



# Strategic Direction Options:

## Town of Collingwood Public Engagement Meeting #2

### Affordable Housing Master Plan

August 15, 2023

# Agenda

- Overview of the Project
- Housing Needs Assessment Refresher
- Why Affordable Housing is Important
- Strategic Direction Options Review
- Q&A



# Overview of the Project

## PHASE 1 – Housing Needs Assessment

- HNA including supply, demand and gaps analysis
- Public engagement / stakeholder consultations #1

## PHASE 2 – Strategic Direction Options

- Why are there housing gaps?
- What options/strategies are most appropriate for Collingwood?
- Public engagement/stakeholder consultation #2

← **We are here**

## PHASE 3 – Action & Implementation Plan

- How do we implement the identified options for Collingwood?
- Recommendations for near, mid and long-term implementation tools/partnership approaches

## PHASE 4 – Final Affordable Housing Master Plan

- Distilling the above phases into a final Master Plan report
- Presentations to Staff/Council

# Housing Needs Assessment (HNA)

- The HNA revealed, using data, how significant the housing affordability issues are in Collingwood today
- While housing needs undoubtedly span the spectrum of incomes and housing types in Collingwood, the AHMP is primarily focused on housing for moderate-income households, defined as the being in the 4<sup>th</sup> to 6<sup>th</sup> income deciles
- Simcoe County is the service manager and responsible for social housing (e.g. for low-income households)

Ownership Housing Affordability Gap Analysis, Town of Collingwood										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$102,233	\$151,126	\$197,057	\$248,173	\$303,734	\$366,704	\$437,081	\$542,713	\$728,864
Housing Type	Avg. Purchase Price									
NEW SALE										
Single-Detached	\$1,000,000									
Semi-Detached	\$705,000									
Townhouse	\$725,000									
Condominium Apartment	\$720,000									
RESALE										
Single/Semi-Detached	\$1,085,000									
Townhouse	\$820,000									
Condominium Apartment	\$640,000									
Rental Housing Affordability Gap Analysis, Town of Collingwood										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$563	\$734	\$972	\$1,193	\$1,425	\$1,701	\$2,016	\$2,457	\$3,231
Housing Type	Average Rental Rate									
Purpose-Built Rental Market										
New Purpose-Built Rental Apartment	\$2,125									
Old Purpose-Built Rental Apartment	\$1,935									
Secondary Rental Market										
Privately Leased Single/Semi-Detached	\$2,950									
Privately Leased Townhouse	\$2,700									
Privately Leased Condominium Apartment	\$2,300									
Privately Leased Basement Apartment	\$1,725									
Community Housing Affordability Gap Analysis, Town of Collingwood										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$563	\$734	\$972	\$1,193	\$1,425	\$1,701	\$2,016	\$2,457	\$3,231
% CMHC Average Market Rent	Average Rental Rate									
100% AMR	\$1,235									
80% AMR	\$988									
60% AMR (Low-End of Market)	\$741									

Note: Affordability threshold is determined based on 30% of gross household income going towards housing costs. Average prices are based on a survey of available units or recent transactions. These prices are point in time and can change based on a variety of economic and market factors.

Source: N. Barry Lyon Consultants Limited, Altus Data Studio, Canada Mortgage and Housing Corporation, Simcoe County Realtor

