
HALDIMAND COUNTY

Report CDS-06-2025 Haldimand County Housing Needs Assessment

For Consideration by Council in Committee on May 20, 2025



Objective:

To approve a Housing Needs Assessment for the purposes of meeting Haldimand's requirements under the Canada Community-Building Fund, and to serve as baseline data for the development of future strategies focused on meeting housing needs.

Recommendations:

1. THAT Report CDS-06-2025 Haldimand County Housing Needs Assessment be received;
2. AND THAT the Housing Needs Assessment Report, included as Attachment 1 to Report CDS-06-2025, be approved for use in the development of future strategies, programs and planning;
3. AND THAT the Housing Assessment Template, included as Attachment 2 to Report CDS-06-2025, be approved for submission to meet Haldimand County's federal program requirements under the Canada Community-Building Fund.

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Approved: Cathy Case, Chief Administrative Officer

Executive Summary:

On June 24, 2024, staff recommended (FIN-12-2024) that Council authorize the Mayor and Clerk to execute the new revised Municipal Funding Agreement for the Canada Community-Building Fund (CCBF). Under the revised agreement, a new requirement, a Housing Needs Assessment (HNA), was introduced. The HNA is to be used by municipalities to prioritize, where possible, infrastructure or capacity building projects that support increased housing supply.

Given the technical nature and scope of the requirements, staff secured the services of an external consultant, Watson & Associates Economists Ltd. (Watson), to complete the HNA on our behalf. Watson has now completed that work which consists of a detailed report and a fully populated HNA template, the latter being a key requirement of the CCBF eligibility and which is to be submitted to AMO by the end of June. The final HNA report and template are being presented for Council's approval such that they can be submitted by the prescribed June 30th deadline and ensure Haldimand remains eligible for federal funding under infrastructure programs and in compliance with our Municipal Funding Agreement. The HNA will also serve as the data baseline for a number of future initiatives which will serve to address the current and future housing gaps in Haldimand such as an affordable housing strategy and Official Plan update.

Background:

The Canada Community-Building Fund (CCBF) is a stable, predictable, and indexed source of funding provided up front to provinces and territories who, in turn, flow this funding to their communities. The funding allows local communities to make strategic investments in essential infrastructure, such as roads and bridges, public transit, drinking water and wastewater infrastructure, and recreational facilities. These investments contribute to the development of Canada's housing supply by supporting infrastructure projects that align with regional housing goals, enable urban density, and help to improve housing affordability for Canadians. For the past 5 years, Haldimand has received CCBF funding of approximately \$3 million annually (excluding one time top-ups). The projected amount for years 2026 to 2028 is approximately \$3.3 million annually.

Under Haldimand's existing Municipal Funding Agreement for CCBF we are now required to complete a Housing Needs Assessment (HNA). An HNA is a report informed by data and research that describes the current and future housing needs of a municipality or community. It includes both:

- Quantitative research such as economic data, population and household forecasts; and,
- Qualitative research such as interviews, policy analysis and stakeholder engagement.

HNAs provide data to support evidence-based decision making at the local and community level. Having this data helps all levels of government make informed decisions about their infrastructure and housing investments in order to build and/or facilitate the building of the most suitable housing for their communities. An assessment helps a community gather critical housing data to guide decisions on the type and location of housing to build, as well as the infrastructure needed to support community growth.

A Housing Needs Assessment for Haldimand County has been completed by Watson & Associates Economists Ltd. (Watson). The conclusions of the analysis are intended to:

- satisfy the requirements for funding eligibility under the CCBF and meet our obligations under our Municipal Funding Agreement; and,
- provide the foundational data to develop a road map to support the growth of housing supply that will serve to close key housing gaps across the full housing continuum (market and non-market housing).

Analysis:

A healthy housing continuum should provide a broad range of housing options enabling households with different sizes, compositions, and incomes to access affordable and appropriate housing as needed. To realize a full housing spectrum, precise information about existing housing stock, demographics, household formation, household size, income levels, population growth, and housing demand and supply is needed to create a data baseline. With this information, an assessment can be made to understand the extent to which the supply, built form, and tenure of housing meet current and future needs and where there may be existing or future gaps in the provision of a healthy housing continuum.

