



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Bronwyn Parker, Director of Planning Policy
Jeff Markowiak, Director of Development Review

DATE: October 3, 2023

REPORT NO.: PD-2023-056

SUBJECT: Town of Halton Hills' Housing Pledge: 9,500 units by 2031

RECOMMENDATION:

THAT Report No. PD-2023-056, dated October 3, 2023, regarding the "Town of Halton Hills' Housing Pledge: 9,500 units by 2031", be received;

AND FURTHER THAT should the Mayor accept the 9,500 unit Housing Target, the Housing Pledge attached as Appendix 4 to this report be approved subject to minor revisions to the satisfaction of the Commissioner of Planning and Development;

AND FURTHER THAT the Minister of Municipal Affairs and Housing be advised of the short run challenges faced by the Town over the next two-three years in meeting the target on an annualized basis as a result of the timing for the delivery of lake based water and wastewater servicing to Georgetown and the on-going Vision Georgetown Ontario Land Tribunal appeals;

AND FURTHER THAT the Town's ability to access the Building Faster Fund over the three year program not be precluded as a result of these short run challenges in light of the overall commitment to the 9,500 Housing Target by 2031.

KEY POINTS:

The following are key points for consideration with respect to this report:

- The Province introduced Bill 23, *More Homes Built Faster Act, 2022*, to encourage the construction of 1.5 million new homes in Ontario by 2031 to help address the housing supply crisis.

- The Province's goal of building 1.5 million homes is to be achieved, in part, by assigning a housing target to municipalities across Ontario.
- On August 22, 2023, the Ministry of Municipal Affairs and Housing advised the Mayor in writing that the Town of Halton Hills' Housing Target is 9,500 homes to be constructed by 2031.
- The Minister's letter requests that the Mayor confirm the Town's commitment to meet the 9,500 homes target by responding in writing by October 15, 2023, and to also prepare and submit a Housing Pledge by December 15, 2023, outlining the actions the Town will take to achieve the 9,500 target; see Appendix 1 – Ministry's Housing Pledge Letters.
- Municipalities that support the housing pledge in writing by October 15, 2023, will have Strong Mayor powers extended to them and will also be able to access the \$1.2 billion Building Faster Fund, provided it can be demonstrated that the annual housing construction performance is on track to meet the 2031 target.
- An additional letter from the Ministry was received by the Mayor on September 15, 2023, regarding the Housing Affordability Task Force's 74 recommendations. A chart outlining each of these recommendations was appended to the letter. The letter (included as Appendix 2 to this report) requests that the Head of Council identify whether or not they support each recommendation, and further that the Mayor rank the top five Task Force recommendations that have been or could be the most useful in increasing housing supply in Halton Hills.
- Senior staff from each department have compiled a series of comments and responses to the 'Support/Oppose' questions as provided in the provincial chart, which is appended to this staff report as Appendix 3.

BACKGROUND AND DISCUSSION:

The Province of Ontario has committed to a goal of constructing 1.5 million new homes by 2031 to address the housing supply crisis. The *More Homes, Built Faster: Ontario's Housing Supply Action Plan 2022-2023* is the key driver behind the delivery of these housing units. The objectives of the Action Plan were to:

- Cut red tape to make it easier to build the right types of housing in the right places;
- Make housing more affordable; and,
- Help taxpayers keep more of their hard-earned dollars.

To achieve these objectives, on October 25, 2022, the Province introduced Bill 23, *More Homes Built Faster Act, 2022*, which made sweeping changes to numerous pieces of legislation, including the *Planning Act*, *Development Charges Act* and *Conservation Authorities Act*, with the intent of reducing process and financial barriers to the development industry supplying new homes.

In order to construct the 1.5 million homes, the Province also assigned minimum housing targets to municipalities across Ontario. On August 22, 2023, the Ministry of Municipal Affairs and Housing sent a letter to the Mayor assigning a housing target of

9,500 homes to Halton Hills, to be constructed by 2031 (see Appendix 1 – Ministry’s Housing Pledge Letters). The letter also requests that:

- The Mayor respond to the Ministry in writing by October 15, 2023, confirming the Town’s commitment to meet 9,500 homes target; and,
- The Town prepare and submit to the Ministry a Housing Pledge by December 15, 2023, that showcases the strategies and actions that it will take in order to achieve the above housing target.