# Why Invest in Affordable Housing?

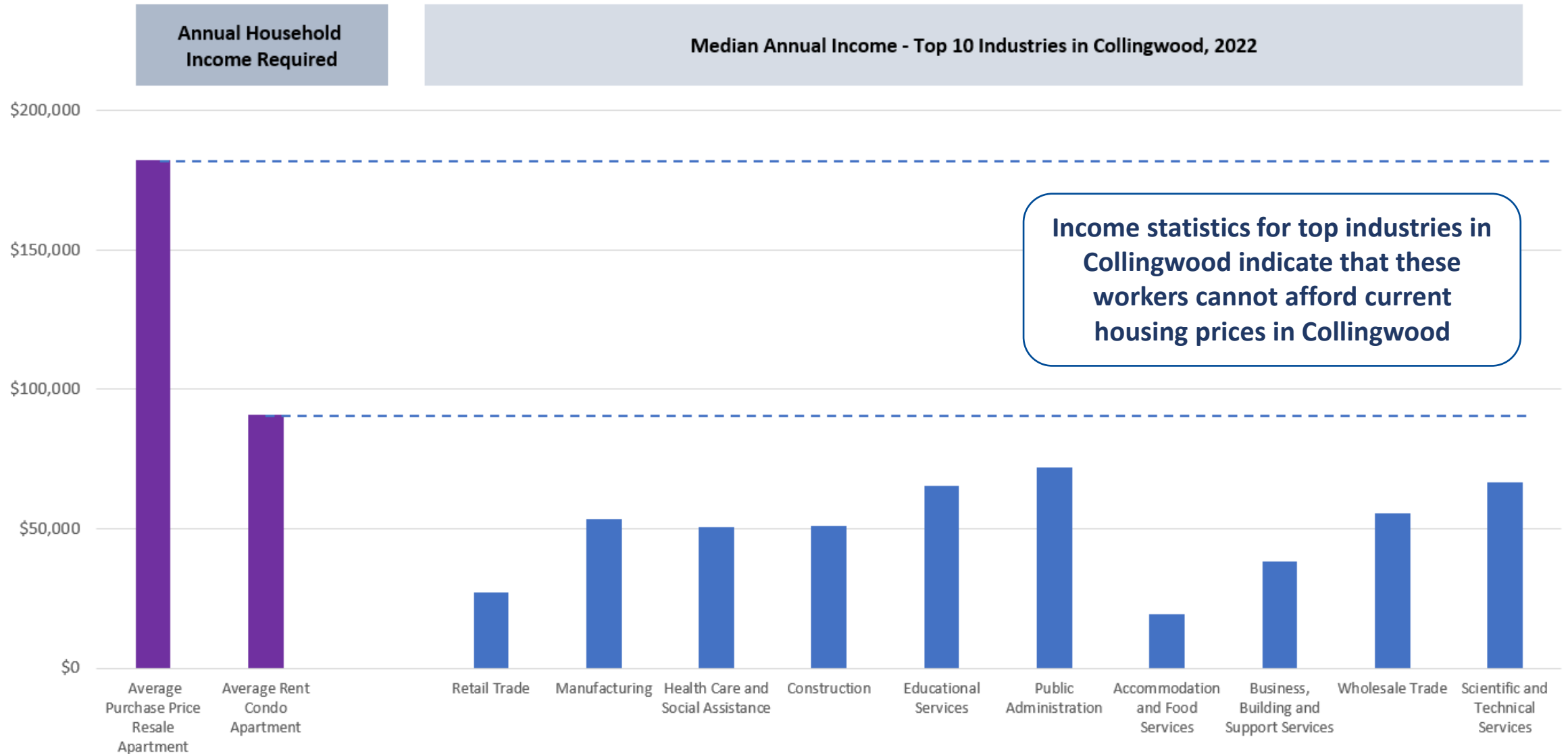
## Significant Social Impacts

- Impacts ability to spend on necessities like food, transportation, education
- Some households living in unsuitable/inadequate conditions
- Impacts to physical health
- Impacts to mental health
- Relationship impacts
- Lack of stability

## It is an *Economic Development* Issue!

- Impacts employee recruitment
  - Service jobs, nurses, teachers, and other jobs that are integral in every community
- Productivity and employee retention is reduced
- Commute times are lengthened (+ increased transportation costs)
- Less local spending on goods and services

# Why Invest in Affordable Housing?







# Strategic Direction Options



# Strategic Directions Overview

- At the simplest level, affordability issues are caused by an imbalance of supply and demand – but broader supply is also needed
- While municipalities have levers available that can meaningfully impact affordability, their revenue tools and overall capital budgeting is limited
- Four critical levers for Collingwood to consider as part of AHMP:
  - ***Policy and Process Reform***
  - ***Development Incentives***
  - ***Leadership***
  - ***Advocacy***
- Adequate program budget will be critical – need a more significant investment than what has occurred to date
- Further work required on costing, available funding, priorities related to groups served, tenures, governance, and other key factors



# Strategic Directions

- Preliminary list of options includes 42 items, separated into 4 categories
- Expect the list to evolve into the Fall after further feedback and refinement
- All options scored using high-level estimates for impact (1 to 5), cost (\$ to \$\$\$), and timeline (immediate to long-term)
- Collingwood may not be able to do all of these but should be able to do most of them