The Housing Needs Assessment (HNA) presented herein serves as the key foundational document to address the above. Produced by Watson—relying primarily on Statistics Canada Census, CMHC data and local data from Haldimand staff and community stakeholders—the HNA analyzes housing supply, demand, demographics and affordability specific to Haldimand County. The HNA validates Haldimand's key housing gaps and provides detailed information that can be used to explore how to address current and future housing needs and challenges with targeted and intentional policy and program initiatives. To that end, some of the key conclusions include:

Housing context:

- current housing base is approximately 18,800 occupied dwelling units, consisting of mostly low density (88%) with small amounts of medium (5%) and high density (7%);
- renter occupied households is 15% of total occupied dwelling share (85% are owner occupied), which is less than half of the provincial average (31%); meanwhile the vacancy rate has been steadily declining and sat at 0.6% (2023) which is approximately 65% lower than the provincial average of 1.7% (note: vacancy rate of 3% is considered healthy);
- 98% of Haldimand's housing is market housing (e.g., the 'standard' housing option where prices reflect the forces of supply and demand in the real estate market, without any special government subsidies or assistance), with only 2% being publicly funded or provided by non-profit agencies. This is similar to municipalities of comparable size.
- over the last decade (2015 to 2024), Haldimand has averaged 310 new residential units per year (all types combined), with growth accelerating in the latter half of the decade with an average of 361 unit per year – the predominant built form of this new supply is characterized as low density, freehold and grade-related;
- there are approximately one dozen active residential development projects (e.g., clearing conditions, detailed design stage, initiating agreements, preliminary servicing stage) with a total anticipated yield of approximately 1,900 units upon full build out. The majority of these are intended for the ownership market and all are anticipated to have a price point range that is above the affordable purchase price, landing at the mid to high end of the market price;
- Haldimand has experienced a strong appreciation in housing prices and rental rates over the last 5 years – this has led to the erosion of housing affordability, a common occurrence across the country.

Current & future housing need:

- Haldimand County is experiencing a range of housing pressures as a result of sustained population and economic growth, which has led to a widening gap between housing demand and supply. This is not unique to Haldimand and is an increasingly common theme in municipalities of all sizes across Ontario, as well as beyond our provincial boundaries;
- Haldimand has a structural deficit in its housing supply which has not kept pace with the growing needs of the current population. Specifically, Haldimand has a shortage of affordable rental and ownership housing, as well as limited housing typologies suitable for low- to moderate-income households. Rising home prices and rental rates are increasingly pricing both existing and future residents out of the market. In addition, there is a pressing need for supportive and non-market housing, with many residents experiencing homelessness, remaining on waiting lists for non-market housing, or living in severe core housing need;
- infrastructure capacity constraints present a significant challenge to addressing housing needs in Haldimand County. In particular, a lack of serviced development ready land for housing is a key challenge for accommodating new housing, especially in Settlement Areas designated for growth. Additionally, intensification and higher-density developments often require costly upgrades to aging infrastructure that was not built to handle current or anticipated growth levels. As above, this is similar to the current reality of many municipalities across Ontario. For clarity, as it relates to lack of serviced development ready land, the infrastructure that Haldimand is responsible for providing through DC-related projects (e.g., wastewater treatment plants, water treatment/storage, arterial roads) has sufficient capacity in all urban areas for at least 5+ years of development which meets provincial requirements. Where challenges exist rests with lack of up front provision of local services which are the responsibility of developers (e.g., localized pumping, localized water and wastewater collection and conveyance). This infrastructure can have long lead times for emplacement which can lead to delays in the delivery of housing. Potential solutions to this include developers working together, and with the County, on front-ending of infrastructure projects (building sooner than may be required so infrastructure is there

when needed) or upsizing at the outset of a multi-phase project to accommodate future project phases;

