share of households earning below \$20,000, on the other hand, has been steadily decreasing over each Census period – from 11% in 2006 to 3% in 2016.
- The number of households earning between \$20,000 and \$100,000 has been fairly stable between 2006 and 2021.
- While incomes are increasing, and the proportion of households earning less than \$20,000 have decreased, these trends do not signal improving affordability as income growth for low and moderate income households has not measurably increased. Inflation and interest rate increases, combined with rapid price appreciation in both the rental and ownership markets also continues to put downward pressure on affordability despite the recent income growth.
- The growth of high income households, and stagnation amongst low and moderate income households, is a common finding in many communities across Ontario.

Year	Income	% Change	% Change '06 - '21
All Households			
2006	\$73,134	-	48.1%
2011	\$80,928	10.7%	
2016	\$91,977	13.7%	
2021	\$108,300	17.8%	

Source: Statistics Canada



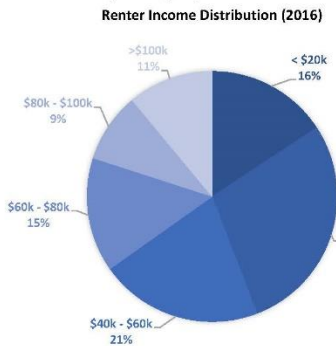
Source: Statistics Canada

8

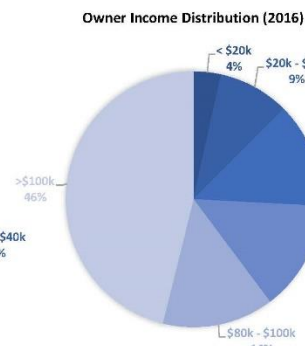
Income Distribution by Tenure

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- As of 2016 (2021 income data by tenure unavailable at the time of writing), owner households earned approximately **\$107,000** annually on average, whereas renter households earned **\$54,750** annually on average.
- While renter incomes increased at a slightly higher pace between 2006 and 2016 relative to owners, it is important to note that owners have consistently earned about double the income of renters over this period.
- Over 65% of renter households earned less than \$60,000 annually in 2016, with 16% earning less than \$20,000 per year. Only 20% of renter households earned more than \$80,000 annually in 2016, and only 11% had incomes above \$100,000 annually.
- The opposite is true for ownership households, with only 25% of owner households earning below \$60,000 annually in 2016, and 46% earning more than \$100,000.
- These income distributions are not uncommon in municipalities across Ontario, with renters typically earning significantly less than owners.
- Incomes by decile group for 2021 are assessed to follow.



Source: CMHC & Statistics Canada



Source: CMHC & Statistics Canada

Average Household Income Before Taxes, Barrie		
Year	Income	% Change '06 - '16
Owner Households		
2006	\$82,858	29%
2011	\$92,503	
2016	\$107,067	
Renter Households		
2006	\$41,669	31%
2011	\$45,860	
2016	\$54,753	

Source: Statistics Canada

Source: Statistics Canada

9

Income by Decile Group and Affordability Thresholds

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- The data displayed to the right sorts the income of **All Households** and **Renter Households** by income deciles in Barrie. The data is based on the 2021 Census that represents 2020 incomes, which are then inflated using the Consumer Price Index (CPI) to estimate current income levels.
- These estimates do not account for income changes caused by in- and out-migration and household socioeconomic changes since 2020.
- The data further indicates that owner households earn significantly more than renters – with much higher annual incomes associated with each decile. When looking at all households, incomes range from about \$35,300 annually in the bottom decile to nearly \$216,500 annually in the top decile. Renter incomes range from about \$25,400 annually in the bottom decile to about \$149,100 annually in the top decile.
- Based on these income deciles, we have estimated the maximum purchase price (based on all household incomes) and maximum monthly rental rate (based on renter incomes) that each decile can afford to pay based on the affordability definitions highlighted earlier and standard ownership costs.
- These affordability thresholds do not account for any additional factors that further erode affordability, such as mortgage and down payment structure, maintenance fees, closing costs, and security deposits. Availability of units at these price points is another limiting factor for both owner and renter households, as is the requirement for first and last month rent for renter households.
- Additionally, those who already own a home and have experienced strong equity gains or those gaining from intergenerational wealth transfer would be able to afford a higher purchase price compared to a first-time buyer without these advantages (the table to the right assumes a first-time buyer with a 5% down payment).

Household Incomes by Decile 2022, City of Barrie			
Income Group	Decile Group	All Household Income	Renter Household Income
Low Income	1st	\$35,343	\$25,402
	2nd	\$53,014	\$35,784
	3rd	\$69,360	\$47,271
Moderate Income	4th	\$85,595	\$56,990
	5th	\$102,714	\$69,360
	6th	\$120,386	\$81,730
High Income	7th	\$142,475	\$97,192
	8th	\$171,191	\$117,072
	9th	\$216,473	\$149,102

Notes: Incomes from 2021 Census of Statistics Canada Custom Tabulation, inflated to 2022 using CPI (Canada).

Affordability Thresholds, City of Barrie			
Income Group	Decile Group	Affordable Purchase Price ¹	Affordable Monthly Rent ²
Low Income	1st	\$117,237	\$635
	2nd	\$175,855	\$895
	3rd	\$230,077	\$1,182
Moderate Income	4th	\$283,933	\$1,425
	5th	\$340,719	\$1,734
	6th	\$399,338	\$2,043
High Income	7th	\$472,610	\$2,430
	8th	\$571,018	\$2,927
	9th	\$728,207	\$3,728

Notes: 1. Assumes housing costs do not exceed 30% of gross household income. Housing costs include mortgage (25 years, minimum 5% downpayment, 1.25% property tax payment, 4% of loan amount for CMHC mortgage insurance, five-year fixed mortgage rate 6.5%). Mortgage rate is based on BoC posted rate as of February 2023).
2. Assumes housing costs do not exceed 30% gross household income.

10

Affordability by Ownership Income Deciles

nblc

- As per the PPS, affordable *Ownership* housing is defined as the least expensive of:
 - Housing that is affordable for those below the 6th income decile or housing which is 10% below the average resale home. Bill 23 has revised this to housing which equates to 80% of the average resale home.
- As reported by the Barrie & District Association of Realtors, the average resale price in Barrie as of January 2023 was approximately \$724,000.
 - The above definition would translate into an affordable purchase price of **\$651,633** based on the former PPS definition (2020), and **\$579,230** based on the Bill 23 definition (2022).
 - The January 2023 average price is considered unaffordable for households below the 9th decile, while the former PPS and Bill 23 definitions indicate affordability only for those in the 8th and 9th income decile.

Income Group	Decile Group	All Household Income	Affordable Purchase Price ¹
Low Income	1st	\$35,343	\$117,237
	2nd	\$53,014	\$175,855
	3rd	\$69,360	\$230,077
Moderate Income	4th	\$85,595	\$283,933
	5th	\$102,714	\$340,719
	6th	\$120,386	\$399,338
High Income	7th	\$142,475	\$472,610
	8th	\$171,191	\$571,018
	9th	\$216,473	\$728,207

Notes: Incomes from 2021 Census of Statistics Canada Custom Tabulation, inflated to 2022 using CPI (Canada).
1. Assumes housing costs do not exceed 30% of gross household income. Housing costs include mortgage (25 years, minimum 5% downpayment, 1.25% property tax payment, 4% of loan amount for CMHC mortgage insurance, five-year fixed mortgage rate 6.5%. Mortgage rate is based on BoC posted rate as of April 2023).

→ Bill 23
→ Former PPS

11

Affordability by Rental Income Deciles

nblc

- Affordable *Rental* Housing is the least expensive of:
 - Housing with a rental rate not exceeding 30% of gross household income below the 6th income decile or housing that is rented at or below the average market rent in the region. Bill 23 has revised this definition to 80% of average market rent.
- Average Market Rents (AMR) by unit type, as determined by CMHC, are identified in the table below. AMR for all unit types is below the affordable rent threshold for those in the 6th income decile, with varying degrees of affordability for those within the 2nd to 5th income deciles. This means that these average market rents would be affordable for moderate income households, at least to some degree.

Income Group	Decile Group	Renter Household Income	Affordable Monthly Rent**
Low Income	1st	\$25,402	\$635
	2nd	\$35,784	\$895
	3rd	\$47,271	\$1,182
Moderate Income	4th	\$56,990	\$1,425
	5th	\$69,360	\$1,734
	6th	\$81,730	\$2,043
High Income	7th	\$97,192	\$2,430
	8th	\$117,072	\$2,927
	9th	\$149,102	\$3,728

Notes: Incomes from 2021 Census of Canada Custom Tabulation, inflated to 2022 using CPI (Canada). Assumes housing costs do not exceed 30% of gross household income.

→ Bach (80%)
→ Bach (100%)
→ 1BR (80%)
→ 1BR (100%)
→ 2BR (80%)
→ 2BR (100%)
→ 3BR (80%)
→ 3BR (100%)

	Bachelor	One-Bedroom	Two-Bedroom	Three-Bedroom	Average
100% AMR	\$1,073	\$1,336	\$1,545	\$1,818	\$1,487
80% AMR	\$858	\$1,069	\$1,236	\$1,454	\$1,190

Source: CMHC

12



2.0 Barrie Housing Market



nblc

Introduction

This section analyzes the housing market in the City of Barrie on a macro level. As an introduction to the Barrie housing market, this section begins with high-level information on housing completion trends and population and household growth (both historical and projected).

The subsections to follow profile the local ownership resale market, ownership new sale market, and rental market to understand what is currently available to current and prospective Barrie residents as they seek out housing options.

It is important to consider that our market survey is point in time, having been completed in February 2023. Availability of units, pricing, and the number of marketing projects will vary over time.

