

City of Greater Sudbury Housing Supply Strategy

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Recommended by:	General Manager of Growth and Infrastructure

Report Summary

This report provides a recommendation regarding the City of Greater Sudbury Housing Supply Strategy and Implementation Plan.

Resolution

THAT the City of Greater Sudbury approves the Housing Supply Strategy and Implementation Plan, as outlined in the report entitled, “City of Greater Sudbury Housing Supply Strategy”, from the General Manager of Growth and Infrastructure, presented at the Council meeting on December 10, 2024;

AND THAT the City of Greater directs staff to develop a business case for the Residential Land Supply Strategy for consideration as part of the 2026 Budget process.

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

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. If the resolution is approved, a business case for the Residential Land Supply Strategy will be brought forward for consideration as part of the 2026 Budget process.

Background

On February 7, 2023 Council passed resolution 2023-36 directing staff to develop a Housing Supply Strategy. A draft Housing Supply Strategy was presented to Council on January 16, 2024 and through resolution CC2024-18 staff were directed to undertake a second round of consultation to receive feedback on the draft strategy prior to presenting the final strategy to Council for approval.

The 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. It builds upon the cumulative set of initiatives completed by the City of Greater Sudbury and recommends a series of focus areas reflect 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, non-profits, etc.

The Housing Supply Strategy recommends a series of 17 Focus Areas to realize the objectives and goals that City Council has adopted through relevant reports and analyses as well as the additional actions identified in Council's resolution directing the development of a comprehensive Housing Supply Strategy.

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 more systemic long-term impact on housing supply (for example streamlining of the approvals process).

Refinement of the Strategy

The HS Strategy was developed based on a review of best practices, internal collaboration amongst City divisions as well as external consultation through a range of platforms.

Several items have influenced amendments to the Housing Supply Strategy since the presentation of the draft in January 2024, including consultation on the draft HS Strategy; updates to the Supply and Demand Analysis; presentation of the 2024 Report of the Future-Ready Development Services Ad-Hoc Committee; adoption of the Roadmap to End Homelessness by 2030; and adoption of the new Development Charges By-law. Additional influences to the amendments, albeit to a lesser extent include: derelict buildings regulatory framework, community housing and renewal strategy update report, update to the Housing and Homelessness Plan, Short Term Rental Review, and Renovictions Report.

Updated Housing Supply & Demand Analysis

The Housing Supply and Demand Analysis presented in 2023 utilized population, household and employment projections to 2046 based on data available to the consultant at the time of writing the report. The updates to the report reflect populations projections to 2051. The updated projections predict a higher rate of growth than was previously anticipated. The previous report identified an immediate need for 470 additional rental units to achieve a healthy vacancy rate of 5% and an average of 66 additional rental units per year for the next 30 years to meet anticipated demand. The updated report identifies the need for an additional 113 rental units per year for the next 30 years (total of 3,400 additional rental units required). The gaps exist across all rental typologies (purpose-built rental, townhomes, privately leased homes, etc) and unit type (Bachelor, 1-bedroom, 2-bedroom and 3-bedroom).

Key Themes We Heard Through Additional Consultation

The Phase 2 Consultation Strategy consisted of a virtual information session, presentations to DLAC and the Housing First Steering Committee as well as an open comment survey on the Housing Supply Strategy Over To You page. Key themes included: a) ensuring alignment with CEEP goals, intensification, balancing protection of greenspace; b) rental protection/renoviction, vacant and derelict buildings; c) partnerships with/increasing number of developments by non-profits; d) providing/enabling the right supply: addressing the needs of indigenous, seniors and multi-generation households at all depth of affordability, e) land use planning standards: encouraging infill, mixed use development, parking requirements. Appendix E provides

a summary of key themes and comments on how the theme is addressed through the Housing Supply Strategy or other municipal initiatives.

Housing Related Future-Ready Committee Calls to Action

On November 27, 2024, staff presented the Accelerating Growth and development in Greater Sudbury - Call to Action Implementation to the Future-Ready Development Services Ad-Hoc Committee. Several calls to action are related to actions that have been identified as Focus Areas in the Housing Supply Strategy, e.g. continuing to offer incentives and coordinating infrastructure upgrades with housing. Appendix D to this report provides a description of the 13 housing-related Actions, which include their status, and timing for implementation.

Coordination with the Roadmap to End Homelessness by 2030

The Roadmap to End Homelessness by 2030 is organized into four strategic pillars which align with the definition of functional zero. The Roadmap to End Homelessness aligns in particular with Focus Areas 1 & 2 (Housing Access: Housing Stability and Community Housing) of the Housing Supply Strategy, through recommendations such as investing in deep core housing, rent-gear-to-income housing and supportive housing. The land banking strategy is also a key component of increasing housing supply and creating a more balanced affordable market within the City.

