
HALDIMAND COUNTY

Report CDS-09-2023 Municipal Response to Housing Affordability Task Force Recommendations



For Consideration by Council in Committee on October 10, 2023

OBJECTIVE:

To provide a response to the Minister of Municipal Affairs & Housing regarding the 74 recommendations of the Housing Affordability Task Force, including identifying the top 5 supported recommendations for Haldimand County.

RECOMMENDATIONS:

1. THAT Report CDS-09-2023 Municipal Response to Housing Affordability Task Force Recommendations be received;
2. AND THAT the chart included as Attachment 2 to Report CDS-09-2023 be approved as the County's response to the request of the Minister of Municipal Affairs and Housing.

Prepared and Respectfully submitted: Mike Evers, MCIP, RPP, BES, General Manager of Community & Development Services

Approved: Cathy Case, Chief Administrative Officer

EXECUTIVE SUMMARY:

The Minister of Municipal Affairs & Housing has requested all Ontario municipalities to identify their support/non-support for each of the 74 recommendations delivered to the province by the Housing Affordability Task Force in February 2022. In addition, the Minister has requested each municipality identify its 'top 5' recommendations as well as suggestions on how they can be implemented. A response is due to the Minister by October 16th. The subject report provides a series of recommendations in connection with the province's request.

BACKGROUND:

On September 15, 2023 the Minister of Municipal Affairs & Housing issued a letter to the County (Attachment 1) requesting that the Head of Council (Mayor) complete a chart that identifies support or non-support in relation to the 74 recommendations that the Housing Affordability Task Force delivered to the Province in February 2022. In addition, the Minister has asked the Head of Council to prioritize the top 5 recommendations (from the 74) for future consideration and provide advice on how those top five recommendations could or should be implemented. Notwithstanding this consultation, it should be noted that the provincial government has indicated that 23 of the 74 recommendations have been either fully implemented or implemented with amendments.

Staff have reviewed the 74 recommendations and identified a 'top 5' that aligns with strategies that have been or are being implemented in the County as part of our collective efforts to support development, including residential. Those are described in detail in the Analysis section below along with some suggestions on how they should be implemented. The remaining 69 recommendations

(Attachment 2) have been marked as ‘support’ or ‘oppose’ in the chart provided by the province in line with its request. Staff have not completed a detailed assessment of those 69 recommendations. The Minister has set a deadline for response of October 16th and indicated that failure to do so will disqualify the County from being eligible for the province’s new \$1.2 billion Building Faster Fund (BFF). The BFF is the same funding that is tied to the municipal commitment of meeting the housing target.

ANALYSIS:

Staff have identified the ‘top 5’ recommendations from the list of 74 that best align with current or planned County strategies and initiatives. The Housing Affordability Task Force recommendation is in italics with the staff comments contained in each subsequent bullet.

Permit “as of right” secondary suites, garden suites, and laneway houses province-wide.

- Staff comments: The County’s comprehensive zoning by-law (2020) introduced ‘as of right’ permissions for secondary suites and garden suites in a large number of land use zones. While certain standards are applicable to these alternative housing units to mitigate any impacts on surrounding areas (e.g. requiring 1 parking space, minimum setbacks from property lines, caps on overall size), the concept of allowing these units is supported in the by-law and has been embraced by residents. By way of example, 55 total units (secondary suites and garden suites combined) have been built or established in the last 3 years, including 21 so far in 2023. Interest in, and promotion of, these alternative housing forms continues to increase in the County. Laneway houses are currently not contemplated within the zoning by-law but would have a similar function and effect on the landscape as stand-alone secondary suites (which are permitted in the County’s zoning by-law). The main difference, which would need to be addressed through a future zoning by-law update, would be permitting a unit that opens to and is accessed from a laneway as opposed to the main public road. While there are not many areas in the County where this could take place (examples include Central Lane in Dunnville), the concept would be supportable subject to a series of criteria similar to what is described above.

Require mandatory delegation of site plan approvals and minor variances to staff or pre-approved qualified third-party technical consultants through a simplified review and approval process, without the ability to withdraw Council’s delegation.

- Staff comments: site plan approvals (SPAs) deal with technical matters in relation to pre-existing land use permissions. SPAs are essentially the implementation stage of the larger development process and they follow the public consultation period associated with the establishment of the principle of land use. And so, it is sensible and most efficient to have SPAs delegated to staff, a practice that has been employed in the County for many years. With respect to minor variances, these are typically straightforward application matters that deal with a reduction in an existing zoning standard (or multiple standards). Council has delegated its authorities for decisions on these applications to an appointed Committee of Adjustment (CofA), in part in recognition of the straight forward nature of variance matters and the fact that they are typically not contentious matters. While staff do support the idea of delegating variance approvals to staff (e.g. GM of Community & Development Service or Manager of Planning & Development), this support would need to be conditional upon a number of things. In particular, there needs to remain a notification and public input process for applications such that there is public awareness and opportunity for input. Also, there would need to be an appeal or escalation process for problematic or contentious files. The idea here would be for any contested matter (e.g. by a neighbour or an applicant), to be taken out of the hands of staff and go to Council for its consideration and a decision (similar to how the process currently works with the CofA).

Improve funding for colleges, trade schools, and apprenticeships, encourage and incentivize municipalities, unions and employers to provide more on-the-job training.

