

Draft Housing Supply Strategy

Presented To:	City Council
Meeting Date:	January 16, 2024
Type:	Presentations
Prepared by:	Melissa Riou Planning Services
Recommended by:	General Manager of Growth and Infrastructure

Report Summary

This presentation and report provides a recommendation regarding the next steps of the draft Housing Supply Strategy.

Resolution

THAT the City of Greater Sudbury directs staff to initiate a second phase of consultation and prepare a final Housing Supply Strategy by the end of Q2, 2024, as outlined in the report entitled, “Draft Housing Supply Strategy”, from the General Manager of Growth and Infrastructure, presented at the City Council meeting on January 16, 2024

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

The Housing Supply Strategy aligns with Council’s Strategic Priorities including “Expand Affordable and Attainable Housing Options” and “Develop and Promote Solutions to Support Existing Housing Choices”. The Housing Supply Strategy will address the actions outlined in the Housing goal of the Strategic Plan, which reflect Council’s desire for all citizens, especially vulnerable populations, to have access to safe, affordable, attainable and suitable housing option in the City of Greater Sudbury.

The Housing Supply Strategy provides goals and objectives that support the creation of compact, complete communities, Goal 1 of the CEEP.

Financial Implications

There are no financial implications associated with this report at this time

Background

Having an appropriate, safe and affordable place to call home contributes to all aspects of individual health and well-being. It supports strong educational and economic achievement, encourages social inclusion and helps to reduce poverty. In 2016, Council directed the development of policy related to housing and health which resulted in the adoption of the Affordable Housing Strategy. Staff have been implementing the

strategy since that time, including the development of an Affordable Housing Community Improvement Plan in 2018.

In 2017, the Federal government announced Canada's 10-year National Housing Strategy (NHS). The National Housing Strategy is a 10-year, \$82+ billion plan to ensure people living in Canada have access to safe, affordable and inclusive housing. In 2023, following the release of the Report of the Ontario Housing Affordability Task Force, housing targets were assigned to large and fast-growing municipalities including a target of 3,800 new homes in Greater Sudbury by 2031.

On February 7, 2023 Council passed resolution 2023-36:

1. That staff develop a "Housing Supply Strategy" by the fourth quarter of 2023 that includes work which can be undertaken during this term of City Council and is incorporated into the actions of the 2019-2027 Strategic Plan;
2. *That, as part of the work to develop a Housing Supply Strategy, staff include the following:*
 - a. *An update on current initiatives to increase the supply of housing and, where appropriate, recommendations to enhance/change those initiatives to increase their effectiveness*
 - b. *An illustration of all of the key stakeholders and inputs involved in creating new housing, and an evaluation the city's role in addressing any gaps*
 - c. *Best urban planning practices, including outlining the necessary infrastructure that will be needed to support sustainable growth; and*
 - d. *Recommendations on how Greater Sudbury can help the province achieve its growth targets in the next decade by exploring policies that consider the following elements:*
 - i. *Accommodating additional growth and density across the city, including an assessment of existing infrastructure and its capacity to support greenfield development and/or infill;*
 - ii. *Studying the conversion of employment lands in support of new mixed-use residential communities*
 - iii. *Protecting existing and building more market and affordable rental, as well as rent to own models*
 - iv. *Ensuring the right mix of housing stock, including family-sized units in new multi residential builds*
 - v. *Incorporating Greater Sudbury's Community Energy and Emissions Plan goals, as appropriate*
 - vi. *Demonstrating diversity, equity and inclusion principles*
 - vii. *Reviewing Greater Sudbury's urban design guidelines, heritage standards, parking standards, parkland requirements and urban forestry policies to ensure they align with the priority of creating housing opportunities for a range of housing forms*
 - viii. *Working with post-secondary institutions to increase the availability of student housing*
 - ix. *A financing strategy that minimizes costs to existing taxpayers and considers financing tools readily available to municipalities such as area rating and user fees*
 - x. *A governance model to help the city implement this strategy, once finalized, that includes representation from key stakeholders*
 - e. *A framework that defines expectations for housing starts by land type and the key activities required to achieve the starts;*
 - f. *Performance reporting that, not less than quarterly, enables Council to assess progress using key metrics such as:*
 - i. *Inventory of serviced land*
 - ii. *Inventory of public land available for housing*
 - iii. *Units created*
 - iv. *Type of units created (ie B, 1,2,3BR)*
 - v. *Affordable units*
 - vi. *Assisted and Supportive units*
 - vii. *Cycle time on approvals*
 - viii. *Yield of units per hectare*