Key Findings

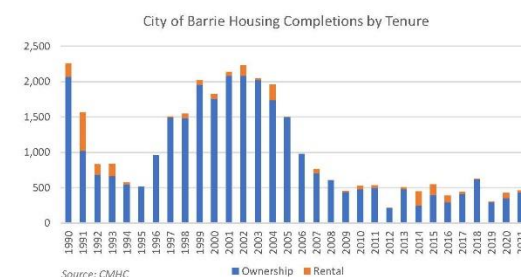
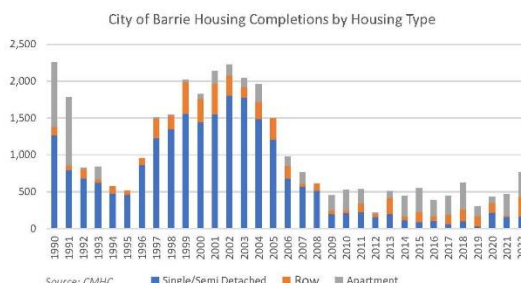
The following are key findings from this section:

- Housing completions in Barrie have declined significantly since 2006.
- More than 90% of housing completions since 1990 have been ownership tenure.
- Barrie's population growth has slowed over the past decade, growing at a slower rate than both the County and Province.
- Collectively, those over the age of 55 have experienced the highest rate of change in Barrie since 2001, signifying the natural aging of the existing population.
- Mobility data indicates that internal migration has been the primary driver of population growth in Barrie over the last 20 years. Individuals aged 55+ have made up one of the largest shares of new internal migrants since 2002 (30%). Individuals aged 0-19 (24%) and 20-39 (31%) also accounted for sizeable shares, indicating the movement of families to Barrie.
- Barrie is expected to grow by 145,700 persons to 2051 (+96%), requiring an additional 58,410 new housing units to accommodate the growing population, or 1,947 units annually. Construction activity will need to increase significantly to meet this need.
- This future housing growth is forecasted to include 18% single and semi-detached homes, 23% townhouses, and 59% apartments.

Barrie Housing Completions

nblc

- Housing completions in Barrie have decreased significantly since the construction boom experienced between 1997 and 2005. Over this period, the City averaged 1,865 new homes per year, compared to only 531 new homes annually since 2006.
- While single/semi detached homes accounted for over 70% of housing completions between 1990 and 2005, they have steadily decreased since then, accounting for just 26% over the past decade and declining from more than 1,150 units annually to about 125 units annually.
- Though not nearly enough to account for the decline in single and semi-detached completions, annual apartment starts in Barrie have been on the rise. Over the past decade, Barrie has had about 235 apartment completions annually, an increase of approximately 100 unit completions per year compared to the decade prior.
- As illustrated to the bottom right, the vast majority of housing completions since 1990 in Barrie have been ownership tenure (92%).
- The large majority of new rental investment (83%) since 1990 has been in apartment forms, with the remainder primarily being rental townhomes. However, the proportion of apartments being constructed as rental tenure has been on the decline in Barrie – with rental tenure units accounting for just 9% of apartment completions over the past five years and 24% over the past decade, compared to 53% between 1990 and 2005.



15

Census Data on Population and Household Change

nblc

- While the City of Barrie has grown at a high rate over the past two decades, growth has slowed over the past ten years to the point that Barrie has been growing at a slower rate than both the County of Simcoe and Province of Ontario.
- The City of Barrie's population grew by 4.5% between 2016 and 2021, and by 8.9% over the 10-year period between 2011 and 2021. This is compared to 11.2% and 19.5% in Simcoe County, and 5.8% and 10.7% in Ontario.
- The slowing population growth in Barrie can be at least partially attributed to the declining housing completions noted on the previous page. Without sufficient new housing it is difficult to support any significant population growth.
- As identified on the next page, downsizers, retirees, and elderly individuals (collectively, those over the age of 55) have experienced the highest rate of change in Barrie since 2001. This age cohort has grown from composing 18% of the total population in 2001 to 29% of the population in 2021. On a total persons basis, individuals aged 55+ grew by 25,215 persons during this period.
- This growth amongst the older population is a combination of the natural aging of the local population, along with migration of older adults to the City. The aging population observed in Barrie, and Ontario more broadly, will have an impact on housing demand and needs in the future.
- Also of note, children under the age of 19 have been growing slowly since 2001, accounting for 2,900 persons over the past 20 years and declining from 30% of the Barrie population to 23%. In fact, over the past decade this group has actually seen a population decline in Barrie of 2,750 persons (-8%). At the same time, middle-aged adults – those who often head family households – have also declined in Barrie over the past decade, decreasing by nearly 2,200 persons (-10%).
- The significant reduction in new low-rise housing construction is likely driving the declines over the past decade amongst these two groups as fewer housing options for families have been built.

Five-Year Growth Rate 2011 to 2021 Census Periods			
Census Year	City of Barrie	County of Simcoe	Ontario
2011	5.7%	5.7%	5.7%
2016	3.9%	7.5%	4.6%
2021	4.5%	11.2%	5.8%
2011 to 2021:	8.9%	19.5%	10.7%

Source: Statistics Canada.

16

Census Data on Population and Household Growth

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Age Group	Barrie						Ontario					
	2021		2001		Change 2001-21		2021		2001		Change 2001-21	
0-19 (Children)	33,835	23%	30,955	30%	2,880	9%	3,053,250	21%	3,002,170	26%	51,080	2%
20-24 (Students / New Grads)	10,050	7%	6,885	7%	3,165	46%	895,600	6%	718,420	6%	177,180	25%
25-44 (Young Adults)	41,265	28%	35,210	34%	6,055	17%	3,794,800	27%	3,518,010	31%	276,790	8%
45-54 (Middle-Aged Adults)	19,485	13%	12,675	12%	6,810	54%	1,835,850	13%	1,635,280	14%	200,570	12%
55-64 (Young Downsizers)	19,690	13%	7,300	7%	12,390	170%	2,006,735	14%	1,064,000	9%	942,735	89%
65-74 (Mature Downsizers)	12,665	9%	5,745	6%	6,920	120%	1,504,495	11%	818,165	7%	686,330	84%
75+ (Older / Elderly)	10,855	7%	4,950	5%	5,905	119%	1,133,215	8%	654,005	6%	479,210	73%
Total/Average:	147,845	100%	103,720	100%	44,125	43%	14,223,945	100%	11,410,050	100%	2,813,895	25%

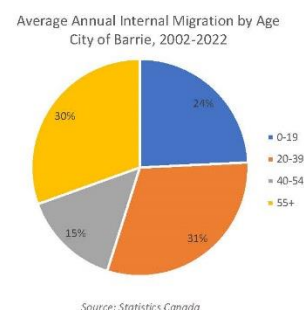
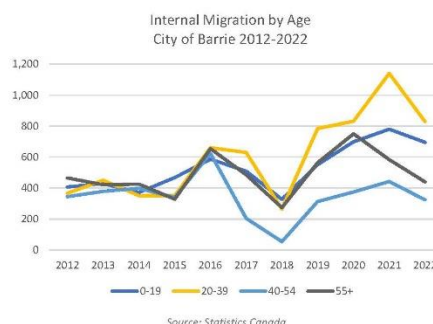
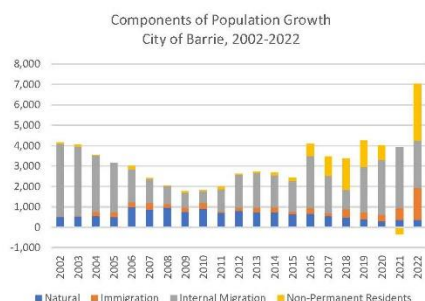
Source: Statistics Canada.

17

Census Data on Population and Household Growth

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- Statistics Canada mobility data indicates that internal migration has been the primary driver of population growth in Barrie over the past two decades. Internal migration refers to persons moving to Barrie from elsewhere in Ontario or Canada. Since 2002, the City has grown by an average of about 3,250 persons annually, with internal migrants accounting for just over 1,900 net new residents annually on average (59% of total growth).
- As shown in the figures below, children aged 0 to 19 (24%) and young adults aged 20 to 39 (31%) make up large shares of internal migrants, particularly since 2018. This is likely driven by families moving to Barrie for employment reasons, more affordable housing options than the GTA, or lifestyle appeal, and represents a reversal of the demographic trends noted from recent Census periods.
- Older adults above the age of 55 have represented 30% of internal migrants since 2002, second only to younger adults between 20 and 39.
- Growth from immigration, as well as natural growth (births minus deaths) has been modest over the past two decades, though there has been an uptick in immigration over the past few years as Canada's immigration targets have increased.
- Finally, there has also been a large increase in non-permanent residents in the City of Barrie since 2016, averaging 985 annual net new non-permanent residents between 2016 and 2022 compared to an annual average of only 98 between 2010 and 2015. This is likely due to an increase in international students attending Georgian College's campus in Barrie, which is the largest of the College's seven campuses.



18

Projections and Growth Outlook

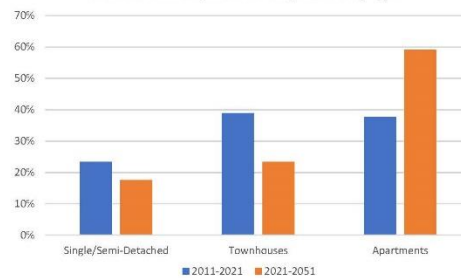
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- About 79% of all population growth is forecasted to occur in Simcoe County's Primary Settlement Areas. These are the locations in the County where growth is directed given the availability of employment, services, and established real estate markets. The City of Barrie is the principal primary settlement area for the County.
- Looking forward, the City of Barrie's population is forecasted to grow by 145,700 people between 2021 and 2051, reaching a population of 298,000 persons. This represents an annual growth rate of approximately 2.4% over the 30-year timeline. The fastest pace of growth is forecasted to occur between 2026 and 2041.
- To accommodate the future population growth, a total of 58,410 homes are forecasted to be required, which is driven by both population growth as well as socioeconomic factors such as an aging population and shrinking household sizes. Barrie's housing growth is expected to occur partly through intensification and partly through greenfield development as annexed greenfield land becomes serviced and development ready.
- On an annual basis this housing forecast equates to 1,947 new homes each year between 2021 and 2051. The City has averaged only 527 starts between 2010 and 2020, indicating that construction activity will need to increase significantly to meet the projected housing need as the population grows.
- Of these 58,410 homes, approximately 18% are forecasted to be single/semi-detached (low-density), 23% townhouses (medium-density), and 59% apartments (high-density). As noted in the figure, this represents a significant shift towards higher densities from recent development trends whereby apartments have accounted for less than 40% of all housing growth. The table on the following page provides additional detail.

Year	Population		
	Total	Growth	Annual Rate
2021	152,300	-	-
2026	168,000	15,700	2.1%
2031	193,000	25,000	3.0%
2036	221,000	28,000	2.9%
2041	248,000	27,000	2.4%
2046	273,999	25,999	2.1%
2051	298,000	24,001	1.8%
Total/Average: 2021-2051 Growth:		145,700	2.4%

Source: Watson & Associates Economists Limited Reference Scenario.

Historical and Projected Housing Growth by Type



Source: Hemson Consulting

19

Projections and Growth Outlook

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Year	Housing by Type (Dwelling Units)				
	Low-Density (Single/Semi-Detached)	Medium-Density (Townhouse)	High-Density (Apartment)	Total Dwelling Units	Growth
2021	34,565	10,050	10,640	55,310	-
2026	36,204	12,048	13,416	61,720	6,410
2031	38,440	14,639	18,498	71,630	9,910
2036	40,625	17,114	25,008	82,800	11,170
2041	42,108	19,428	32,148	93,740	10,940
2046	43,478	21,564	38,741	103,840	10,100
2051	44,817	23,654	45,188	113,720	9,880
2021-2051 Growth:		10,252	13,604	34,548	58,410

Source: Watson & Associates Economists Limited Reference Scenario.

