

**SUBJECT:** Burlington Housing Pledge

TO: Community Planning, Regulation & Mobility Cttee.

FROM: Community Planning, Regulation and Mobility

Report Number: PL-24-23

Wards Affected: All

File Numbers: 155-03-01

Date to Committee: February 28, 2023

Date to Council: March 21, 2023

#### **Recommendation:**

Endorse the "City of Burlington 2031 Municipal Housing Target Pledge", included as Appendix B to community planning department report PL-24-23, to support Council's commitment to accelerating the supply of housing to meet the 2031 Municipal Housing Target of 29,000 new housing units, subject to the following conditions:

That the City not be penalized financially or otherwise, for failing to meet the identified housing target; and

That the housing target be recognized as an aspirational target and that the City be permitted to continue to utilize the applicable population and employment forecasts from the Growth Plan, 2020 and/or municipal growth allocations assigned to and/or developed by the City, for the purposes of creating development related studies, plans, and by-laws; and

That the Province continue to work with municipalities to provide new opportunities for municipalities to generate stable revenue and grant opportunities, such as the Streamline Development Approval Fund, to aid in the rapid delivery of the identified municipal initiatives and growth-related infrastructure; and

That the Province consult and engage with municipalities on recent and future legislative changes and initiatives to find mutually beneficial ways to streamline approvals and enable municipalities to collect growth-related charges to deliver infrastructure and community needs quickly.

#### **PURPOSE:**

The City of Burlington has been asked to demonstrate its commitment to accelerating housing supply by developing a Municipal Housing Pledge and taking necessary actions to facilitate the construction of 29,000 units by 2031, which amounts to 17,658 more units than are currently anticipated for Burlington (2021 – 2031) as part of the recently completed Land Needs Assessment prepared to support the Region of Halton Integrated Growth Management Strategy in accordance with the Provincial Land Needs Assessment Methodology, as set out in the Growth Plan.

## **Vision to Focus Alignment:**

- Increase economic prosperity and community responsive city growth
- Improve integrated city mobility
- Support sustainable infrastructure and a resilient environment
- Building more citizen engagement, community health and culture

## **Background and Discussion:**

#### 1.0 Background

As set out in <u>CS-12-22</u>: <u>Consultations on Bill 23 More Homes Built Faster, 2022</u> the province introduced Bill 23, More Homes Built Faster Act, 2022 on October 25, 2022.

The goal of the legislation is to facilitate the construction of 1.5 million new homes in Ontario by 2031. The omnibus bill proposes amending a number of existing statutes including: the Planning Act, Ontario Heritage Act, Development Charges Act, Conservation Authorities Act, and Ontario Land Tribunals Act, amongst others.

Complimentary to Bill 23 and the associated postings the Province introduced the concept of housing targets in a bulletin listed on the ERO as "2031 Municipal Housing Targets". The notice clarifies that the Bulletin has been posted for "informational purposes only" and that the Province was not seeking comments. The bulletin establishes housing targets for 29 selected lower- and single tier municipalities in Southern Ontario and includes the requirement that each municipality establish a pledge that identifies tools and strategies they intend to use to achieve their housing target. The targets for each of the 29 municipalities are included in the following table:

Municipality	Housing Target
City of Toronto	285,000
City of Ottawa	151,000
City of Mississauga	120,000
City of Brampton	113,000
City of Hamilton	47,000
City of London	47,000
City of Markham	44,000
City of Vaughan	42,000
City of Kitchener	35,000
Town of Oakville	33,000
City of Windsor	13,000
City of Richmond Hill	27,000
City of Burlington	29,000
City of Oshawa	23,000
City of Barrie	23,000
City of Guelph	18,000
City of Cambridge	19,000
Town of Milton	21,000
Town of Whitby	18,000
City of St. Catharines	11,000
Town of Ajax	17,000
City of Waterloo	16,000
City of Kingston	8,000
City of Brantford	10,000
Clarington	13,000
City of Pickering	13,000
City of Niagara Falls	8,000
Town of Newmarket	12,000
Town of Caledon	13,000
Totals	1,229,000

The City of Burlington has been assigned a 2031 Housing Target of 29,000 units. In addition, the City was provided a letter and associated info sheet (Appendix A) describing the Municipal Housing Targets and requesting that the municipality prepare a Municipal Housing Pledge and take the necessary steps to facilitate achieving the target.

#### The letter sets out that:

Pledges will provide important information that showcase the strategies and actions that municipalities choose to adopt in order to prioritize and accelerate housing. Our government intends to use your pledges to monitor and track progress so we can continue to play a role in supporting municipalities and removing barriers to housing development.