- Staff comments: Through on-going discussions with applicants and the development community as a whole, there continues to be emphasis on labour shortages as a strong factor in delaying the construction of new homes. In effect, lack of skilled trades to build houses is creating a 'pinch' in the production pipeline. County staff strongly support the prioritization of this recommendation to ensure provincial actions are taken that would fundamentally address the shortage of skilled trades to help support the provincial housing goal of 1.5 million new homes. A good example of an opportunity that could be expanded (with proper supports from upper levels of government) is City School by Mohawk College. City School focuses on developing specialized, place-based, and tuition-free learning opportunities and has been offered in the County a number of times over the last 5 years. The most recent opportunity took place this summer with a 5-week course on landscape construction. In previous years, college level courses have been provided to County residents in the areas of skilled trades (electrical, plumbing) and general construction. Providing lower/no cost skill building opportunities such as this could play a key role in addressing the labour shortage issue.

Enable municipalities, subject to adverse external economic events, to withdraw infrastructure allocations from any permitted projects where construction has not been initiated within three years of build permits being issued.

- Staff comments: By their very nature, municipal services (water and sanitary sewers, water and wastewater treatment plants, pumping stations, etc.) have capacity limitations in terms of the amount of development they can support. Municipal services are important, finite resources that are integral to support the timely construction of new housing. In some cases, projects do not advance to construction. This means that the servicing capacity that is "allocated" to that project is not realized. In some cases, where existing services are constrained, unrealized allocated capacity impacts the ability of other projects to progress and potentially delays the construction of new homes for no reason other than the theoretical allocation of capacity to a different project that is not moving forward. To some degree, the County already operates within the objective of this recommendation which is to ensure that servicing capacity is allocated to projects that advance in an expeditious manner. Specifically, as part of the annual servicing allocation program, developers are measured against a 'use it or lose it' criterion, wherein inactivity on a project could result in withdrawal of committed-to capacity. The subject recommendation aligns with this well-established County practice but actually takes it one step further as it would grant the legal authority for the County to withdraw capacity if issued building permits are not acted on. This would provide another tool for the County to ensure that developer's are not monopolizing capacity and 'sitting on it' thereby restricting other projects from moving forward.

Fund the adoption of consistent municipal e-permitting systems and encourage the federal government to match funding. Fund the development of a common data architecture standard, supported by an external expert committee, across municipalities and provincial agencies/ministries and require municipalities to provide their zoning by-laws with open data standards. Set an implementation goal of 2025 and make funding conditional on established targets.

- Staff comments: for the last several years, the County has invested significant funds and staff resources into developing, testing and rolling out an electronic building permit system (e-permitting) called Portal. This is an extension of the County's Cityview property management software which has been used by Building and Planning for over a decade. With the e-permitting system fully operational, staff have experienced many process efficiencies, improved accuracy of information and significant client uptake. On the latter, nearly 80% of applications were submitted through the Portal in 2022, up from 65% in 2021 which was the first year of the system being fully operational. The benefits noted by applicants include ease of submission/resubmission, ability to see where

things are in process (which helps in scheduling trades, etc.), and significant time savings by not having to travel back and forth to submit applications, additional documents, fees, etc. Continued investment in this system is desirable to continue to improve the user experience and find additional efficiencies that benefit both staff and the building industry. As such, a commitment to funding and other supports at the upper levels of government would be advantageous, while establishing some data standards would allow for the County to further improve its current system to meet the needs of the industry. What is critical in this recommendation is that any move to a consistent system, common data infrastructure, etc. must account for and be able to accommodate those municipalities that have dedicated significant resources (time and money) to specific systems, as the County has with its Cityview Portal. Where this cannot be done, the province must allow for municipalities with established systems to continue to operate with whatever solution they have in place provided they can meet the objectives of the province in relation to the provision of data, production reports, etc.

In terms of the overall list of 74 recommendations, staff have identified a total of 54 under the category of 'Support' (including the top 5 as described above) and 20 under the category of 'Oppose' within the chart provided by the province (Attachment 2). Many of the recommendations that staff have placed under 'Oppose' represent those that would have a negative financial impact on the County or those which would lead to significant increases in development density/changes to area character without the benefit of any public consultation. Worth noting, is that AMO recently provided the Minister with its own response (see Attachment 3). AMO's submission only identified 3 recommendations as being opposed, but the organization was looking at the 74 recommendations through a sector lens and for the province as a whole. Whereas, the County's response is specific to the local level impacts and needs and thus a differentiation between the two organizations is appropriate. Also worth noting is that the top recommendations identified by AMO (they did 8 as opposed to 5) are all supported by staff in the County's response, with 2 of AMO's preferred recommendations also being in the County's 'top 5'.

FINANCIAL/LEGAL IMPLICATIONS:

The Minister has indicated that failure to respond to this request by October 16th will result in the County being disqualified from its eligibility for the Building Faster Fund. As Council is aware, this is the same fund available to the County if it issues a letter of commitment by October 15th in relation to the assigned housing target.

And so, the initial eligibility hinges on the decision Council makes relative to the housing target, while this additional response only impacts funding if the prior decision is to commit to the target. There is also the potential that failure to respond could impact eligibility for future provincial funding opportunities although that cannot be confirmed at this time.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

REFERENCES:

None.

ATTACHMENTS:

1. Minister's Letter.
2. Chart Response to 74 Recommendations.
3. AMO Response to Minister's Letter.