3. *That a copy of this resolution and the plan, once finalized, be sent to the Premier, Minister of Municipal Affairs and Housing, northern MPPs, AMO, OBCM, and the Greater Sudbury Construction Association.*

The draft Housing Supply Strategy (herein referred to as the HS Strategy) (see Appendix A) sets a path forward for achieving Greater Sudbury's housing target for the next 10 years and establishes a strategy to fill key gaps in the housing supply continuum. It builds upon the cumulative set of prior initiatives completed by the City of Greater Sudbury over the past 8 years (see Appendix B) and recommends a series of focus areas that further advance that work. It also recognizes that solving the housing crisis requires collaboration with a wide range of players, including Provincial and Federal Government, post-secondary institutions, the construction industry (builders and developers), service providers and non-profits.

City of Greater Sudbury's Role in the Housing Continuum

Housing in the City exists across a continuum that includes homelessness and emergency shelters and progresses through transitional and community housing to affordable rental and ownership and eventually to market rent and ownership. The City's role in this continuum varies considerably as well, from a housing provider at the lower end of the continuum to a regulatory and permitting function for market housing.

The City's ability to directly influence the creation of housing also diminishes as it moves away from being a provider and into the regulatory and permitting role. In this capacity the City is implementing Federal, Provincial and Municipal legislation and policy governing the development and the construction of housing.

Many elements of housing production are beyond the control of the City, including labour and material costs and availability, interest rates and other market factors that influence whether or not a development proceeds.

The Province influences the creation of housing by establishing the development framework through the Planning Act, Building Code Act and other legislation including the Conservation Authorities Act. Municipalities are required to implement provincial legislation and make decisions that are consistent with the applicable Codes and Acts. The Federal government currently funds/incentivizes affordable housing across the country through a variety of programs administered through the Canada Mortgage and Housing Corporation (CMHC). The Federal government also sets broad economic and other policy direction for the country that influences housing demand.

For-profit developers represent by far the greatest contributor to the housing continuum in terms of unit production. For their part, developers are responsible for understanding the financial obligations of projects and delivering them in a manner that ensures customer satisfaction, meets regulatory requirements and achieves rates of return. Developers have a role in ensuring that development applications and drawings are consistent with City and Provincial standards to ensure that applications are processed expeditiously.

The focus areas and action items of draft housing supply strategy address all parts of the continuum with the intention of increasing the supply housing in Greater Sudbury. The strategy is focused on areas where the City has the ability to influence outcomes while recognizing that the goal of creating new housing is dependent of a number of external partners.

Development of the Plan

Internal Collaboration

Many divisions in the City have workplans/areas of focus that connect with parts of the housing continuum in Greater Sudbury. The Housing Supply Strategy identifies these connections and action items within the relevant focus area. Planning Services has worked closely with internal partners from Community Development, including Housing Services and Housing Stability in the development of this strategy.

External Consultation

To seek feedback on the proposed content of the HS Strategy a survey was conducted through the Housing Supply Strategy Over To You webpage, as well as a community phone survey conducted by Oraclepoll. Consultations and workshops were conducted with the Housing First Steering Committee, as well as the

Sudbury Home Builders Association. These consultations were supplemented by one-on-one conversations with interested parties and email outreach to a wide range of agencies and organizations.

Themes for Consultation/What we Heard

Some of the major themes that emerged include:

- Support: service navigation, skills training, revamp Landlord Tenant Board, preserving tenancies, gaps in support
- Positive Promotion: education and outreach, addressing NIMBYism, partnerships
- Financial: funding, grants for first time home buyers, lowering property tax, fund renovation programs
- Protect Affordable Units: quality of private rentals, focus on middle-income not just low-income
- Centralized Information: related to the development process, incentives, programs and data
- Housing Type: options for seniors, indigenous housing, multi-generational housing
- Development: length of time for approvals, focus on smaller homes, parking requirements, use of vacant property, modular builds, clear guidelines for developers, climate change/energy efficiency

A second phase of consultation is planned for early 2024 to seek feedback on the draft HS Strategy before presenting the final HS Strategy to Council by the end of Q2, 2024. Ongoing consultation on housing issues in the City will developed through the Education and Outreach Strategy to be developed as per Focus Area #11 as well as the Focus Area #15 – Monitoring and Governance.