20



2.1 Ownership Resale Market



nblc

Introduction

The following section analyzes the ownership resale housing market in Barrie. The ownership resale market consists of existing homes being purchased to own in Barrie.

Most homebuyers look to the resale market as opposed to the new sale market in Barrie. Resale pricing is typically more affordable than new sale homes and the time to move-in is typically shorter.

Macro-level data in this section comes from the Barrie & District Association of Realtors, and NBLC also collected data on individual resales by housing type in Barrie to better understand the range of pricing in the resale market.

Key Findings

The following are key findings from this section:

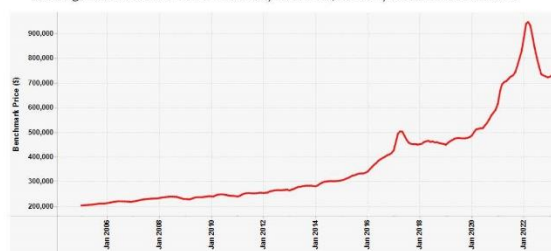
- Resale pricing in the City of Barrie has been rapidly increasing in recent years. However, pricing has declined over the past year as a result of unprecedented interest rate increases by the Bank of Canada throughout 2022 in response to high inflation.
- While average resale prices have declined over the past year, current prices remain unaffordable as the increased borrowing costs have offset the drop in home pricing.
- A sample of resale transactions within the last year shows a high proportion of homes in Barrie selling for above \$800,000 (54%) in 2022, with 21% of homes selling for above \$1,000,000.
- Homes priced below \$400,000, which would be affordable to moderate income households in Barrie, composed only 1% of resales in our 2022 survey.
- Average pricing for all housing types – including townhouses and condominium apartments – far exceeds the affordability thresholds for moderate income households.

Resale Price Growth: City of Barrie

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- Like many municipalities in Ontario, average resale pricing in the City of Barrie has rapidly increased since the onset of the COVID-19 pandemic in early-2020. Between March 2020 and the market peak in March 2022, the resale benchmark price in Barrie rose by 85% from just over \$510,000 to nearly \$950,000.
- Since this market peak, however, resale benchmark prices in Barrie have declined by 22% to approximately \$735,000, returning to similar levels as September 2021. This recent price correction was a result of unprecedented interest rate increases by the Bank of Canada beginning in February 2022:
 - In order to tackle rising inflation, the Bank of Canada has increased the overnight lending rate from 0.25% to 4.50% as of January 2023. This had a significant impact on borrowing costs, leading to softening across most residential sectors. Purchaser buying power was reduced and overall consumer confidence weakened, resulting in a decline in supply and pricing.
 - Though average home prices have declined, current prices remain unaffordable as lower prices at higher interest rates can result in similarly high housing costs (see table to the right).
 - Additionally, while prices have declined significantly over the past year, benchmark prices remain 44% higher than three years earlier and 172% higher than a decade ago.
- Rapid price appreciation across Ontario in recent years has been driven by several factors including a sustained low-interest rate environment (prior to 2022), historically low levels of housing supply relative to demand, strong annual immigration, financialization of housing, lifestyle changes brought on by the pandemic, and other factors.

Average Resale Benchmark Price: City of Barrie, January 2005 to March 2023



Source: Barrie & District Association of Realtors

Mortgage Payment Sensitivity Analysis

Mortgage Amount	\$946,000	\$735,000
Interest Rate	3%	5.50%
Mortgage Length	25	25
Monthly Mortgage Payment	\$4,395	\$4,328

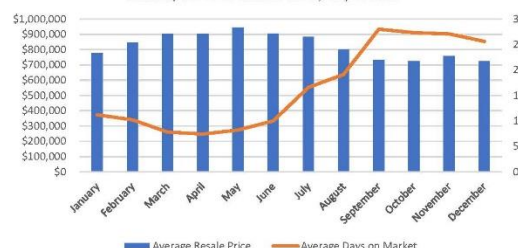
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Resale Market: City of Barrie

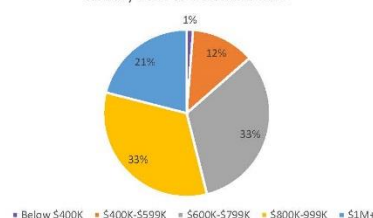
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- The following observations are based on a sample of resales in the City of Barrie over the past year. All resale transactions in the City listed on MLS for the year of 2022 were surveyed, totalling 2,128 resales.
- The figures to the right illustrate a more nuanced view of the impact of rising interest rates since the beginning of 2022. As illustrated, average resale prices declined through the summer and fall in Barrie.
- Resale homes also spent less time on the market in the earlier months of 2022 compared to the later months as the interest rate hikes began to take greater hold. In the first two quarters of 2022, the average days on market for resales in Barrie was 9 days. This increased to an average of 21 days on market in Q3-2022 and to 27 days on market in Q4-2022.
- Though pricing on a macro-level has dropped and homes are taking longer to sell, the majority of transactions remain at a price point that is above the affordability thresholds even for the 9th income decile in Barrie. In 2022, 54% of resale transactions in our survey sold above \$800,000, with more than 1 in 5 resales transacting for more than \$1,000,000.
- Only 13% of transactions were for homes under \$600,000, meaning that nearly 90% of resale transactions in 2022 exceeded the affordability thresholds for households in the 1st through 8th deciles. Just 1% of resale transactions in 2022 were at prices that would be affordable for moderate income households (<\$400,000) – the majority of which were studio or one-bedroom condominium apartments which are unlikely to be suitable for households beyond singles or couples without dependants.
- Local households will likely continue to face affordability challenges in the resale market as housing supply is affected by upward pressures on housing costs due to higher mortgage rates, stricter qualification requirements, and as the population grows.

Average Price and DOM of Resale Transactions (All Home Types)
January 2022-December 2022, City of Barrie



Resales by Price Range
January 2022 to December 2022



Source: Simcoe County Realtor

24

Average Resale Listings: City of Barrie

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- Based on our sample survey of 2,128 resales in the City of Barrie, resale prices by housing type occurred in the following wide ranges in 2022:
 - Condominium Apartments: \$294,000 to \$1.6M
 - Townhouse: \$325,000 to \$1.0M
 - Duplex/Triplex/Fourplex: \$535,000 to \$1.3M
 - Single/Semi-Detached House: \$225,000 to \$2.8M
- As noted in the table to the right, the large majority (68%) of these resale transactions were single/semi-detached homes. Pricing averaged just under \$930,000 for these properties – with 60% selling above \$850K and 30% above \$1,000,000.
- Townhouses (\$705,000) and condominium apartments (\$592,000) offered a more affordable price point than the single and semi-detached homes, though these average prices are still well above the affordability thresholds of all but the top income decile. Of note, maintenance fees would also be applicable to the condominium apartments as well as any condominium tenure townhouses.
- There were also 41 transactions for multiplex homes, which consist of low-rise homes containing two, three or four residential units built at a similar scale to single-detached homes. While composing only 2% of total resale transactions for the year, these housing forms help to increase the supply of residential uses by integrating into low-rise neighbourhoods, and often also provide a greater depth of affordability than single or semi-detached homes for renters.
- Three-bedroom homes were the most common transacted type for single/semi-detached and townhouses, while two bedrooms were the most commonly transacted suite type of the condominium apartments.

City-Wide Resale Transactions - All Housing Types
City of Barrie, January to December 2022

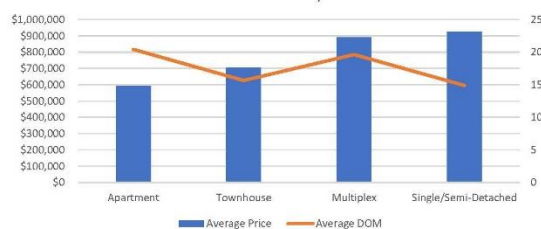
Unit Type	Resales	Avg. List Price	Sold Units				SLP ¹
			Avg. Sold Price	Avg. Size (sf)	Avg. \$PSF	Avg. DOM ²	
Condominium Apartments	327	\$575,691	\$592,117	1,042	\$568	20	103%
Townhouses	305	\$663,987	\$705,388	1,265	\$558	16	106%
Duplex/Triplex/Fourplex	41	\$864,395	\$890,388	1,440	\$618	20	103%
Single/Semi-Detached	1,455	\$876,370	\$926,569	1,608	\$576	15	106%
Total/Average:	2,128	\$799,495	\$842,777	1,469	\$574	16	105%

1. Sales-to-Listing Price Ratio.

2. Days on Market.

Source: Simcoe County Realtor.

Barrie Resale Pricing and DOM by Housing Type
All Resale Transactions January-December 2022



25

2.2 Ownership New Sale Market



Introduction

The following section analyzes the ownership new sale housing market in Barrie. The ownership new sale market consists of new homes being purchased from actively marketing pre-construction or under construction projects. These include new subdivisions, condominium apartment buildings, infill development and other similar projects.

This section includes housing start data collected from the Canada Mortgage and Housing Corporation along with data collected on actively marketing residential projects in Barrie to understand pricing, absorption, and home sizing trends in the new sale market as of early-2023.

Summary tables of actively marketing projects can be found in the appendix.

Key Findings

The following are key findings from this section:

- There were an average of 486 new ownership housing starts annually in Barrie between 2010 and 2018, with this number increasing dramatically since 2019 averaging just over 1,000 starts annually. Since 2019, 50% of these starts have been condominium apartments.
- Ten single/semi-detached projects, five townhouse projects and five condominium apartment projects were actively marketing in Barrie as of early-2023.
- On average, new single-detached homes were priced around \$1,300,000, with semi-detached and townhouses offering a lower price point in the range of \$930,000 and \$815,000 on average, respectively. These homes appeal primarily to families and secondary home purchasers, with bungalows also appealing to downsizers/retirees.
- New condominium apartments are estimated to be under \$700,000 on average. These units appeal to a range of buyers including downsizers/retirees, investors, first-time buyers, and families priced out of the low-rise market.