There is opportunity to collaborate on a number of recommendations of the Roadmap to End Homelessness and the Housing Supply Strategy. Specifically, both strategies recommend a communications strategy and an advocacy strategy. Additionally, collaboration between Community Services and Planning Services and other city departments, will continue with respect to strengthening partnerships with non-profits and other community organizations.

How We're Doing So Far

There are two monitoring components to the Plan: 1) our progress towards implementing the action items identified in the strategy and 2) Key Performance Indicators (KPIs) to measure the impact on our housing supply.

Implementation Update

The following are highlights of progress made towards implementation of the Housing Supply Strategy. Appendix B provides a more detailed description of the progress made within each Focus Area.

Focus Area 13 - Development Charges. On July 1, 2024, By-law 2024-105 came into effect and implemented several housing related DC exemptions and reductions, in addition to those that were available through the previous Development Charge By-law. Additionally, Council passed resolution CC2024-116 that includes a 3-year development charge moratorium on missing middle homes, including duplexes, triplexes, row and townhouses, and small multi-unit apartments of 30 units or less.

Focus Area 9 – Incentive – Community Improvement Plans. On January 16, 2024, Council approved By-laws 2024-09 and 2024-10 which amended the Strategic Core Areas CIP to introduce a corridor TIEG program. Development between 30 dwelling units up to 100 dwelling units would be eligible for a 5-year TIEG (100% of the tax increment in years 1-3 and 50% of the increment in years 4 & 5). Developments greater than 100 units would be eligible for a 10-year TIEG (100% of the tax increment in years 1 through 5, 50% of the tax increment and years 6 through 10). This program is to remain in effect until December 31, 2028.

On October 16, 2024 Council approved Community Improvement Plan applications for 7 Pine Street to construct a new 3-storey, 18-unit multi-residential building and for redevelopment of the Scotia Tower at 30 Cedar Street to create 83 new residential units.

Focus Area 3 – As-of-Right Policy – Secondary Dwelling Units. On October 22nd, 2024, Council approved By-laws 2024-178P and 2024-179Z to enact Official Plan and Zoning By-law amendments to implement additional provisions to further facilitate the creation of Secondary Dwelling Units by allowing up to

3 dwelling units within the main building as well as amendments to provisions for units within accessory buildings. Further, these amendments updated the terminology used to “Additional Dwelling Unit” to reflect more current terminology for these types of units.

Focus Area 4 – As-of-Right Policy – Institutional Zoning. On November 25, 2024, a report was presented to Planning Committee with policy options for the implementation of Housing As-of-Right Policy on Institutionally zoned property. It is anticipated that the public hearing for the proposed amendments will be held in Q2, 2025.

Focus Area 6 – Strategy - Nodes and Corridors. Phase 2 of the Nodes and Corridors Strategy was adopted on August 13, 2024, through Official Plan Amendment 119 (By-law 138P). The amendment will enable higher densities along the City’s main arterials with the intention of capitalizing on existing hard infrastructure (roads, pipes, etc) and soft infrastructure (transit, snow removal, recreation, fire protection). The amendment also enables a land use patterns that supports energy conservation and efficiency, an improved air quality, and reduced greenhouse gas emissions. Part of the vision of the nodes and corridors strategy is to help enable (i.e., not require) environments conducive to walking, biking, and public transit use.

Focus Area 10 – Incentive – Land Banking. On May 27, 2024, an update on Phase 2 of the Land Banking Strategy was presented to Council. Through this report Council directed staff to initiate the Planning Act process to rezone 2 City-owned properties at Bancroft and First Avenue in Sudbury and the northerly portion of the Lionel E Lalonde Centre site in Azilda to a medium density residential zone and to initiate the process of declaring the properties surplus to be added to the City’s Affordable Housing Land Bank.

Focus Area 14 – Strategic Opportunities. The City of Greater Sudbury was successful in our application to the Province’s Housing-Enabling Water Systems and received \$34.9 million for upgrades to the Lively-Walden wastewater system that will enable the construction of 3,300 new homes.

Key Performance Indicators: Supply, Targets and Gaps

A Housing Supply Report Card will be presented to Council on a quarterly basis to provide updates on new residential units created via the issuance of building permit, residential land supply, indicators of affordability (vacancy rate, affordable rents and purchase price), and highlights of housing related actions that are in progress or have been completed.