Municipalities that support the housing pledge in writing by October 15, 2023, will have Strong Mayor powers extended to them. The Strong Mayor powers include the ability for the mayor to:

- Appoint and dismiss the Chief Administrative Officer as well as the various department and division heads (with the exception of certain positions such as the Town Clerk);
- Determine the administrative structure of the municipality;
- Propose housing-related bylaws and pass them with the support of one-third of Council;
- Override or veto Council approval of certain bylaws if the Mayor is of the opinion that the by-law interferes with a prescribed provincial priority;
- Establish or dissolve prescribed committees of Council, assign their functions and appoint the Chairs and Vice Chairs; and,
- Propose the municipality’s annual budget subject to Council amendments, a Mayoral veto, and a Council override process.

Additionally, municipalities that demonstrate that their annual housing construction performance (i.e. housing starts and completions) is on track to meet or exceed their assigned housing target will be able to access the newly established \$1.2 billion Building Faster Fund. The Fund is a three-year program (\$400 million each year), with funding anticipated to begin in 2024-2025 based on performance in 2023, to provide financial support for municipalities that can be directed toward housing-enabling infrastructure and related costs that support community growth. Each municipality’s potential share of the \$400 million will be based on their target’s share of the overall goal of the 1.5 million homes by 2031. If Halton Hills is on track to meet its 2031 target over the next 3 years, it is estimated that the Town would be eligible to receive \$2.4 million each year. Municipalities that achieve 80 percent or more of their annual target will be able to access the commensurate portion of their allocation.

Additional information pertaining to the Town’s assigned housing target and the requested Housing Pledge is set out below.

Town of Halton Hills Housing Target and Building Faster Fund

To meet the 9,500 homes Housing Target between 2023 to 2031, an average of 1,055 units would have to be constructed within the Town per year.

For context purposes, the highest number of housing completions in one year over the last two decades was 1,004 units in 2001. This was based on strong market demand, availability of servicing and the registration of a number of subdivisions located in Georgetown. Absorption rates have reduced substantially over the past ten years given constrained servicing and limited land supply in Acton and Georgetown. Between 2013 and 2022, the Town averaged 199 completions per year; the highest one-year total during that time was 295 completions in 2014.

Housing Completions			
Year	Halton Hills	Halton Region	Municipal Share
2013	224	3212	7.0%
2014	295	3619	8.2%
2015	172	2231	7.7%
2016	291	3409	8.5%
2017	208	4267	4.9%
2018	160	4492	3.6%
2019	164	3208	5.1%
2020	31	3338	0.9%
2021	163	3963	4.1%
2022	284	2115	13.4%

However, historic absorption rates from the past decade are not necessarily a good indicator of future performance in the Town. Housing starts and completions are expected to increase substantially once lake-based servicing becomes available and planned development commences in Vision Georgetown. Between the build out of Vision Georgetown and construction of active or anticipated infill development proposals, should they be approved, the Town could potentially reach the 9,500 unit Housing Target by 2031. However, the Town’s biggest obstacle to meet the 2031 deadline is that the Vision Georgetown lands are not “building permit ready” and there may not be sufficient infrastructure available to service all of the Vision Georgetown lands as well as the remaining greenfield sites. The Ontario Land Tribunal (OLT) appeals related to the Vision Georgetown Secondary Plan are expected to be resolved by the end of this year; however, the Zoning By-law Amendment and Draft Plan of Subdivision approval processes still remain to be completed. Following the issuance of draft plan approval, considerable work (e.g. detailed engineering, the preparation of pre-servicing and subdivision agreements) needs to be completed prior to the registration of individual subdivisions. As a result, staff does not anticipate permits to be issued and construction of housing units on these lands to commence until late 2025 at the earliest. This timeframe would also roughly coincide with the anticipated delivery of lake-based servicing which is critical to meet the 9,500 housing units target.