27

New Ownership Housing: City of Barrie

- Rapid price growth in the resale market can be driven by insufficient inventories that fall short of rising demand. A lack of new housing construction is putting strain on the existing housing stock, pushing prices upward at an unprecedented rate.
- Between 2010 and 2018, the number of new ownership starts (freehold and condominium tenure) in the City of Barrie averaged 486 starts. However, the number of starts has been on the rise since then, averaging just over 1,000 starts annually over the last four years and about 1,360 starts over the past two years.
- When looking at the number of starts by housing type, apartments have composed the largest portion of these starts – averaging 44% since 2010 and 50% since 2019. Townhouses and single/semi-detached homes have each accounted for 25% to 30% of starts during this time period.
- The following pages provide detail on pricing by housing type in the new ownership market.



28

New Ownership Housing: City of Barrie

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AVAILABLE OWNERSHIP HOUSING – Single/Semi-Detached Homes

- As of early-2023, new single-detached homes in Barrie averaged close to \$1,300,000. Pricing ranges widely from \$999,000 to \$1,965,000 depending on the size of the home. Most of the available home designs were over 2,000 sf, ranging as large as 4,800 sf.
- At the time of survey, there were six new single-detached projects actively marketing in Barrie, with a total of 10 product offerings. These projects averaged about 2.5 sales per month per product offering – ranging from about 0.1 to nearly 6 sales per month.
- Semi-detached homes are less prominent in the Barrie new sale market, however they do offer a lower price point than single-detached homes. At the time of survey, we noted an average price of approximately \$930,000, ranging from about \$740,000 to more than \$1,200,000. These homes tend to be smaller than single-detached homes, mostly under 2,000 sf and ranging as low as 1,200 sf.
- At the time of survey, there were four actively marketing projects with semi-detached homes, averaging about 4 sales per product offering per month.
- Notably, amongst the single and semi-detached projects in our survey, those that launched in 2022 have seen very slow sales, likely on account of rising interest rates. Whereas those projects that launched prior to 2022 have seen sales paces in the range of 2 to 6 sales per month per product offering for single-detached and 5 to 13 for semi-detached, the projects that launched in 2022 have all averaged less than 1 sale per product offering per month.



Single-Detached
Ventura East (2022)
Average Price \$1.1M
33, 38 and 40-Foot Lots



Single-Detached
Everwell (2021)
Average Price \$1.4M
36 and 40-Foot Lots



Semi-Detached
Copperhill (2022)
Average Price \$740,000
25-Ft Lots



Semi-Detached
Terra (2021)
Average Price \$835,000
25-Ft Lots

Source: Project Marketing Materials

29

New Ownership Housing: City of Barrie

nblc

AVAILABLE OWNERSHIP HOUSING – Townhouses

- At the time of survey, there were five actively marketing townhouse projects in Barrie totalling 196 units.
- These new townhouse projects had an average unit price of about \$815,000, with units ranging from \$730,000 to \$999,000. Unit sizing for available product ranged widely from 1,225 sf to 1,985 sf.
- The new townhouse projects were a mix of rear lane, back-to-back and wide shallow townhouses. The back-to-back product had the smallest unit sizing (1,225 sf to 1,330 sf), along with some of the lowest pricing in the survey (\$785,000 to \$804,000).
- From a sales standpoint, these projects sold at an average of just over 2 sales per project per month, ranging from 1 to 5 sales per month.
- In addition to these traditional townhouse projects, there was also one stacked townhouse project marketing at the time of survey. Stacked townhouses provide a price point that is more in line with condominium apartments than traditional townhouses, while giving buyers a more affordable ground-related unit option in a denser built form.
- The lone stacked townhouse project – Hewitt's Gate Hillcrofts – includes 66 units at an average size of about 900 sf, with pricing most recently ranging from \$486,000 to \$526,000. The project was met with strong demand, selling 39 of 42 released units in its first month on the market.



Rainwater at 339 Veterans Townhomes (May 2022)
Average Price: \$890,000
Units: 16

Source: Project Marketing Materials



GO Towns (April 2022)
Average Price: \$800,000
Units: 28

Source: Project Marketing Materials

30

New Ownership Housing: City of Barrie

nblc

AVAILABLE OWNERSHIP HOUSING – Condominium Apartments

- Demand for high-density housing forms has been strong in Barrie over the last two decades, with consistent apartment construction. Over the last 5 years alone there have been 19 condominium apartment projects open in Barrie, with an additional 11 planned to open over the next year and a half.
- The consistent and increasing development of condominium apartments is partly due to reductions in new low-rise housing supply since the early 2000s as well as the increasing unaffordability of low-rise homes. The aging population (aged 55+) and increased investor interest due to a shortage of rental units have also played a role.
- At the time of our survey there were five condominium apartment projects actively marketing in Barrie, as well as three projects that had recently sold out in 2022.
- Of the actively marketing projects, pricing averaged an estimated \$680,000, ranging from smaller one-bedroom units priced at \$570,000 to larger three-bedroom plus den units priced as high as \$1,650,000.
- Pricing varied greatly depending on location. For example, Debut Waterfront Residences located in the Downtown Barrie waterfront area had a price per square foot over \$800 per square foot (psf) at the time of survey, however buildings like Elements and Rainwater – both in more suburban locations in South Barrie – have per square foot pricing below \$700 psf.
- The split of units across the actively marketing projects was approximately 55% one-bedroom unit types and 45% multi-bedroom unit types. Units outside of the Downtown tend to have a higher proportion of multi-bedroom units, likely on account of being positioned more towards downsizers than Downtown projects which attract younger buyers and investors.

Source: Project Marketing Materials



Elements Condominiums – Sol (Jun 2022)
Average Price \$680,000
Units: 156, Storeys: 6



Rainwater at 339 Veterans (May 2022)
Average Price \$690,000
Units: 22, Storeys: 5



Debut Waterfront Residences (Sep 2020)
Average Price \$705,000
Units: 271, Storeys: 33



Landing at Little Lake (Jul 2018)
Average Price \$760,000
Units: 131, Storeys: 7



Lakevu – Phase 1 (Sold Out Feb 2022)
Average Price \$650,000
Units: 151, Storeys: 10



Lakhouse (Sold Out Mar 2022)
Average Price \$840,000
Units: 173, Storeys: 10

31



2.3 Rental Market



Introduction

The following section provides an overview of the rental housing market in Barrie. This includes commentary on macro-level data from CMHC, as well as a survey of available rental inventory in the primary (purpose-built) and secondary (privately-owned) rental markets.

The purpose of this section is to establish the types of rental options that are available to current and prospective residents in Barrie. This section considers the full range of rental housing types – including both low-rise and apartment options, both new and older product.

Key Findings

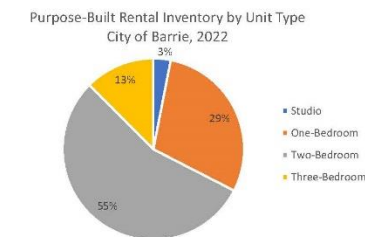
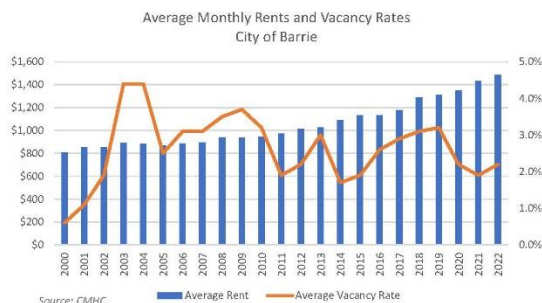
The following are key findings from this section:

- The purpose-built rental universe in Barrie has been stagnant in recent decades, adding only 350 units in the past 20 years. As will be discussed in this section, limited new rental construction is partially due to condominium apartments becoming more appealing to developers than rental projects.
- Purpose-built rental rates have been increasing annually over the last two decades, with more substantial growth in the last five years. Today, rents for available purpose-built rental units exceed \$2,000 per month, averaging \$2,370 for new purpose-built rental apartment product as of February 2023.
- A lack of new purpose-built rental development has meant that the secondary market – privately leased units – has had to fill the gap between demand and supply for rental housing.
- There are a wide range of rental options on the secondary rental market. Our survey of private leases in 2022 noted average pricing of over \$1,735 per month for basement apartments, more than \$2,200 per month for condominium apartments, close to \$2,500 per month for townhouses and nearly \$2,700 per month for rented single or semi-detached homes.

33

Barrie Purpose-Built Rental Market

- Currently, there are 4,196 purpose-built rental units in the City of Barrie. The existing rental universe consists of 3,763 rental apartments (90%) and 433 townhouses (10%).
- The size of the purpose-built rental universe in Barrie has been fairly stagnant in recent decades, adding just 350 units over the past 20 years, representing just 9% growth over two decades. As of 2022, more than half (57%) of the City's purpose-built rental inventory was constructed prior to 1980, with just 14% (581 units) constructed since 2000.
- The limited new rental construction is at least partially due to the fact that condominium apartments have become more appealing than rental projects for high-density developers for a variety of reasons including lower equity requirements, ease of financing, and shorter timeline to achieving profits.
- Since 2000, average market rents in Barrie, as reported by CMHC, have grown by 3% annually, on average. Rent growth has been more substantial in recent years, increasing at an average rate of 5% since 2018.
- It should be noted, however, that CMHC average rents tend to be below actual market rates due to a large proportion of older rent-controlled units in the sample. Therefore, the asking market rate for a newly advertised unit available for occupancy is likely to be significantly higher than the prices reported by CMHC (to be discussed on the following pages).
- The vacancy rate in Barrie has averaged 2.6% since 2000. Generally, a vacancy rate below 3% is representative of tight market conditions – a threshold that the Barrie rental market has remained below in 9 of the last 12 years.



34

Rental Survey: City of Barrie

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- To understand the price of rental apartments currently available for lease in Barrie, NBLC completed a rental market survey in February 2023. This included a survey of five newer purpose-built rental apartment buildings constructed since 2013, along with a mix of 10 older buildings constructed between the 1950's and 1980's.
- The average rental rates in our survey are well above the average market rent reported by CMHC (\$1,487 per month). This disparity should be recognized if CMHC rates are referenced in the future, as they do not accurately represent what is available to renters and underestimate the affordability gap in the rental market. They therefore represent an affordable benchmark and not actual market rates.

AVAILABLE PURPOSE-BUILT RENTAL HOUSING – New Apartments

- The five new purpose-built rental apartment buildings surveyed by NBLC had an average rent for available units of approximately \$2,370 per month. Two of these buildings started occupancy in January 2023 and are therefore in their initial lease-up phase, while the other three were constructed between 2013 and 2020 and have reached stabilized occupancy.
- As of early-April 2023, Two33 had leased 51 units for an absorption rate of about 15 units per month. Bayfield Tower Apartments had leased 38 units for an absorption rate of about 12 units per month. In both cases, these are considered strong absorption rates which should allow the buildings to reach stabilized occupancy within their first year.
- Available units at these five buildings averaged more than \$2,000 per month for one-bedrooms, more than \$2,600 per month for two-bedrooms and more than \$3,000 per month for three-bedroom units.
- The three newer buildings in stabilized occupancy had very tight vacancy of 0.9% on average at the time of survey, below the CMHC market average.