- to maintain a well-balanced and healthy community and ensure long-term sustainability, it is vital to offer a wide range of housing options to a broad range of income groups, including affordable housing;
- increasing cultural diversity, an aging Baby Boom population, growing demands for new families, a growing share of young adults and eroding housing affordability combine to drive the need for a mix of future housing across a range of density types, affordability options and tenure;
- as average age of Haldimand's population continues to increase, it is anticipated that demand for higher-density housing forms will gradually increase. The aging population will also drive the need for seniors' housing and other forms geared to older adults (e.g., assisted living). At the other end of the spectrum, a rise in the number of younger adults and families will increase demand for a broad range of housing types that are affordable, including townhouses and higher density developments (apartments). Low density housing demand is expected to be strongest for "move up" home buyers with growing families, typically those approaching 40 years of age and older;
- analysis of the 10-year housing forecast for Haldimand—which is 4,575 units, as derived from the Council approved 2024 population, housing and employment forecasts—shows approximately 825 rental housing units and 3,750 ownership housing units would be built. To meet the Province's affordable housing benchmarks, 32% of that total (1,450 units) would need to be affordable housing (both ownership and rental). Haldimand will need to continue to work with its public and private sector partners to encourage a greater supply of more moderately priced, higher density, freehold and condominium units and purpose-built rental apartments.

Building off the conclusions, strategic recommendations put forward in the Watson report include the following. Of note, these recommendations are intended to provide options to consider and they are to be examined in more detail as part of other initiatives (which are described further on in this report under 'The Road Forward') to ascertain feasibility, potential for impact, resource needs (financial and other) and ease of implementation:

- Planning for long-term population growth across a diverse range of age groups and income levels – this requires attraction efforts that include a growing economic base, (planning for/delivering) broader range of housing typologies and housing tenure, and developing updated affordable housing targets as part of the Official Plan;
- Expanding housing affordability options – this can be accomplished through more compact built form and innovative design (e.g., permitting tiny homes/modular homes, alternative development standards such as reduced parking requirements, innovative construction methods) and the promotion/enabling of additional residential units;
- Expansion of non-market housing – this requires working with housing service partners (e.g., Haldimand Norfolk Housing Corporation) to maintain and increase housing support services and programs, and the supply of affordable housing;
- Regulatory and financial tools to support housing development – this includes the application of various tools (representing both 'carrot' and 'stick' approaches) to facilitate a higher rate of residential activity, in particular rental and affordable ownership options. Tactics can include having an appropriate amount of designated land supply with servicing (or servicing plans), regulatory incentives (e.g., expedited processing, reduced parking), and financial incentives (grants, rebates).

The Road Forward

As expressed above, as a recipient of the CCBF, we are expected to prioritize projects and initiatives that support the growth of housing supply, across the housing continuum, within our community. The

HNA is a fundamental ‘starting point’ for that work and can be used to prioritize, where possible, infrastructure or capacity building projects that support increased housing supply where it makes sense to do so. How that translates into action will be worked out through a series of initiatives that will be completed sequentially over several years, as follows:

- **Affordable Housing Strategy (2026):** A municipal affordable housing strategy (AHS) is a plan developed to address the local need for housing that is affordable for low-to-moderate-income households. These strategies aim to increase the supply of affordable housing, provide a variety of housing options, and support residents in accessing housing they can afford while meeting other basic needs like food and transportation. It is typically executed through the development of supportive/enabling policies (e.g., policies that can be adopted in municipal Official Plans, Secondary Plans); performance/zoning standards; incentive programs (e.g., Community Improvement Plan grants, municipal land sale program, expedited review/approval processes); etc. The work on the AHS is expected to be initiated by staff in late 2025 with a consultant being retained in 2026 to assist in building out an implementable suite of policies and programs;
- **Official Plan Update (2027):** The AHS, grounded in the findings of the HNA, will then inform the next update of the Haldimand County Official Plan (OP), scheduled as part of the legislated five-year review cycle, beginning in 2026 and concluding in 2027. The Official Plan review will include the consideration of housing-related policies such as:
 - Establish minimum new housing targets for affordable and attainable housing;
 - Identify higher-density nodes and corridors, along with minimum density performance standards;
 - Mandate inclusion of medium- and high-density units in larger developments;
 - Expand permissions for additional dwelling units across more residential areas;
 - Allow as-of-right conversions of underutilized greyfield sites (e.g., commercial/institutional) to residential uses;
 - Support the sale or lease of surplus County-owned land for affordable housing development;
 - Enable alternative development standards for projects meeting affordability criteria;
 - Encourage shared housing models, including those offering support services; and,
 - Consider the creation of an Affordable Housing Fund to support incentive-based initiatives.