#### 2.0 Discussion

## 2.1 Housing Focus

The City of Burlington is absolutely committed to supporting the creation of more housing and more diverse housing options. While committed to working toward this ambitious target it is important to acknowledge that many factors related to the creation of new units are beyond the control of the City.

The City of Burlington does not build housing. While the creation of new housing is enabled by the policies and regulations of the municipality it is the individual decisions of land owners, developers, businesses all in the context of the broader market (economy, demand, availability of skilled labour, costs of materials etc.) that create new housing units. As a lower tier municipality, the City of Burlington is responsible for local decisions which guide future land use, development and growth. The City also has a role to play in advocating to upper levels of government to advance objectives and actions set out in the Housing Strategy and communicate the challenges experienced by municipalities in the delivery of a range and mix of housing for all ages, abilities, household sizes and income levels. The City is committed to improving in areas within its control.

#### 2.2 Policy Overview

A Place to Grow established a distribution of population and employment within the GGH to 2051, which for the whole of Halton Regions resulted in 1,100,000 people and approximately 500,000 jobs by 2051.

Halton Region completed a Land Needs Assessment as part of the Region of Halton's municipal comprehensive review work. The Land Needs Assessment (LNA) supported ROPA 49 and identified that in the period from 2021 to 2031, an additional 11,342 units will be needed to accommodate Burlington's share of population growth.

The LNA study work included detailed study and analysis informed by:

- a Provincially-mandated land needs assessment methodology,
- the allocation of 1.1 million people by 2051 to Halton Region as set out by the Province, and
- detailed information about the land use policies established within Burlington Official Plan (BOP), 2020 to embed local plans and priorities within the Regional work.

As discussed in <u>PL-37-22 Regional Official Plan Review ROPA 49 staff comments</u>, as set out in the LNA supporting ROPA 49 which assessed growth to 2041:

The forecasted household growth for the City under the Modified Preferred Growth Concept equates to an average of 1,156 units/year. This is higher than the average number of units a year identified under the Draft Preferred Growth Concept as well as in the City's Growth Analysis Study. It is also significantly higher than the City's average of 570 units/year over the last 10 years (2011-2021) based on CMHC Housing Completion data.

The Land Needs Assessment work supported the population and employment allocations set out in Regional Official Plan Amendment 49 as approved by the Minister of Municipal Affairs and Housing. The Housing Pledge asks Burlington to accommodate/encourage the delivery of more than double the housing units allocated to Burlington from 2021 to 2031, which was acknowledged previously as significantly higher than 10 year historical trends. In other words, an additional 17,658 units will need to be accommodated by 2031. If measured over the 2021 to 2031 time frame, in order to achieve Burlington's Municipal Housing Target of 29,000 units by 2031, the average number of units built per year will need to increase to 2,900 units per year up from the 10 year average of 570 units per year.

### 2.3 Opportunities and Challenges

Housing is a shared responsibility. The City has made great strides in establishing supportive policies and strategies to support the creation of housing and the creation of more complete communities.

The creation of complete communities and the building of more diverse housing options in Burlington is complex and collaborative work involving the Province, the Region of Halton, property owners, development industry, institutions, residents, stakeholders and agencies. Through engagement on the City's Housing Strategy the City heard that all are encouraged by the Housing Strategy and want to move forward to support the creation of new housing options that are more attainable for the community. The City also heard very clearly that any moves to action on housing must also:

- support action related to the City's climate emergency declaration;
- support the objectives of the Integrated Mobility Plan;
- support the creation of housing in the right areas as set out in the Burlington Official Plan, 2020;
- support the creation of housing that will welcome more people and families to the city;
- support the creation of more complete communities.

Any progress on housing that does not also deliver on the broader objectives of the City and the Province will have the potential to undermine the ability to continue to meet the

broader objectives set out in the City's Strategic Plan and its associated plans and strategies. Continuing to invest in the community and creating a desirable place to live, work and play is critical to the continued success and desirability of the City.

Exceeding the planned unit targets by such a large margin over the near term (> 10 years) will require:

- Private sector creation of new housing units, including housing options and opportunities for people within the middle income deciles;
- Government creation of deeper affordability units;
- Release of the Burlington Official Plan from the OLT appeal process to unlock approved housing intensification and eliminate the barrier of sitespecific Official Plan Amendments for housing intensification;
- Up to date local policies and zoning to support the creation of new housing;
- Coordination of the provision of infrastructure to support this increased rate of development with Halton Region and its partner municipalities. The prioritization, provision and financial planning of infrastructure is critically important to this goal.
- Provincial investment in funding, tools and resources that help municipalities to incentivize rental housing.
- Provincial investment in preparing Community Planning Permit Systems and protection of the tool once approved by Council
- Provincial pause on further significant changes that draw attention and resources away from the core focus.