Available Units by Unit Type

Surveyed New Purpose-Built Rental Apartment Projects, As of February 2023

Unit Type	# Projects	Vacant Units	Available Units	Available Units		
				Avg. Rent	Avg. Size	Avg. \$PSF
1-Bedroom	3	34	35	\$2,027	643	\$3.15
1-Bedroom + Den	1	0	1	\$2,252	840	\$2.68
2-Bedroom	3	28	54	\$2,626	926	\$2.83
2-Bedroom + Den	1	0	2	\$2,957	1,365	\$2.17
3-Bedroom	1	5	5	\$3,005	1,034	\$2.91
Total/Average (5 Projects):	93	97	97	\$2,370	809	\$2.94

Source: On-Site Leasing Agents and Project Marketing Materials.



Source: Project Marketing Materials

35

Rental Survey: City of Barrie

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AVAILABLE PURPOSE-BUILT RENTAL HOUSING – Old Apartments

- Of the 10 older purpose-built rental buildings surveyed by NBLC, six were determined to have undergone significant building/unit upgrades to bring their quality closer to a new build. The remaining four had no updates to units and were generally aging buildings, with these differences reflected in their lower price point.
- Overall, the 10 older purpose-built rental projects averaged \$1,957 per month for available units. The six buildings that had undergone upgrades averaged \$2,054 per month (\$2.33 psf per month), compared to \$1,684 per month (\$2.03 psf per month) at the four lower quality buildings.
- The following compares the average price by unit type between these 10 older buildings and the five newer buildings in our survey, demonstrating the stark contrast in affordability:
 - One-Bedroom: \$1,753 per month vs \$2,027 per month
 - Two-Bedroom: \$1,897 per month vs \$2,626 per month
 - Three-Bedroom: \$2,368 per month vs \$3,005 per month
- Vacancy rates at these older buildings were very tight at 0.8% on average, well below the CMHC market average of 2.6%. This low vacancy rate is due to the lack of new supply in the purpose-built rental market, limited affordable options in Barrie, and low-turnover in these older projects. Leasing agents noted that many tenants in these older buildings have lived in their units long-term.

Location of Surveyed Old Purpose-Built Rental Projects Barrie, Ontario



Available Units by Unit Type

Surveyed Old Purpose-Built Rental Apartment Projects, As of February 2023

Unit Type	# Projects	Vacant Units	Available Units ¹	Available Units		
				Avg. Rent ²	Avg. Size	Avg. \$PSF ²
1-Bedroom	5	4	6	\$1,753	721	\$2.43
2-Bedroom	6	9	12	\$1,897	876	\$2.17
3-Bedroom	2	4	4	\$2,368	1,102	\$2.15
Total/Average (10 Projects):	17	22	22	\$1,957	869	\$2.25

Source: On-Site Leasing Agents and Project Marketing Materials.

36

Typical Older PBR Apartment Buildings: City of Barrie

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Highpoint Apartments (1977)

Average Asking Rent: \$2,209
Units Recently Renovated



Edgehill Apartments (1977)

Average Asking Rent: \$2,126
Units Renovated in Last 15 Years



Mayfair Apartments (1971)

Average Asking Rent: \$1,695
Units Not Renovated Since 1990s



Source: Project Marketing Materials

37

Secondary Rental Market: City of Barrie

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- As in most Ontario markets, privately leased units are filling the gap between supply and demand that has been created as a result of the lack of new rental construction. This is known as the 'secondary rental market'.
- Data on a sample of privately leased units was collected by NBLC through a local realtor. This consisted of 304 units leased on the secondary market in 2022, including condominium apartments, single-detached homes, semi-detached homes, townhouse units and basement apartments.
- Single/semi-detached homes (108 leases, 36%) and condominium apartments (90 leases, 30%) accounted for the highest proportion of surveyed private leases in Barrie in 2022, followed by basement apartments (58 leases, 19%), and townhouses (48 leases, 16%).
- Average rents were just over \$2,200 per month for condominium apartments, nearly \$2,500 per month for townhouses, and close to \$2,700 per month for single/semi-detached homes.
- For condominium apartments, studio units averaged about \$1,600 per month, one-bedroom units averaged nearly \$2,100 per month, two-bedrooms over \$2,300 per month, and three-bedrooms nearly \$2,900 per month.
- Most single/semi-detached and townhouse units were three-bedroom layouts, while two-bedrooms were most common for condominium apartments.

City-Wide Private Leases - All Housing Types City of Barrie, January 2022 – December 2022

Unit Type	Leases	Leased Units			
		Avg. Rent	Avg. Size (sf)	Avg. \$PSF	Avg. DOM ²
Condominium Apartment	90	\$2,214	867	\$2.55	26
Townhouse	48	\$2,467	1,285	\$1.92	20
Single/Semi-Detached Homes	108	\$2,678	1,549	\$1.00	26
Basement Apartments	58	\$1,735	811	\$2.03	28
Total/Average:	304	\$2,385	1,249	\$1.91	25

1. Lease-to-Listing Price Ratio.

2. Days on Market.

Source: Simcoe County Realtor.

38

Secondary Rental Market: City of Barrie

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- Basement apartments provided the most affordable rental option in Barrie's secondary rental market, though pricing ranged widely from \$1,350 per month for the cheapest one-bedroom unit to \$2,400 per month for the most expensive two-bedroom basement apartment. Overall, the average rent for basement apartments was \$1,735 per month – averaging about \$1,600 per month for one-bedrooms and \$1,825 per month for two-bedrooms.
- It should be noted that the City of Barrie is a part of the County of Simcoe's Secondary Suites Program, which provides funding up to \$30,000 per unit for the creation of a secondary suite (including basement apartments) to increase the supply of affordable housing. This program has been relatively successful with an increased number of secondary suites registered each year. Between 2018 and 2022, an additional 1,022 secondary suites were registered across the County, with 589 being in Barrie.

Private Rental Research, Barrie
Basement Apartments

Unit Type	# Listings	Size			Price			Avg. DOM	\$PSF
		Min	Max	Avg.	Min	Max	Avg.		
1-Bed	23	450	1,500	733	\$1,350	\$1,980	\$1,601	43	\$2.18
2-Bed	35	875	1,025	951	\$1,500	\$2,400	\$1,823	26	\$1.83
Total/Avg	58	450	1,500	811	\$1,350	\$2,400	\$1,735	28	\$2.03

Source: kijiji.ca, realtor.ca & rentals.ca.

Examples of Basement Apartments in Barrie

Source: kijiji.ca, realtor.ca & rentals.ca



39

Post-Secondary Rental Market: City of Barrie

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- Georgian College offers 7 campuses in Ontario, with the largest being located in Barrie. Of the 10,000+ full time students at Georgian College, around 8,300 are students at the Barrie campus. Of these students approximately 54% are international students (4,500 students).
- The Barrie campus currently offers one residence which can house up to 524 students. Fees for living in the Barrie residence are upwards of \$10,000 for the 2023/2024 school year (inclusive of utilities, internet, furnishings, and appliances) – about \$1,250 per month assuming an 8-month academic year.
- The existing residence houses just 6% of the student population at Georgian's Barrie campus. The other 94% of students either live with family or need to find housing elsewhere in the market.
- There is one rental apartment building geared towards students located near campus that rents individual rooms within larger apartment units. These options are offered at more affordable levels, ranging from \$650 to \$900 per room per month based on a sample of available rooms. There are also a mix of single and semi-detached homes that are rented on the private market to students in the area surrounding campus.
- With Georgian College only accommodating around 6% of the student body, and a minimal amount of student-oriented housing elsewhere in Barrie, there is clearly a need for more rental housing to be developed to serve this segment of the local population.
- Without additional rental options for students in the Barrie market, growing enrollment at Georgian College – particularly amongst non-local and international students – will continue to put additional strain on the housing market, increasing competition for the limited supply of rental housing in Barrie.



40



3.0 Affordable Housing Supply



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Introduction

The following section provides a high-level overview of the existing affordable housing supply and characteristics of existing programs in Barrie. It also provides information on income limits for the existing affordable housing stock, and general price points.

While low-income housing is the responsibility of Simcoe County as the Service Manager, as well as senior levels of government, it is still important to understand what currently exists in the City today to have a full view of the housing continuum and to understand where current efforts and programs are focused.

Key Findings

The following are key findings from this section:

- There are 2,802 RGI units in Simcoe County, 45% of which are located in the City of Barrie (1,265 units). Barrie also has 1,073 affordable housing units (County and non-profit owned), including rent supplements, new affordable rental developments, second suites, and affordable homeownership units through downpayment assistance programs.
- The County's waitlist for social housing includes 4,877 households. About 61% of these waitlist households are in Barrie (2,996 households) – the longest waitlist in the County.
- The waitlist is also growing, indicating supply is not meeting demand for low-income housing.
- The County has a target of 2,685 new affordable housing units by 2024, having surpassed this target with 2,775 affordable homes created as of December 2022. Barrie has also surpassed their target – its 1,073 units represent 128% of the 840-unit target.
- Homelessness in Simcoe County has increased by 28% since 2020.
- There is a clear need for increased social and low-income housing in the City of Barrie.

Affordable Housing Mandates and Responsibility

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There are many definitions of affordable housing that are pertinent to this work:

Shelters and Transitional Housing: Provide temporary housing and shelter to vulnerable groups.

RGI: Rent-Geared-to-Income (RGI) includes the 'community' or 'social' housing stock. This is permanent housing made available to the lowest income households and most vulnerable groups, often being administered by non-profits and co-operatives as well as municipalities through a Local Housing Corporation.

LEM: Low End of Market (LEM) is a term often applied to the legacy affordable housing stock operated by non-profits and co-operative groups. This housing is often rented at affordable rates well below the Average Market Rent (AMR) reported by CMHC.

Affordable: New affordable housing is often rented between 80% to 100% of the CMHC AMR, in compliance with current definitions of affordable housing and senior level government funding programs (e.g., National Housing Strategy). This also includes rent supplements and housing benefits, which are paid directly to households or landlords that bridge the gap between market and affordable rents.

Location	Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom +
Barrie Service Area	\$34,000	\$44,000	\$52,500	\$59,500	\$74,500
Max Income Decile Served	2 nd	2 nd	3 rd	3 rd	4 th

Source: Housing Services Act, 2011

% AMR	Typical Program	Bachelor	One-Bedroom	Two-Bedroom	Three-Bedroom
100% AMR	New Affordable Housing/Housing Benefits/Rent Supplements	\$1,073	\$1,336	\$1,545	\$1,818
80% AMR		\$858	\$1,069	\$1,236	\$1,454
60% AMR	Low-End of Market (LEM)	\$644	\$802	\$927	\$1,091
RGI	Community Housing	~\$350			

*Actual rates may vary.