HSS Focus Areas

The Housing Supply Strategy recommends a series of 17 focus areas to realize the objectives and goals that City Council has previously adopted, as well as the additional actions identified in Council's resolution directing the development of a comprehensive Housing Supply Strategy.

Recommended Focus Areas	
1	Housing Access – Housing Stability. Focuses on ensuring that systems are in place in the homelessness, emergency shelter and transitional housing portions of the housing continuum.
2	Housing Access – Community Housing. Focuses on ensuring that housing options are available for households who require social or supportive housing.
3	As-of-Right Policy – Secondary Dwelling Units. Focuses on updating the current secondary dwelling unit policy framework first adopted in 2016 and amended in 2020) to allow for missing middle housing in the form of additional dwelling units.
4	As-of-Right Policy – Institutional Zoning. Focuses on updating the current policy framework to allow for additional residential uses within the Institutional Zone.
5	As-of-Right Policy – Mixed Use. Focuses on increasing the supply of housing through mixed use development with residential components in commercial zones.
6	Strategy – Nodes and Corridors. Focuses on achieving medium and high density uses at transit-supportive densities in compact, pedestrian friendly built forms along major corridors.

7	Strategy – Downtown Master Plan. Focuses on reinforcing the function of Downtown through mixed use and adaptive reuse of commercial buildings.
8	Strategy –Residential Land Strategy. Focuses on ensuring adequate availability of serviced lands and appropriate growth sequencing.
9	Incentive – Community Improvement Plans. Focuses on incentivizing the creation of additional residential dwelling units, both market and affordable.
10	Incentive – Land Banking. Focuses on the creation of affordable housing units through reviewing, preparing and accumulating properties that are determined to be suitable for the development of affordable housing in conjunction with the AHCIP.
11	Process Improvement – Streamlining. Focuses on process improvements to streamline the approval of residential dwellings, including those projects funded through the Province’s Streamline Development Approvals Fund.
12	Education and Outreach - Focuses on informing the public and development community of recent policy updates, initiatives that are underway and incentives available to support the creation of a range of housing options.
13	Strategic Alignment – Development Charges. Focuses on Incentivizing the development of housing through exemptions and reductions to development charges targeting certain forms of development and in strategic locations and prioritizing infrastructure investment.
14	Strategic Opportunities - Focuses on being prepared to pursue strategic partnerships and funding opportunities to achieve housing goals and targets.
15	Data and Targets - To provide performance reporting that enables Council to assess progress towards achieving housing targets.
16	Monitoring and Governance - Establishes a governance framework to monitor progress towards achieving the goals and objectives set out in each of the focus areas.
17	Strategic Collaboration. Actively engage and collaborate with post-secondary institutions, Provincial and Federal Governments, Industry and Labour to develop strategies to increase housing supply capacity and address coordination challenges and issues that are outside the municipal sphere of influence.

The HS Strategy provides a description of each Focus Area, its goals and required actions, as well as timing and anticipated impact on the housing supply. Some of the Focus Areas are anticipated to have an immediate impact on housing supply and creation of new units, while others will result in long-term impacts on housing supply (for example streamlining of the approvals process).

Supply, Targets and Gaps

The Province has established Greater Sudbury’s housing target at 3,800 new homes by 2031. Municipalities that reach 80% or more of their annual target each year will be eligible for funding from the Province’s Building Faster Fund. The [Provincial tracking](#) of municipal housing targets relies on housing data provided by the Canada Mortgage and Housing Corporation (CMHC), and currently shows CGS as being on 91% on

track. CMHC Starts only include dwelling units placed on new, permanent foundations and designed for non-transient, year-round occupancy. CHMC does not count new secondary units created within existing homes or conversions of commercial buildings that result in new residential units. The Province, however has indicated that Additional Residential Units (Secondary Dwelling Units) and other institutional housing (such as Long-Term Care beds), which wouldn't be counted under the CMHC methodology are to be included in the Provincial tracking at a future date.

Greater Sudbury has developed a Housing Target Progress Tracker on the [Development Dashboard](#) which tracks the number of new residential units for which the City has issued a building permit since January 1, 2022, including secondary units and building conversions that result in the creation of new units. Based on the City's comprehensive tracking methodology, as of the end of Q3, 2023 Greater Sudbury has issued permits for 774 new residential units and exceeds the annual targets established by the Province.