Although noted above it is particularly important to note that the hard and soft infrastructure required to support new housing is delivered by all levels of government and a wide range of utilities, agencies and institutions. These supports including water, waste water, roads, parks, libraries, recreation facilities, and transit must all be in place to support the creation of these new units.

## A note on Water and Wastewater servicing:

Halton Region's population is expected to grow by 153,000 people between 2021 and 2031. Based on the LNA the number of housing units is expected to grow by 56,900 units.

As noted in the table above, three of the four local municipalities within Halton have been assigned housing targets, through the housing targets bulletin – totaling 83,000 units to 2031. When assessed against the overall growth set out in the LNA to 2031 the difference amounts to 26,100 units. With over 45% more units targeted for this timeframe there will be intense competition and the need for prioritization decisions that local municipalities will contribute to but may not be in a position to influence

significantly. In this one critical dimension there will be significant challenges predicting where new housing units will actually materialize and ensuring sufficient infrastructure (of all kinds) is planned for, financed and built at the right time to accommodate.

The best approach for the City is to rely on the significant effort invested by the City in:

- the creation of the new Official Plan (BOP, 2020);
- the completion of the Region of Halton's IGMS and Municipal Comprehensive Review:
- the work on Major Transit Station Area area-specific planning; and,
- the creation of the Housing Strategy.

#### 3.0 City of Burlington Actions

In response to the wide ranging ERO postings related to Housing in late 2022 staff developed a set of guiding principles in <u>CS-12-22</u>: <u>Consultations on Bill 23 More Homes Built Faster, 2022</u>. Drawn from Vision 2040 – Burlington's Strategic Plan, 2018-2022 Plan: From Vision to Focus, the Official Plan and other key documents, these guiding principles were used to guide responses to the proposals presented by the Province:

- More Homes Built Faster;
- Complete Communities;
- An Engaged Community;
- Growth Pays for Growth;
- Matters of Provincial Interest;
- Public Health and Safety; and,
- Environment, Urban Design and Climate Change

For a full description of the guiding principles refer to <u>CS-12-22</u>: <u>Consultations on Bill 23</u> <u>More Homes Built Faster, 2022</u>. These guiding principles are embedded in the City's plans, strategies and initiatives discussed below.

#### **Strategic Plan**

One of the key strategic directions of the City's long term strategic plan is "A City that Grows". This key strategic direction speaks to achieving community responsive growth and balanced, targeted population growth for youth, families, newcomers and seniors. By focusing and directing population and higher densities in key areas the City intends to build neighbourhoods that are environmentally friendly, infrastructure-efficient, walkable, bikeable and transit-oriented.

Burlington's 2018-2022 Plan: From Vision to Focus sets a number of focus areas including Focus Area 1 – Increasing Economic Prosperity and Community Responsive

Growth Management. One of the Top priorities is Housing with a goal of increasing options for housing across the City. The work highlighted a number of key actions including:

- The scoped Official Plan Review and Interim Control Bylaw;
- Working with the Region to define Burlington's expectations for population and employment to 2041 as part of the Region's Municipal Comprehensive Review;
- Completion of Area-specific plans for Major Transit Station Areas; and,
- Completion of Housing Strategy.

Please refer to Appendix B for a complete list of the range of actions and initiatives underway.

#### Official Plan

The Burlington Official Plan, 2020 fuses the local community interests with Regional and Provincial policy direction and articulates the City of Burlington vision for growth and change to 2031 and beyond. The Plan establishes a community vision, a new Urban Structure and sets out a Growth Framework that supports the long-term vision for the urban area of a built-out municipality that will grow primarily through intensification. These two frameworks along with the land use policies for the Urban Area are to be used together to understand the relative priority, degree, type and location of growth anticipated in the City. Alongside these high-level directions, the Plan also sets out development-ready provisions and guides development within certain parameters allowing for private sector flexibility while ensuring the public interest is maintained. Approved by the Region in late 2020, the document today remains significantly under appeal.

The new Official Plan enhances policies throughout to support residential growth. At the highest level the merging of the former "major retail areas" and "mixed use activity areas" designations offered an opportunity to serve as areas for more intensive integration of a wide range of uses including residential. Significant areas of the City have been assigned policy establishing a wide range of uses that may be permitted as well as significant housing intensification. At the more granular level the residential neighbourhoods policies have seen base increases to density ranges, clear provisions for accommodating different housing types, among other things.