These challenges indicate that the Town will not be able to achieve the targets on an annualized basis over the next 3 years. As a result, this puts the municipality at a substantial disadvantage in being able to access the \$1.2 billion Building Faster Fund and potentially secure the \$2.4 million annual funding amount the Town could be eligible for. It is recommended that the Minister be advised of these challenges and that the Town remain eligible for funding assuming that the Mayor confirms the Town's commitment to the 9,500 unit Housing Target to 2031.

Housing Pledge

Delivery of housing starts and completions between 2023 and 2031 is dependent on a number of factors, many of which the Town does not control. These factors include delivery of infrastructure, mortgage rates, construction labour shortages, inflation, supply chain issues and a developer's understanding and competency with the development approval process. Ultimately, the decision to proceed with construction has to be made by the developer/builder; municipalities do not have control over the construction process.

Notwithstanding, staff have prepared a Housing Pledge that sets out Town led initiatives and actions taken so far, and those planned in the future, to help implement the 9,500 Housing Target, which include:

- Completion of Secondary Plans for key areas of growth, including the Vision Georgetown lands, Downtown Georgetown, the Georgetown GO Station area, Southeast Georgetown and the Stewarttown expansion lands;
- Undertaking the Official Plan Review;
- Subject to Capital Budget Approval, commencing the Guelph Street Corridor Planning Study in 2024;
- Subject to Capital Budget Approval, commencing the Acton Downtown Planning Study in 2025;
- Updating the Town's Additional Residential Unit policies in 2019, which will be updated further to align with Bill 23;
- Exploring the development of Town owned surplus lands;
- Developing a Housing Action Plan;
- Delegating authority to approve temporary use by-laws, minor zoning amendments, Holding removals and Site Plan approval to the Commissioner of Planning & Development in order to expedite the processes;
- Development processing updates to respond to Bill 109;
- On-going initiatives to digitize the development review process and develop a Growth Monitoring Model

A copy of the Housing Pledge is attached as Appendix 4 to this report.

The Housing Affordability Task Force's 74 Recommendations

As detailed in Report [ADMIN-2022-0018](#), in February 2022, the Ontario Housing Affordability Task Force released its final report with a series of recommendations which

could assist in increasing the supply of market housing, and to meet the ambitious goal of adding 1.5 million homes across the province by 2031. Report ADMIN-2022-0018 noted support in principle for the Task Force recommendations while expressing concerns with several of the recommendations especially those that appear to limit municipal autonomy and have financial implications for municipalities.

On September 15, 2023, the Mayor received a letter from the Minister of Municipal Affairs and Housing, asking for:

- The Mayor's position on all 74 Task Force recommendations.
- The top 5 priority recommendations that would be, or have been, the most useful in increasing housing supply within Halton Hills.

The letter was accompanied by a chart containing the comprehensive list of 74 Task Force recommendations, seeking a response from the Mayor with the completed chart by no later than October 16, 2023. Further, the letter explains that should the Mayor fail to return the completed chart by this date, the Town would be disqualified from eligibility for the \$1.2 billion Building Faster Fund.

To assist in review of the recommendations, a cross-departmental staff team led by Senior Management has responded to the 'Support/Oppose' questions and offered additional staff comments for many of the recommendations included within the chart. This annotated chart has been attached to this report as Appendix 3.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town's Strategic Plan.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

The Province did not provide sufficient time to consult with the public prior to any commitment being made to meeting the assigned housing target or preparing a Housing Pledge.

INTERNAL CONSULTATION:

Planning staff consulted with the Town Solicitor and the appropriate Town Departments in the preparation of this report.

FINANCIAL IMPLICATIONS:

The ability to access the Building Faster Fund is contingent upon the Mayor confirming in writing the Town's commitment to achieving the 9,500 Housing Unit Target to 2031 and providing a response on the 74 Housing Affordability Task Force recommendations. As previously noted, it is recommended that the Minister be advised of the Town's short term challenges in meeting the targets on an annualized basis and that the Town not be precluded an opportunity to access the Building Faster Fund.

Reviewed and approved by,

John Linhardt, Commissioner of Planning & Development

Chris Mills, Chief Administrative Officer