On December 5th, 2023, Council approved the Municipal Housing Pledge that identifies strategies and actions to achieve the Provincial Housing Target of 3,800 homes by 2031. The initiatives in the pledge align with those proposed in the federal Housing Accelerator Fund application report as well as the draft Housing Supply Strategy.

Appendix C provides a first report card on housing supply for the 2022 and 2023 calendar years, aligning with the start date for the Provincial housing target. Going forward, reports will be provided on a quarterly basis.

Conclusion and Next Steps

The final Housing Supply Strategy will be presented to Council by the end of Q2, 2024 and will incorporate feedback received through the Phase 2 Consultation. Implementation of the Actions outlined in the HS Strategy has already begun and will continue through 2024 and beyond.

The table below provides an outline of the Housing Supply Strategy project stages and anticipated timing.

Project Stage	Timeline
Phase 1 Consultation	June-September 2023 - complete
Series 1 - Background Reports <ul style="list-style-type: none"> Population Projections Report Supply and Demand Analysis Housing As-of-Right Zoning Review Best Practices and Municipal Strategy for Utilizing Surplus School Properties for Housing and Community Services 	July-October 2023 - complete
Draft Housing Supply Strategy to Council	December 2023 – January 2024
Phase 2 Consultation	Q1 2024
Series 2 – Implementation Reports	Q1-Q2 2024
Final Housing Supply Strategy to Council	Late Q2 2024
Implementation, Monitoring and Evaluation	Ongoing through 2031

Resources Cited

1. National Housing Strategy, CMHC website, <https://www.cmhc-schl.gc.ca/nhs>

2. Report of the Ontario Housing Affordability Task Force, Feb 8, 2022, <https://files.ontario.ca/mmah-housing-affordability-task-force-report-en-2022-02-07-v2.pdf>
3. “Streamline Development Approvals Fund”, report presented at the March 29, 2022 Finance and Administration Committee Meeting, <https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=43654>
4. “Request for the Development of a Housing Supply Strategy”, Motion presented at the February 7, 2023, Council meeting <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=45cb9903-efa8-4dbc-8754-c95b1dd1773c&Agenda=Agenda&lang=English&Item=50&Tab=attachments>
5. Housing Supply Strategy – Over To You Website, <https://overtoyou.greatersudbury.ca/housing-supply-strategy>
6. Secondary Dwelling Units Website, <https://www.greatersudbury.ca/live/building-and-renovating/secondary-dwelling-units/>
7. Resolution PL2022-11-A1, January 24, 2022, <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=43267>
8. Resolution PL2022-69, May 30, 2022, <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=45540>
9. Population Projections Report, July 10, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=1783ca04-403c-4309-9bb5-2a3ad87e1ce1&Agenda=Agenda&lang=English&Item=26&Tab=attachments>
10. Housing Supply and Demand Analysis, August 15, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=7560e0ec-ac6f-4e90-8d13-07fc3f5d8662&Agenda=Agenda&lang=English&Item=46&Tab=attachments>
11. CMHC Housing Accelerator Fund, August 15, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=7560e0ec-ac6f-4e90-8d13-07fc3f5d8662&Agenda=Agenda&lang=English&Item=43&Tab=attachments>
12. Housing As-of-Right Zoning Review, September 25, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=7a816988-b9e3-466b-a538-260a2b28003d&Agenda=Agenda&lang=English&Item=27&Tab=attachments>
13. Best Practices and Municipal Strategy for Utilizing Surplus School Properties for Housing and Community Services, September 25, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=7a816988-b9e3-466b-a538-260a2b28003d&Agenda=Agenda&lang=English&Item=25&Tab=attachments>
14. Greater Sudbury Housing Target, Building Faster Fund and Strong Mayor Powers, October 10, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=efe04389-f4e9-4466-84a1-a25d3f6fda2f&Agenda=Agenda&lang=English&Item=39&Tab=attachments>
15. Amendment No. 1 to the Strategic Core Areas Community Improvement Plan, December 4, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=630a091b-90bb-4b81-9257-4e3cdd6a4e0e&Agenda=Agenda&lang=English&Item=25&Tab=attachments>
16. Municipal Housing Pledge, December 5, 2023, <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=3a56ac39-a82f-4a67-8091->

[56e43a7868b9&Agenda=Agenda&lang=English&Item=39&Tab=attachments](#)