Source: City of Barrie, County of Simcoe, CMHC

Income Limits are established for RGI housing in the Housing Services Act, 2011. The income limits for all unit types fall within the 3rd to 7th income decile. Given that these are maximum income limits, the range appears to be appropriate for the City of Barrie. The actual affordability of RGI, LEM, and AMR relative to the City's income deciles will be explored later in this report. As identified earlier in this report, low-income affordable housing is the responsibility of Simcoe County as Service Manager.

43

Homelessness, Social Housing and Affordable Housing Simcoe County Housing Mandate

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Homelessness

- 722 people are experiencing homelessness in Simcoe County as of January 2022 (28% increase since 2020).
- 82% were singles, 11% were singles with dependant(s), 5% were couples, 1% were couples with dependant(s).
- 50% of this population was in Barrie.
- 60% were adults, even split of youth and seniors.
- 57% are male.
- 10% lost housing due to COVID-19.
- 60% experience chronic homelessness, mostly due to interpersonal/family and financial issues.
- 67% experience mental health issues.

Social Housing

- There are 2,802 RGI units in Simcoe County. This includes 1,265 units in the City of Barrie.
- Simcoe County has 4,877 households on the wait list for social housing, which continues to rise:
 - Seniors 40%;
 - Adults, no dependants 35%;
 - Adults, with dependants 25%.
- Wait times have increased 50% between 2019 and 2020 as the wait list continues to grow.
- Barrie has the highest waitlist in Simcoe County with 2,996 households on the waitlist. Of this:
 - 861 were households with dependants
 - 972 were households without dependants
 - 1,163 were seniors
 - 64% are seeking a 1 bedroom unit
 - 15% are seeking a 2 or 3 bedroom unit
 - 6% are seeking a 4 bedroom unit

Affordable Housing

- Simcoe County target of 2,685 new affordable housing units by 2024 has been surpassed with 2,775 affordable homes created (as of December 2022):
 - Rent supplements/ housing allowances (\$1.86M in 2020 | 845 households since 2014);
 - Homeownership down payment assistance (\$347K in 2020 | 126 households since 2014);
 - Creation of secondary suites (~1.0M in 2020 | 169 secondary suites created since 2014);
 - Urgent home repair (\$360K in 2020 | 304 units supported since 2014).
- Since 2014, 1,073 affordable units have been created in Barrie (County and non-profit). Initial target of 840 units surpassed in 2020.
- Recent/Upcoming Development in Simcoe County:
 - \$26.8M investment in Wasaga Beach (with municipal incentives) for 99 affordable units.
 - \$13.5M for 41 affordable units in Tay.
 - County approved \$80M investment in Orillia.
 - New Project in Collingwood with 147 'below market' units. One building for seniors, one for families/singles.
 - 20 Rose Street in Barrie has received County Council approval for 176-unit mixed-income rental building.

Source: Simcoe County 10-Year Affordable Housing and Homelessness Prevention Strategy 2020

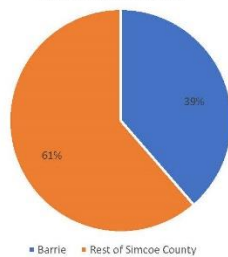
44

Affordable Housing in Simcoe County

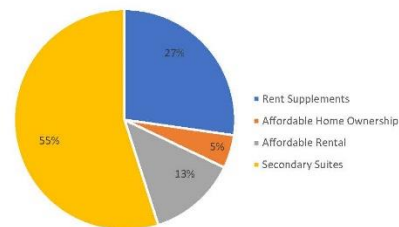
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- Under the current affordable housing strategy in Simcoe County, the City of Barrie accounts for 39% of new supply.
- As of December 31, 2022, the City of Barrie had achieved the development of 1,073 new affordable housing units out of the total 2,775 the County of Simcoe had created at this time. The City of Barrie has completed 128% of its 840-unit target by 2024.
- Of the total 1,073 new affordable housing units created in Barrie, 27% are new rent supplements, 5% are new affordable home ownership units, 55% are new secondary suites, and 13% are new affordable rental units created.
- While these actions have resulted in new affordable supply/options in the County, more action is needed to address the needs of low- and moderate-income households.

Proportion of Simcoe County Units Created Under Current Strategy in the City of Barrie
As of December 31, 2022



Affordable Housing Units Created in Barrie Under Current Simcoe County Strategy
As of December 31, 2022



45

4.0 Affordability Gap Analysis

Introduction

The following section synthesizes the market information collected by NBLC with the income decile data from Statistics Canada to understand the market and non-market housing that is affordable to households in Barrie. This allows for an understanding of the affordability gaps in the City of Barrie.

This information is presented in several tables in order to visualize what is or is not affordable to different income groups.

This section includes a look at both ownership and rental tenures, low-rise and high-rise built forms, and where available, pricing by total bedrooms. Additionally, we also consider how the existing affordable housing stock, and various levels of AMR, relate to the various income decile groups in the City of Barrie in terms of their effectiveness in providing affordable options for each income group.

In the tables on the following pages, cells shaded in **Red** indicate a housing option is unaffordable for that income decile, on average, while those shaded **Green** indicate the home is affordable.

Key Findings

The following are key findings from this section:

- Average prices for ownership housing are almost entirely unaffordable to households below the 9th income decile, with pricing for market-rate rental housing is mostly unaffordable to households below the 7th income decile.
- Amongst ownership options, only resale one-bedroom condominium apartments offer an average price point that is affordable for groups below the 9th income decile (8th only). The price of single-detached homes exceed all income deciles.
- Below the 7th income decile, the affordable market-rate rental options were limited mostly to small apartments and basement units.
- Based on the above, we can conclude that both ownership and rental affordability is very strained across the City of Barrie.**
- Finally, rental housing at or below 100% AMR was found to be generally affordable for moderate income households (4th to 6th income deciles), while RGI and low-end of market (60% AMR) provide options for low-income groups.

47

Ownership Housing Affordability Gaps

	Unaffordable
	Affordable

Ownership Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$117,237	\$175,855	\$230,077	\$283,933	\$340,719	\$399,388	\$472,610	\$517,018	\$728,207
Housing Type	Purchase Price									
NEW SALE										
Single-Detached										
Two-Bedroom	\$1,080,000									
Three-Bedroom	\$1,170,000									
Four-Bedroom	\$1,325,000									
Semi-Detached										
Three-Bedroom	\$885,000									
Four-Bedroom	\$1,000,000									
Condominium Apartment										
One-Bedroom	\$530,000									
Two-Bedroom	\$765,000									
Three-Bedroom	\$995,000									
Townhouse										
Two-Bedroom	\$795,000									
Three-Bedroom	\$820,000									
RESALE										
Single/Semi-Detached ¹										
Two-Bedroom	\$870,000									
Three-Bedroom	\$990,000									
Four-Bedroom	\$1,050,000									
Condominium Apartment										
One-Bedroom	\$510,000									
Two-Bedroom	\$620,000									
Three-Bedroom	\$660,000									
Townhouse										
Two-Bedroom	\$685,000									
Three-Bedroom	\$720,000									

¹ Resale data for single/semi-detached homes is not broken down by single-detached versus semi-detached.

Note: Limited data available for certain housing types.

Source: Simcoe County Realtor, Atlas Data Studio, NBLC.

48

Rental Housing Affordability Gaps

	Unaffordable
	Affordable

Rental Housing Affordability Gap Analysis, City of Barrie										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$635	\$895	\$1,182	\$1,425	\$1,734	\$2,043	\$2,430	\$2,927	\$3,728
Housing Type	Average Rental Rate									
New Purpose-Built Rental Apartments										
One-Bedroom	\$2,034									
Two-Bedroom	\$2,648									
Three-Bedroom	\$3,005									
Old Purpose-Built Rental Apartments										
One-Bedroom	\$1,753									
Two-Bedroom	\$1,897									
Three-Bedroom	\$2,368									
Privately Leased Condominiums										
Studio	\$1,594									
One-Bedroom	\$2,093									
Two-Bedroom	\$2,338									
Three-Bedroom	\$2,857									
Privately Leased Townhouses										
Two-Bedroom	\$2,259									
Three-Bedroom	\$2,527									
Privately Leased Single/Semi-Detached Homes¹										
Two-Bedroom	\$2,332									
Three-Bedroom	\$2,706									
Four-Bedroom	\$3,098									
Privately Leased Secondary Units (Basement Apartments)										
One-Bedroom	\$1,601									
Two-Bedroom	\$1,823									

¹ Private lease data for single/semi-detached homes is not broken down by single-detached versus semi-detached.
Source: Simcoe County Realtor, Aibus Data Studio, NBLC.

49

Affordable & Social Housing Affordability Gaps

	Unaffordable
	Affordable

Community/Affordable Housing Affordability Gap Analysis, City of Barrie													
Income Decile				1	2	3	4	5	6	7	8	9	
Affordability Threshold				\$635	\$895	\$1,182	\$1,425	\$1,734	\$2,043	\$2,430	\$2,927	\$3,728	
% CMHC AMR	Program	Monthly Rental Rate											
100% AMR	New Affordable Housing/Housing Benefits/Rent Supplements	Bachelor	\$1,073										
		One-Bedroom	\$1,336										
		Two-Bedroom	\$1,545										
		Three-Bedroom	\$1,818										
80% AMR		Bachelor	\$858										
		One-Bedroom	\$1,069										
		Two-Bedroom	\$1,236										
		Three-Bedroom	\$1,454										
60% AMR		LEM	Bachelor	\$644									
			One-Bedroom	\$802									
			Two-Bedroom	\$927									
			Three-Bedroom	\$1,091									
RGI	Community Housing	~\$350											

50



5.0 Households in Core Housing Need



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Introduction

The following section begins to identify more specifically which types of households in Barrie are most likely to be facing affordability challenges. These households are identified by CMHC as being in Core Housing Need.

According to CMHC, a household is considered to be in Core Housing Need if it meets one or more of the following standards:

- **Affordability:** Household is spending more than 30% of gross income on housing costs.
- **Adequacy:** Home requires major repairs.
- **Suitability:** Household lives in a home not suitable for its household size and composition (i.e., home is crowded).