In addition, the HNA findings will be translated into specific land use permissions that reflect the type and scale of housing required across the County. These will inform housing policies for both greenfield (undeveloped) areas and built-up areas targeted for infill and intensification. The policies will address key considerations such as housing form, density, and development standards. Furthermore, these policies will be tailored to the distinct characteristics of each of the County’s six urban areas. For example, higher-density and more diverse housing options may be prioritized in high-growth communities such as Caledonia;

- **Zoning By-law Review (2028)** – Haldimand Comprehensive Zoning By-law serves as the key vehicle to implement the directions set in the Official Plan (OP). Upon receiving provincial approval of the OP (2027 or 2028), an update to the Zoning By-law will take place to ensure policy directives are actioned and able to be implemented ‘on the ground’. This may include alternative development standards for certain types of residential projects (reduced parking, increased height permissions, decreased setbacks, smaller units, more units per lot), high density residential zones (with a minimum number of units required per hectare), inclusionary zoning (requiring a minimum % of units in a subdivision development are designated affordable), and more mixed use opportunities;

- Master Servicing Plans (2025, on-going) – The planning directions (AHS, OP) will also directly intersect with infrastructure planning and investment. The housing projections and spatial distribution identified through the HNA will guide future updates to the County’s Master Servicing Plans (MSPs), ensuring alignment between growth and infrastructure delivery. This includes planning for water supply, treatment and conveyance; sanitary sewer capacity and treatment; stormwater management systems; and the expansion or enhancement of the transportation network. This serves as the key work to systematically address the infrastructure capacity constraints and lack of serviced development ready land challenges that have been identified through the HNA. MSPs for Haldimand’s 6 urban areas are updated on 5 year cycles with one MSP (typically) being completed each calendar year. A variety of capital projects flow from these studies on an annual basis.

Through this integrated and phased approach, the HNA will not only inform immediate housing strategies but will also guide long-term planning and policy-making in Haldimand County, ensuring that housing supply aligns with community needs, supports economic development, and fosters inclusive, complete communities.

The data collected through the HNA will serve as a critical input in shaping both the forthcoming AHS and the County’s Official Plan policies, particularly with respect to identifying residential needs, appropriate locations for development, and necessary infrastructure supports.

Financial/Legal Implications:

Funding for the HNA was approved through FIN-17-2024 in the amount of \$40,000. The project has been completed in line with the approved budget. The cost to complete the HNA has been funded directly from our CCBF, as permitted within the agreement. Due to the nature of the work, the HNA is exempt from the County’s Procurement Policy. While there could be financial impacts associated with future policies, programs and strategies, those will be considered as part of the applicable initiative(s) and budget processes. Lastly, best practice is to update a municipal HNA at least once every 5 years. Based on this, and assuming that future CCBF eligibility requirements will reflect same under Haldimand’s Municipal Funding Agreement, there will be a need to include a recurring HNA initiative in future budgets.

Stakeholder Impacts:

The Watson team undertook a number of key stakeholder interviews (10 in total) to give a fuller picture of the housing needs in Haldimand County. This included interviewing existing non-market housing providers, Chamber of Commerce and economic development representatives, and a number of homebuilders/developers to gain insights regarding the local housing market. Key findings of the interviews were:

- Housing affordability is a significant concern, including lack of diverse housing options;
- Most housing is low density, ownership; there is a severe lack of rental – more purpose-built rental is needed;
- Employers are struggling to retain/attract employees due to housing shortages and/or limited options to meet specific needs;
- Perceived shortage of serviced land for residential development and opposition from the community remains a challenge (objections to increased density, infill);
- Key projects to address specific needs (e.g., seniors housing) are upcoming but moving slower than expected due to regulatory hurdles, funding challenges;

- There is need for strategic partnerships with developers, local governments and other interested parties. These will be key to overcoming financial and logistical barriers in the development of affordable and sustainable housing.

The stakeholder input was used to inform the strategic recommendations in the Watson report and will be further assessed as part of, and help shape the directions of, the various initiatives described above (Affordable Housing Strategy, Official Plan, etc.).

Report Impacts:

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

References:

None.

Attachments:

1. Housing Needs Assessment Report.
2. Housing Needs Assessment Template.
3. Watson HNA Presentation.