The indicators reported on provide insight on the impact that the implementation of action items outlined in the Housing Supply Strategy are having on supply and affordability. Other factors outside the municipal sphere of influence also impact housing creation, including: changing legislative environment, shortage of skilled trades, cost of materials, current interest rates, etc.

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. In 2024 Greater Sudbury received \$1.52 million for exceeding the 2023 target established by the Province.

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 September, 2024 Greater Sudbury has issued permits for 883 new residential units and exceeds the annual targets established by the Province.

Conclusion and Next Steps

The final Housing Supply Strategy incorporates feedback received through the Phase 2 Consultation, incorporates aligning recommendations from the Roadmap to End Homelessness by 2030, updates recommendations that align with the Housing and Homelessness Plan and reflects actions that have been undertaken since the draft Housing Supply Strategy was presented in January 2024. Implementation of the Actions outlined in the HS Strategy has already begun and will continue through 2024 and beyond. Quarterly

report cards will be presented to Council providing status updates on key indicators related to housing supply and progress made towards implementation of Actions outlined in the Strategy. Appendix B provides an implementation plan and progress tracking.

Most action items will be undertaken using existing resources and within 2025 and 2026 workplans. Action item 8.1, Residential Land Strategy, will require additional resources as outlined below.

Housing Needs Assessment to be Updated

Housing Needs Assessments are a core component of the delivery of federal infrastructure programming. Municipalities with populations greater than 30,000 are required to post their Housing Needs Assessment (HNA) online by March 31, 2025. The newly released template guidelines strongly recommend municipalities update their HNA to reflect recent census estimates. Greater Sudbury's Housing Needs Assessment (Supply and Demand Analysis) was undertaken using 2021 Census data, which anticipated a 2023 population of 172,770 under the high growth scenario. Statistics Canada's recent population estimate for Greater Sudbury was 179,831. The updated HNA would reflect the estimated increase in population across the housing continuum and would likely increase our housing needs across the community by 3 - 4%.

In addition to providing updated needs and housing supply gap analysis, the updated HNA will also form the basis for the Residential Land Supply Strategy. The new figures are not anticipated to effect our 10-year Provincial Housing Target of 3800 new units by 2031.

Federal Funding

Last month, Housing, Infrastructure and Communities Canada (HICC) released new federal guidance materials requiring that municipalities use a defined template and methodology and publicly post HNAs by March 31, 2025. This will be a prerequisite for any federal funding applications including the CHIF funding. The guidance material highly suggests the use of the new Census Estimates as the basis for updated HNAs and given the estimated increase in population growth this would align with and support other housing-related funding applications where the City is required to demonstrate anticipated minimum growth rates (e.g. HAF).

Residential Land Supply Strategy

Like the recently completed Employment Land Strategy, the goal of the Residential Land Strategy is to align the supply of zoned and designated residential land with required servicing. The Residential Land Strategy will create an overarching plan for the phasing of infrastructure investments to provide water and wastewater servicing capacity for residentially designated lands, including those with existing planning approvals. The Strategy will identify constraints and barriers to housing development, analyze opportunities and limitations to development of the existing designated supply and focus on the sustainable and efficient use of land in alignment with the City's climate action plans (CEEP and CCCAP). The proposed timing for development of the Strategy will align with the completion of the update to the Water Wastewater Master Plan and the updated Housing Needs Assessment.

It is recommended that a Business Case be prepared for consideration as part of the 2026 budget process.

List of Appendices:

- A. Final Housing Supply Strategy
- B. HSS implementation Plan and Progress Tracking
- C. Housing Supply Quarterly Report Card
- D. Housing Related Future-Ready Calls to Action
- E. Key Phase 2 Consultation Themes

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>
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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>
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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>
17. Renovictions motion: February 27, 2024 <https://pub->

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18. [Derelict Buildings Regulatory Framework, March 19, 2024](https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=515dfba7-c8aa-449c-9d59-b372d8ffac70&Agenda=Agenda&lang=English) <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=515dfba7-c8aa-449c-9d59-b372d8ffac70&Agenda=Agenda&lang=English>
19. [Housing-Enabling Water Systems Fund, March 26, 2024](https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=e8989907-df9e-4e7f-8510-4d8b7b0a81cf&Agenda=Agenda&lang=English&Item=29&Tab=attachments) <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=e8989907-df9e-4e7f-8510-4d8b7b0a81cf&Agenda=Agenda&lang=English&Item=29&Tab=attachments>
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23. [Roadmap to End Homelessness by 2030, May 28, 2024,](https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=53543) <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=53543>
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