Key Findings

The following are key findings from this section:

- About 35% of renter households in Barrie were in Core Housing Need in 2016 (5,040 households), along with about 9% of owner households (3,160).
- While affordability is the primary cause of Core Housing Need in Barrie, adequacy and suitability are also major challenges.
- For both renter and owner households in Core Housing Need, the average amount of gross income spent on housing is nearly 50%.
- The proportion of owner and renter households in Core Housing Need has been consistent since 2006.
- Most households in Core Housing Need fall within lower income deciles, which have historically experienced modest income growth.

Core Housing Need

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- In 2016 (detailed 2021 data not available as of writing), approximately 35% of all renter households in Barrie and 9% of all owner households were in Core Housing Need.
- The proportion of households in core housing need remained at a similar level between Census periods. Considering the pace of housing price appreciation observed in Barrie in recent years, it is possible that these proportions have increased since 2016.
- As noted in the table to the right, renter households in core housing need spent 50% of their gross income on housing, on average. Owner households in Core Housing Need had a similar Shelter-Cost-to-Income-Ratio of 51.4%.
- Of those in Core Housing Need, almost 70% of renter households were below one or more standards, which means that their home was unaffordable and unsuitable/inadequate.
- For owner households, affordability was the most common standard resulting in a household being in Core Housing Need.
- While certain owner groups also face affordability challenges,
- Many owners will also pay more than 30% of their gross income on housing with the assumption that the equity in their home will increase
- Most of these Core Housing Need households fall in the lower income deciles, which have historically experienced very modest income growth. With rental rates and purchase prices increasing at high rates in recent years, it is possible that these ratios have continued to worsen over the most recent census period.
- The following page provides more detail on Core Housing Need by various household characteristics.

Who Are the Households in Core Housing Need?

- Renter households
- One-person households
- Households with at least one senior
- Households with at least one person with activity limitations
- Households with the primary maintainer over 55
- Lone-parent households
- Aboriginal renter households
- Immigrant households

Core Housing Need Households, Barrie (2016)

Tenure	Average Gross HH Income	Average Monthly Housing Costs	Average STIR* Before Taxes	Median Gross HH Income	Median Monthly Housing Costs	Median STIR* Before Taxes
Owner	\$35,053	\$1,415	51.4	\$33,772	\$1,440	47.3
Renter	\$29,542	\$1,147	50.0	\$27,282	\$1,102	47.5

*Shelter-Cost-to-Income-Ratio
Source: CMHC, Census Canada.

53

Core Housing Need: Household Characteristics

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Red = Higher than Average

Households in Core Housing Need, Barrie (2016)		
	Owners	Renters
# of Households in Core Housing Need	3,160	5,040
% of Households in Core Housing Need	8.7%	35.2%
Household Type		
Couples With Children	6.2%	25.5%
Couples Without Children	4.5%	21.6%
Lone Parent Households	22.1%	53.1%
Multifamily Households	6.6%	21.2%
One-Person Households	12.5%	38.6%
Other Non-Family	9.3%	30.9%
Age of Primary Household Maintainer		
15-24	8.3%	33.9%
25-34	6.2%	30.0%
35-44	9.0%	34.9%
45-54	7.5%	31.5%
55-64	8.5%	34.0%
65+	11.3%	45.7%

Source: CMHC, Census Canada.

Households in Core Housing Need, Barrie (2016)		
Household Characteristics	Total	
	Owners	Renters
# of Households in Core Housing Need	3,160	5,040
% of Households in Core Housing Need	8.7%	35.2%
Households With Seniors		
At Least One Senior (65 or Older)	10.2%	45.5%
Other Households	8.1%	32.5%
Households With Children Under 18		
At Least One Child Under 18	10.7%	42.3%
Other Households	7.5%	32.1%
Immigrant Households		
Non-Immigrant	7.4%	34.5%
Non-Permanent Resident	45.5%	21.4%
Immigrant	13.7%	40.2%
Recent Immigrant	17.8%	38.9%
Activity Limitations		
At Least One Person with Activity Limitations	10.2%	39.4%
Other Household Type	6.8%	27.0%
Aboriginal Households		
Aboriginal Households	7.5%	37.7%
Non-Aboriginal Households	8.7%	34.9%

Source: CMHC, Census Canada.

54

Core Housing Need

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- While the data on the characteristics of households in Core Housing Need was not available for 2021, there is 2021 data available for the proportion of renter and owner households in Core Housing Need.
- In 2021, 26.1% of renter households and 6.7% of owner households in Barrie were in Core Housing Need, which is a decrease from the 2016 numbers.
- This decrease is particularly significant for renter households, who dropped by 9 percentage points in this time frame. Owner households decreased by 2 percentage points between Census periods. Notwithstanding this, the number of renter households in Core Housing Need as of 2021 (4,667) was still higher than in 2011 (4,205) despite the decline on a percentage basis.
- The percentage decline represents a reversal of the trends noted over the previous decade. The decline in the proportion of households in Core Housing Need was noted across the country, with Core Housing Need rates falling across all Canadian provinces and territories between 2016 and 2021. The decrease in households in Core Housing Need can be attributed to the following:
 - The 2021 Census uses 2020 incomes, which were impacted by the COVID-19 pandemic. The Federal government provided many households with emergency income supports. These supports temporarily increased household incomes and had more significant impact on low to moderate-income households who are more likely to be disproportionately impacted by layoffs and income loss. This temporary boost in income may have helped households of both tenures out of Core Housing Need in the short term.
 - The pandemic provided temporary relief in the rental housing market, with vacancies increasing and rents dropping. This led to rental housing becoming slightly more affordable on a macro-scale, which may have temporarily taken some rental households out of Core Housing Need.
- Both factors create some statistical irregularities in the 2021 Census income data, making it difficult to determine if the decline in Core Housing Need households will continue as a trend into the next Census, or if is just an anomaly specific to the 2021 Census.

Year	% of Owners	# of Owners	% of Renters	# of Renters
2006	9.1%	3,145	34.4%	3,510
2011	8.3%	3,025	36.4%	4,205
2016	8.7%	3,160	35.2%	5,040
2021	6.7%	2,508	26.1%	4,667

Source: CMHC, Census Canada.

55

6.0 Summary and Key Findings

Summary and Key Findings

nblc

This housing needs assessment has set out to provide a foundational assessment of housing needs and affordability challenges in the City of Barrie to guide the recommendations that will be brought forward through the Affordable Housing Strategy.

The following are the key takeaways from the housing needs assessment:

- Our analysis of affordability gaps demonstrates that **there are very limited options in the market for moderate and low-income households** in both ownership and rental tenures.
- **New rental housing development has been stagnant in recent decades**, with the rental universe only adding 350 units in the past 20 years. With a lack of new development, the secondary market has had to fill some of the gap between supply and demand, but private leases do not provide tenants with the same security of tenure as purpose-built rentals, nor is there suitable/ sufficient supply on the secondary market.
- **Rental rates have been rising rapidly**, with many options now exceeding \$2,000 per month.
- Renter households are far more likely than owners to be in Core Housing Need (i.e., living in unaffordable, unsuitable, and/or inadequate housing). There is clearly a **more pressing need to address the needs of renter households** across a variety of incomes and characteristics.
- **The supply of ownership housing is not meeting demand**, particularly from low and moderate-income households. Barrie is attracting an increasing share of higher income households, and new supply is focused on this upper end of the market.
- The City of Barrie's ownership housing stock has experienced **significant price**

growth over the last decade. While prices decreased in the last year due to the current interest rate environment, housing costs remain high due to increased borrowing costs. Many households, particularly first-time home buyers, would be challenged to buy a new or resale home in Barrie's market without downpayment assistance.

- Lack of affordability in the ownership market is driving 'would-be' purchasers to the rental market, increasing demand within an already constrained rental market. Options that might have been available to moderate renter income historically are no longer available.
- An outcome of this work is that **Barrie should be planning for and encouraging a greater supply of ownership housing**. Barrie should also continue to **encourage a broader supply of ownership housing**, particularly more compact and lower-cost product types such as townhouses, stacked townhouses, and condominium apartments that would be more attainable to a wider range of households. Affordable ownership programs (i.e., second mortgage programs, non-profit ownership partners like Habitat for Humanity) should also be investigated.
- The City should **investigate strategies to improve the supply of new rental housing** (80% AMR through to market rate). Strategies can include incentive programs, advertising of government financing programs, providing as-of-right planning permissions for new rental supply, and other approaches that will be investigated in the next phase of this work.
- While new purpose-built rental investment may be the most desirable outcome, **smaller strategies** such as the encouragement of second suites, basement apartments, and 'plex' buildings can also be impactful and require less capital and expertise to deliver.

57



7.0 APPENDIX





Ownership Market Data Tables

Surveyed Actively Marketing (New) Single & Semi-Detached Projects As of February 2023

Map ID	Project Name / Builder	Open Date	Lot Size (ft)	# Lots	# Sold	% Sold	Min	Size (sf) Max	Avg	Min	Price Range Max	Avg	Avg. \$PSF	Abs
Single-Detached														
1	Ventura East Honeyfield Communities	May-22	33	15	2	13%	1,678	2,448	2,062	\$999,900	\$1,146,900	\$1,076,025	\$522	0.2
		May-22	38	3	1	33%	2,243	2,763	2,471	\$1,199,900	\$1,263,900	\$1,223,900	\$495	0.1
		May-22	40	5	0	0%	2,215	2,239	2,227	\$1,196,900	\$1,224,900	\$1,210,900	\$544	0.0
2	Everwell Sorbara	Dec-21	36	33	31	94%	1,866	1,899	1,883	\$1,229,990	\$1,242,990	\$1,236,490	\$657	2.2
		Dec-21	40	52	40	77%	2,925	3,157	3,047	\$1,407,990	\$1,453,990	\$1,431,990	\$470	2.7
3	Hewitt's Gate Bradley Homes	Nov-21	36	45	41	91%	1,167	3,163	2,137	\$1,060,000	\$1,552,000	\$1,289,889	\$604	3.4
		Nov-21	45	36	32	89%	1,681	4,844	3,258	\$1,335,000	\$1,965,000	\$1,671,250	\$513	2.3
4	Terra Great Gulf	May-21	38	69	69	100%	2,245	3,165	2,773	\$1,090,990	\$1,179,990	\$1,143,490	\$412	5.8
1	Ventura Honeyfield Communities	May-21	38	41	39	95%	2,448	2,448	2,448	\$1,162,600	\$1,234,790	\$1,198,695	\$490	4.4
5	Copperhill Deer Creek Fine Homes	Jan-20	38	15	13	87%	2,130	2,708	2,419	\$998,900	\$1,099,900	\$1,049,400	\$434	2.0
Total/Average (6 Projects/10 Product Offerings):				314	268	85%	1,167	4,844	2,520	\$998,900	\$1,965,000	\$1,285,066	\$510	2.4
Semi-Detached														
1	Ventura East Honeyfield Communities	May-22	25	18	1	6%	1,482	1,990	1,728	\$897,900	\$955,900	\$928,567	\$537	0.1
5	Copperhill Deer Creek Fine Homes	Feb-22	26	8	6	75%	1,201	1,220	1,211	\$737,900	\$739,900	\$738,900	\$610	0.7
4	Terra Great Gulf	Mar-21	24	118	118	100%	1,895	1,895	1,895	\$835,990	\$835,990	\$835,990	\$441	5.3
1	Ventura Honeyfield Communities	Sep-20	25	57	57	100%	2,448	2,448	2,448	\$1,162,600	\$1,234,790	\$1,198,695	\$490	13.2
Total/Average (4 Projects/4 Product Offerings):				201	182	91%	1,201	2,448	1,762	\$737,900	\$1,234,790	\$932,587	\$529	4.0
Total/Average (10 Projects/14 Product Offerings):				515	450	87%	1,167	4,844	2,389	\$737,900	\$1,965,000	\$1,120,544	\$513	2.9
Source: RealNex/Atlas Group.														

