

**To:** COUNCIL

**Meeting Date:** 2/28/2023

**Subject:** Municipal Housing Pledge

**Submitted By:** Lisa Prime, Chief Planner

**Prepared By:** Joan Jylanne, Manager of Policy Planning and Lisa Prime, Chief Planner

**Report No.:** 23-169-CD

**File No.:** C11

**Wards Affected:** All Wards

### **RECOMMENDATION(S):**

THAT Report 23-169-CD Municipal Housing Pledge be received;

AND THAT Council affirms the City of Cambridge's Housing Pledge as outlined in Appendix C, to meet the provincial target of 19,000 units in the City of Cambridge by 2031;

AND FURTHER THAT the City Clerk be directed to send the resolution of Council and the pledge as outlined in Appendix C to the Ministry of Municipal Affairs and Housing by March 22, 2023.

### **EXECUTIVE SUMMARY:**

#### **Purpose**

The purpose of this report is to provide Council with a recommended "Municipal Housing Pledge" to meet the Provincial housing target of 19,000 new homes in the City by 2031.

#### **Key Findings**

- The More Homes Built Faster Act, 2022 (Bill 23) is the Province's legislative framework intended to accelerate the construction of 1.5 million new homes in Ontario over the next 10 years.
- The Province is asking the City of Cambridge to make a pledge by March 22, 2023 to facilitate the construction of 19,000 new homes by 2031.
- Municipal Housing Pledges are intended to provide the Province with information on what strategies and/or actions the municipality will pursue to prioritize and

accelerate housing construction, and will endeavour to meet the assigned housing target by 2031.

- The Municipal Housing Pledge appended as Appendix C are the proposed initiatives to meet the provincial target.

## **Financial Implications**

There are staff resource impacts to fulfilling the pledge, and the processing of applications to meet the targets and as such, would impact future operating budgets. In addition, the 10 year capital forecast may be impacted to support the future projected growth.

## **STRATEGIC ALIGNMENT:**

- ☐ Strategic Action; or
- ☐ Core Service

**Objective(s):** PLANNING FOR GROWTH - Provide for a mix of development, uses and amenities in order to meet the needs of a changing and diverse population

**Strategic Action:** Increase housing options

**Program:** Community Development

**Core Service:** Planning and Design

## **BACKGROUND:**

On November 28, 2022, Bill 23, **More Homes Built Faster Act, 2022**, received Royal Assent. Bill 23 is the Province's legislative framework intended to accelerate the construction of 1.5 million new homes in Ontario over the next 10 years. The basis of Bill 23 is the **Provincial Housing Supply Action Plan: 2022-2023**. Related to these legislative changes is the **Province's 2031 Municipal Housing Target**, which assigns 29 large and fast-growing municipalities growth targets to achieve by 2031. Together a total of 1.229 million new homes are allocated to these 29 municipalities. The City of Cambridge has been assigned a target of 19,000 new homes by 2031.

On October 25, 2022, the City received correspondence (Appendix A) from Minister Steve Clark which outlines the assigned 19,000 new homes by 2031 to the City of Cambridge. The correspondence also asks that the City develop a "Municipal Housing Pledge" to commit to facilitating the construction of these new homes. Housing pledges are intended to provide the Province with information on what strategies and/or actions the municipality will pursue to prioritize and accelerate housing construction, and meet the assigned housing target by 2031. The strategies are outlined under the proposed pledge shown in Appendix C. The Province had initially requested Municipal Housing

Pledges to be delivered to the Minister by March 1, 2023, however that deadline has been extended to March 22, 2023 (Appendix B).

### **EXISTING POLICY / BY-LAW(S):**

The city's growth is defined by the Official Plan and the Zoning By-law. The Municipal Housing Pledge can be met through the current policy process. The City is currently working to update policy and regulations to minimize amendments as part of our planning responsibilities and to support growth expectations.

### **ANALYSIS:**

The City plans to meet the pledge through 3 main areas:

#### **1) Development Services Review**

The City has received funding up to \$1.0 million from the Province through the Streamline Development Approval Fund (SDAF) to support improvements to the planning process and address backlog with the support of additional staff resources. These on-going projects support service delivery in the following ways:

- Streamlining approvals through automation of the application process by a comprehensive Information Technology (IT) update
- Gentle intensification opportunities through Additional Residential Units (ARU)
- Evaluation and visualizations for City owned surplus sites to accommodate affordable housing
- Visualization project for a range of housing types to support opportunities for intensification through missing middle housing forms
- Completion of two secondary plans to simplify the regulatory framework for priority areas, including Major Transit Station Areas (MTSAs)
- Updating zoning bylaw consolidation to simplify zoning

#### **2) Official Plan**

The City is advancing work on two Secondary Plans, ahead of the Official Plan Update, in order to expedite development within these areas. Approval of the Secondary Plans will allow the City to implement updated zoning regulations for those areas. The Hespeler Road Corridor Area Secondary Plan includes a number of MTSAs, and the Main Street and Dundas Street South Node Area Secondary Plan is an area intended for intensification.