While these provisions are under appeal property owners in many cases must go through an Official Plan amendment in order to achieve housing intensification as a result of the existing Official Plan remaining in effect.

#### **Zoning By-Law Review**

In the Fall of 2022, Council gave direction to undertake the development of a Zoning Bylaw review to implement the policy direction as set out in the Official Plan. The appeal of the BOP 2020 in it's near entirety, along with the wide range of changes occurring, or set to occur within the realm of Provincial policy has introduced significant uncertainty into the project.

#### MTSA area-specific planning

The Major Transit Station Area boundaries in the City were established through the Minister's approval of the Region of Halton's ROPA 48. The MTSA ASPs will provide the land use planning vision and framework to establish complete communities around Burlington's 3 GO Stations. The plans aim to achieve a diverse, dense and transit-supportive mix of homes, jobs and supporting amenities like parks, community facilities, recreational and commercial opportunities to 2051 and beyond.

While work has continued on the development of the MTSA area-specific plans the ultimate implementation of these plans will also experience a delay as a result of uncertainty with the OP appeals.

#### **Housing Strategy**

The <u>Housing Strategy</u> challenges the City of Burlington to take on an ambitious role in order to move the City closer to the Vision for housing which states:

"Everyone is welcome in Burlington. Burlington is a city where all current and future residents have access to the housing options that meet their needs at all stages of life, and that are attainable at all income levels."

Based on the <u>technical research</u> completed in earlier project phases, and subsequent discussions with City of Burlington Council; the project Steering Committee; and the project Working Group, it was determined that the City of Burlington, as a lower tier municipality, has two key opportunities to do its part to "make moves" in addressing the broader housing crisis:

- First, through partnership and advocacy with upper levels of government and housing providers to help deliver the deep affordability and housing options needed by residents of Burlington within the lower income deciles; and
- Second, through focusing on implementing the direct actions that the City can take to increase housing options and opportunities for residents of Burlington within the middle-income deciles.

There are a wide range of implementation actions listed in the Housing Strategy. This includes seeing the policies of the BOP, 2020 come into effect, translating those policies

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into Zoning – both of which face challenges given the status of the Official Plan at the OLT. Other key initiatives included rental housing protection through demolition control and the creation of an inclusionary zoning approach for the MTSAs. In both of these cases and in other instances, the high degree of uncertainty related to Provincial changes to policy, legislation and regulation remain a challenge for moving forward.

#### Strategy/process

Please find attached for your consideration the draft Housing Pledge Appendix B. As set out in the guidance for the preparation of the Housing Pledge staff are supportive of the Provincial interest in removing barriers. In order to support that objective the Housing Pledge has identified key initiatives and specific requests for the Province to consider in Appendix B.

Municipalities will require significant support from the Province in order to find locally appropriate, innovative ways to make progress on their respective pledges.

The City requests that municipalities and the Provincial government work collaboratively to identify additional tools, resources and appropriate funding from the Province in light of the significant changes proposed in Bill 23 that substantially limit the ability of municipalities to generate revenue to support development and growth of complete communities.

Municipalities will also require the development industry do their part by building highquality housing that supports daily needs of current and future residents by building complete communities.

## **Options Considered**

N/A

#### **Financial Matters:**

Not applicable.

**Total Financial Impact** 

Not applicable.

#### **Source of Funding**

Not applicable.

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#### **Other Resource Impacts**

Not applicable.

## **Climate Implications**

The Region's Urban Structure focuses on growth within the existing Urban Areas of the Region of Halton. Through the identification of a hierarchy of Strategic Growth Areas across the Region, the Regional Urban Structure reinforces the City's Urban Structure and Growth Framework and generally the ability and desire to accommodate intensification and encourage and prioritize transit-supportive growth.

## **Engagement Matters:**

No engagement specific to the development of the housing pledge was undertaken. The commitments highlighted in the City's pledge are based on current committed work, policies and approaches.

#### **Conclusion:**

The City is committed to supporting the creation of more housing and more diverse housing options. While committed to working toward this very ambitious target it is important to acknowledge that many factors related to the creation of new units are beyond the control of the City.

Respectfully submitted,

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## **Appendices:**

- A. Municipal Housing Targets and Municipal Housing Pledge Letter and Info Sheet
- B. City of Burlington Housing Pledge

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# **Notifications:**

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# **Report Approval:**

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.