Source: RealNet/Atlas Group.

59

Ownership Market Data Tables

Surveyed Actively Marketing (New) Townhouse Projects As of April 2023

Map ID	Project Name / Builder	Open Date	Lot Size (ft)	Lot Type	# Units	# Sold	% Sold	Size (sf)			Price Range			Avg. \$PSF	Abs		
								Min	Max	Avg	Min	Max	Avg				
1	Rainwater at 339 Veterans Sean Homes	May-22	18	Rear Lane	16	12	75%	1,751	1,950	1,857	\$829,990	\$914,990	\$886,240	\$477	1.2		
2	GO Towns Opus Homes	Apr-22	20	Back-to-Back	28	25	89%	1,225	1,330	1,278	\$784,990	\$803,990	\$794,490	\$622	2.5		
3	Everwell Sorbara	Nov-21	19	Wide Shallow	46	45	98%	1,612	1,612	1,612	\$920,000	\$920,000	\$920,000	\$571	3.0		
4	SOBA South Barrie Towns Sunrise Homes	Apr-21	15	Wide Shallow	21	20	95%	1,260	1,260	1,260	\$999,900	\$999,900	\$999,900	\$794	0.9		
5	Terra Great Gulf	Mar-21	20	Wide Shallow	85	62	73%	1,410	1,985	1,641	\$729,990	\$788,990	\$758,590	\$462	4.6		
Total/Average (5 Projects/5 Product Offerings):							196	164	84%	1,225	1,985	1,592	\$729,990	\$999,900	\$816,606	\$513	2.3

Source: RealNet/Atlas Group.

Source: RealNet/Atlas Group.

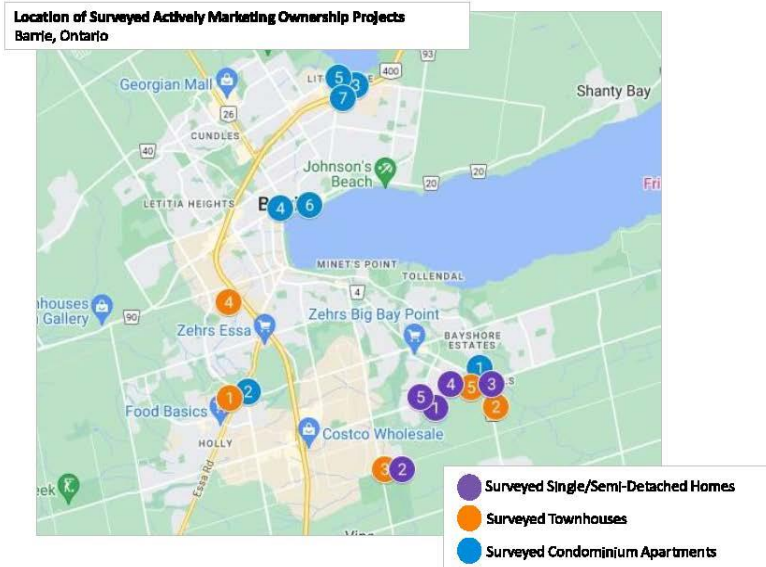
60

Ownership Market Data Tables

Surveyed Actively Marketing (New) and Recently Sold-Out Condominium Apartment Projects																
City of Barrie, as of December 31, 2022																
Map ID	Project Name	Open Date	Status ¹	Storeys	Total Units	Released Units	Total Sales	% Sold	Available Sizing (sf)		Available Unit Pricing		Avg. \$PSF ²		Abs. ³	
									Min	Max	Min	Max	Org.	Curr.	70%	Overall
Actively Marketing Condominium Apartment Projects																
1	Elements Condominiums – Sol Pratt Homes	Jun-22	Pre	6	156	66	12	18%	811	1,171	\$575,990	\$762,990	\$676	\$679	N/A	1.96
2	Rainwater at 339 Veterans Sean Homes	May-22	Pre	5	38	22	13	59%	682	1,621	\$584,990	\$999,990	\$657	\$657	N/A	1.78
3	Lakevu - Phase 2 JD Development Group	Apr-21	UC	12	164	146	146	100%	557	1,312	\$475,990	\$1,042,900	\$791	N/A	85.01	15.49
4	Debut Waterfront Residences - Building 1 Barrie Waterfront Developments	Sep-20	UC	33	271	271	260	96%	565	1,656	\$569,900	\$1,649,900	\$818	\$814	25.08	9.328
5	Landing at Little Lake Landing Development Group	Jul-18	Pre	7	137	131	131	100%	751	1,441	\$406,900	\$973,900	\$494	N/A	3.229	2.946
Total / Average (5 Projects):				13	765	636	562	88%	557	1,656	\$406,900	\$1,649,900	\$725	\$696	8.3	5.8
Recently Sold-Out Condominium Apartment Projects																
1	Elements Condominiums – Luna Pratt Homes	Feb-22	Pre	6	93	93	93	100%	926	1,301	\$650,990	\$710,990	\$619	N/A	82.01	44.22
7	Lakhouse Aalto Development	Jun-19	UC	10	173	173	173	100%	879	1,748	\$614,900	\$1,344,900	\$675	N/A	8.515	5.332
8	Lakevu - Phase 1 JD Development Group	Sep-17	Complete	10	151	151	151	100%	662	1,393	\$290,990	\$1,050,990	\$535	N/A	7.514	2.952
Total / Average (3 Projects):				9	417	417	417	100%	662	1,748	\$290,990	\$1,344,900	\$511	-	9.2	4.8
Total / Average (8 Projects):				11	1,183	1,053	979	93%	555	1,656	\$569,900	\$1,649,900	\$567	\$696	8.9	3.5
1. Pre = Pre-Construction and UC = Under Construction.																
2. Avg. \$PSF = Original values are based on total inventory, current values are based on remaining inventory.																
3. Average number of unit sales per month up to 70% sold and current date (top number). Number of months to current date or 70% sold threshold (bottom number).																
Source: Atlas Data Studio, Project Marketing Materials.																

61

Location of Actively Marketing Residential Projects



62

Purpose-Built Rental Market Data

Surveyed New Purpose-Built Rental Apartment Projects As of February 2023											
Projects in Initial Lease-Up											
Map ID	Project Name	Date Built	Storeys	Units	Vacant Units	Vacancy Rate	Available Units ¹	Availability Rate	Available Units ²		
									Avg Rent	Avg Size	Avg \$PSF
1	Two33	2023	8	98	51	52%	51	52%	\$2,149	708	\$3.03
2	Bayfield Tower Apartments	2023	10	116	38	33%	38	33%	\$2,522	853	\$2.96
Total/Average (2 Projects):			9	214	89	42%	89	42%	\$2,374	796	\$2.98
Projects with Stabilized Occupancy											
Map ID	Project Name	Date Built	Storeys	Units	Vacant Units	Vacancy Rate	Available Units ¹	Availability Rate	Available Units ²		
									Avg Rent	Avg Size	Avg \$PSF
3	Ferndale Gardens Apartments	2020	4	63	1	1.6%	2	3.2%	\$2,251	735	\$3.06
4	Imperial Towers	2015	11	192	2	1.0%	3	1.6%	\$2,029	769	\$2.64
5	Watercrest	2013	16	169	1	0.6%	3	1.8%	\$2,722	1,190	\$2.29
Total/Average (3 Projects):			10	424	4	0.9%	8	1.9%	\$2,344	918	\$2.55
<p>1. Available units refers to units that are vacant or will be vacant in the coming months (e.g., currently occupied but tenant has given notice, undergoing renovations, etc.)</p> <p>2. Average monthly and per square foot rents have been adjusted to include heat and exclude water and hydro.</p> <p>Source: On-Site Leasing Agents and Project Marketing Materials.</p>											

63

Purpose-Built Rental Market Data

Surveyed Old Purpose-Built Rental Apartment Projects As of February 2023											
Map ID	Project Name	Date Built	Storeys	Units	Vacant Units	Vacancy Rate	Available Units ¹	Availability Rate	Available Units ²		
									Avg Rent	Avg Size	Avg \$PSF
1	Cedarwood Court	1984	8	110	1	0.9%	1	0.9%	\$1,610	850	\$1.89
2	Sunnidale Place	1979	10	115	1	0.9%	1	0.9%	\$1,695	689	\$2.46
3	Edgehill Apartments	1977	14	Unknown	8	-	8	-	\$2,126	886	\$2.40
4	Highpoint Apartments	1977	16	Unknown	4	-	4	-	\$2,209	952	\$2.32
5	Anne Street Apartments	1972	6	Unknown	1	-	1	-	\$2,095	900	\$2.33
6	Grove Manor	1956	4	11	2	18.2%	2	18.2%	\$1,898	800	\$2.30
7	Collier Terrace	1983	7	42	0	0.0%	1	2.4%	\$2,210	883	\$2.50
8	Barrie Anne Gardens	1975	9	141	0	0.0%	1	0.7%	\$1,730	540	\$3.20
9	Mayfair Apartments	1971	6	198	1	0.5%	1	0.5%	\$1,695	900	\$1.88
10	2 Grove Street	1968	4	12	0	0.0%	1	8.3%	\$1,099	993	\$1.11
Total/Average (10 Projects):			8	629	18	0.8%	21	1.3%	\$1,957	869	\$2.25
<p>1. Available units refers to units that are vacant or will be vacant in the coming months (e.g., currently occupied but tenant has given notice, undergoing renovations, etc.)</p> <p>2. Average monthly and per square foot rents have been adjusted to include heat and exclude water and hydro.</p> <p>Source: On-Site Leasing Agents and Project Marketing Materials.</p>											

64

Location of Purpose-Built Rental Projects