The Regional Official Plan Amendment No. 6 establishes the growth expectations for the City to 2051 as an additional 68,900 population with a 65% intensification rate. The

City is currently initiating the growth allocation work to support how that growth will be distributed and the housing required to meet the demographics. This work will support master planning for transportation and other servicing needs of the city to accommodate this growth. It is anticipated that the growth expectations being set out in the housing pledge can likely be provided within the MTSAs and built-up areas of the city.

The city needs to ensure we meet our population and job growth in the appropriate areas to support communities that are inclusive, sustainable and thrive. Focusing growth within the city's MTSAs, 15-minute neighbourhoods and built-up areas aligns with transit-supportive development and Phase 2 ION light rail transit service.

### **3) Zoning Update**

City staff are proposing to permit more residential dwelling types as-of-right under the new by-law. All of the low density zones are proposed to permit single detached, semi-detached, duplex and triplex dwellings. This is in contrast to the current by-law which restricts some zones to singles only.

The City has recently amended our Official Plan and Zoning By-law to permit Additional Residential Units (ARU) within a dwelling and in an accessory building, and these permissions will be incorporated into the new by-law, in a manner that is consistent with the recent Bill 23 amendments.

Most significantly, staff will be recommending as-of-right zoning for mixed use medium and high density development along the Hespeler Road corridor following completion of the Hespeler Road Corridor Area Secondary Plan.

These changes will simplify the regulatory framework to add housing without going through site-specific Planning applications.

### **Data on Progress**

The City is a stakeholder and not a provider of housing. The City will continue to work on process improvements to expedite the planning approvals process and the building permit process as part of this pledge and commitment.

The following table provides summary statistics on progress towards the commitment.

**Table 1: Housing Units in Progress**

<b>Status</b>	<b>Development Approved<sup>1</sup> Residential Units</b>	<b>Building Permit Residential Units</b>
2021	1,438	1,178
2022	3,880	1,002
Total	5,318	2,180

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<sup>1</sup> Development Approved includes Official Plan Amendments, Zoning Bylaw Amendments, Subdivision Plans and Condominium Plans.

## **Shared Accountability**

Many stakeholders play a role in achieving the city's housing target. As the City does not build homes, our role would be to support and encourage the development of housing units that meet our Official Plan, Zoning-By-laws and have access to services.

## **FINANCIAL IMPACT:**

Planning resources to support the increased need for long-term planning and to support the increased capacity to process applications will be required. At the time of authoring this report, the staff resource requests under the 2023 budget have not yet been approved. Assessments of additional resources to fulfill the housing targets and pledge would be developed as part of future annual budget processes.

Similarly, additional capital projects or changes to the capital plan timing may be required to support the residential growth contemplated. These changes would be presented to Council for consideration as part of the annual budget process.

If the City adopts the pledge, the Province has indicated there would be funding opportunities for growth related costs if the municipality is found to be deficient. While details have not been made available, taking the Municipal Housing Pledge will position the City of Cambridge to seek any available future funding.

## **PUBLIC VALUE:**

Providing housing is one of the important public value expectations for the City. This needs to be supported by available and efficient infrastructure and services to support prosperity of the city.

## **Collaboration:**

The City will continue to collaborate with the development industry and other stakeholders to support the pledge to build 19,000 units by 2031.

## **Transparency:**

The City will continue to track development approvals and permits to support the commitment of the pledge, including reporting to council.

## **Engagement:**

Engagement will continue through the public planning process as required through the Planning Act.

**ADVISORY COMMITTEE INPUT:****Advisory Committees Consulted:**

Not applicable

**PUBLIC INPUT:**

Posted publicly as part of the report process.

**INTERNAL / EXTERNAL CONSULTATION:**

There was no internal/external consultation undertaken.

**CONCLUSION:**

By approving the recommendations within this report, Council pledges to support the Province's goal of creating 19,000 new homes within Cambridge by 2031 through the actions outlined in the pledge.

**REPORT IMPACTS:**

Agreement: **Yes**

By-law: **No**

Budget Amendment: **No**

Policy: **Yes**

**APPROVALS:**

**This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:**

**Director**

**Deputy City Manager**

**Chief Financial Officer**

**City Solicitor**

**City Manager**

**ATTACHMENTS:**

1. Report Number 23-169-CD Appendix A – Ministry of Municipal Affairs and Housing Letter to Clerk regarding Municipal Housing Targets and Municipal Housing Pledges City of Cambridge: 19,000, dated October 25, 2022.
2. Report Number 23-169-CD Appendix B – Ministry of Municipal Affairs and Housing Letter to Mayor Jan Liggett regarding Municipal Housing Targets and Municipal Housing Pledges City of Cambridge: 19,000, dated February 13, 2023.
3. Report Number 23-169-CD Appendix C – Municipal Housing Pledge, City of Cambridge