Preliminary Strategic Direction Options Town of Collingwood Affordable Housing Master Plan			
	Impact (1 to 5)	Cost (\$ to \$\$\$)	Timeline (Immediate to Long-Term)
<b>1. Reform Local Planning Policies and Internal Processes to Increase Housing Supply</b>			
Undertake a Comprehensive Review of the Town's Zoning By-Law	5	\$	Medium
Simplify the Zoning By-Law	4	\$	Medium
Work Towards a Decision Faster (Shorten Approvals Timelines)	4	\$	Medium
Fast-Track Priority Developments	4	\$	Near
Explore the Potential for Density Bonusing for Priority Projects	3	\$	Medium
Explore the Use of CIHA's and/or MZO's for Priority Projects, Where Appropriate	3	\$	Near
Create Simple Pre-Approved 'Off-the-Shelf' Building Designs	3	\$	Near
<b>2. Offer Incentives and Direct Subsidies to Reduce the Cost of Priority Developments</b>			
Offer Development Incentives for Targeted Projects Through a CIP and/or MCFB	5	\$\$\$	Medium
Prioritize Housing Outcomes on Public Land	5	\$	Medium
Consider Guaranteeing or Offering Low or No-Interest Loans to Help Advance Affordable Housing Development	4	\$\$/\$\$\$	Near
Consider a Property Tax Increase Targeted Specifically at Funding Affordable Housing	4	\$	Near
Consider How Changes to Property Taxes Could Benefit New Rental Development	4	\$	Medium
Invest Budget Surpluses into Desired Housing Outcomes	4	\$\$/\$\$\$	Near
Expand Rapid ADU Program to Include More Options	2	\$	Near
Explore Alternative Revenue Tools	2	\$	Medium
Explore Whether Rent Supplements Could be a Near-Term Measure to Support Renter Households	2	\$	Near
Avoid Demand-Side Incentives, Where Possible	2	\$	Immediate
<b>3. Take a Leadership Role in the Delivery of Housing</b>			
Create a Concierge Program to Connect Parties Who are Interested in Partnering to Deliver New Housing	4	\$	Near
Shift the Public Discourse Around Growth, Density, and Affordable Housing Through a Public Education Campaign	3	\$	Immediate
Push Back Against Local NIMBYism	3	\$	Immediate
Declare Housing as a Human Right	2	\$	Immediate
Pursue Economies of Scale by Partnering with Other Municipalities	5	\$\$/\$\$	Medium
Treat the Private and Non-Profit Sectors as Partners	3	\$	Immediate
Leverage Knowledge and Experience of Private and Non-Profit Sectors	4	\$	Near
Enact a Rental Replacement By-law in Order to Preserve Existing Rental Stock	3	\$	Near
Take Advantage of Federal, Provincial, and County Funding Programs	3	\$\$/\$\$	Near
Connect Housing Providers to Funding Programs That Could Encourage Affordability in New Developments	3	\$	Near
Be Encouraging of Non-Traditional Construction Techniques	3	\$	Immediate
Enable Opportunities for Non-Traditional Housing Types	2	\$	Immediate
Support Housing Providers Proposing Non-Traditional Funding Models, Where Possible	2	\$	Immediate
Ensure the Town of Collingwood has Robust Data Collection to Support Good Decision-Making	3	\$	Near
Require Housing Above or in Conjunction with New Public / Community Facilities	2	\$\$/\$\$\$	Long
<b>4. Advocate to Other Levels of Government – This Issue Cannot be Solved Without Them!</b>			
Advocate for the Elimination or Deferral of HST on New Purpose-Built Rental Developments	5	\$	Long
Advocate for More Revenue Tools to Reduce the Burden on the Tax Base	5	\$	Medium/Long
Advocate for the County to Participate in any Local Incentive Programs	4	\$	Medium
Advocate for a 'Fair Share' of Affordable Housing Funding from the County	4	\$	Medium
Advocate to CMHC for More Streamlined Access to Funding and Financing Programs	4	\$	Long
Ask the Province to Define Attainable Housing and Incentivize It	3	\$	Near/Medium
Advocate for Increased Labour Supply for New Development	4	\$	Long
Request Targeted Funding Where it is Not Currently Available	5	\$	Medium / Long
Advocate for More Progressive Property Taxation Options	2	\$\$	Long
Leverage the Collective Power of Municipalities in Advocacy	3	\$	Long

# #1: Planning Policy and Process Reform

- Primary goal of policy and process reform is to increase housing supply
- Goal is to create a more permissive planning environment and streamline the development process
- Strategic options within this category, include:
  - ***Undertake a Comprehensive Review of the Town's Zoning By-Law***
  - Simplify the Zoning By-Law
  - Work Towards a Decision Faster
  - Fast-Track Priority Developments
  - Explore the Potential for Density Bonusing for Priority Projects
  - Explore the Use of CIHA's and/or MZO's for Priority Projects, Where Appropriate
  - Create Simple Pre-Approved 'Off-the-Shelf' Building Designs

# *Undertake a Comprehensive Review of the Town's Zoning By-Law*

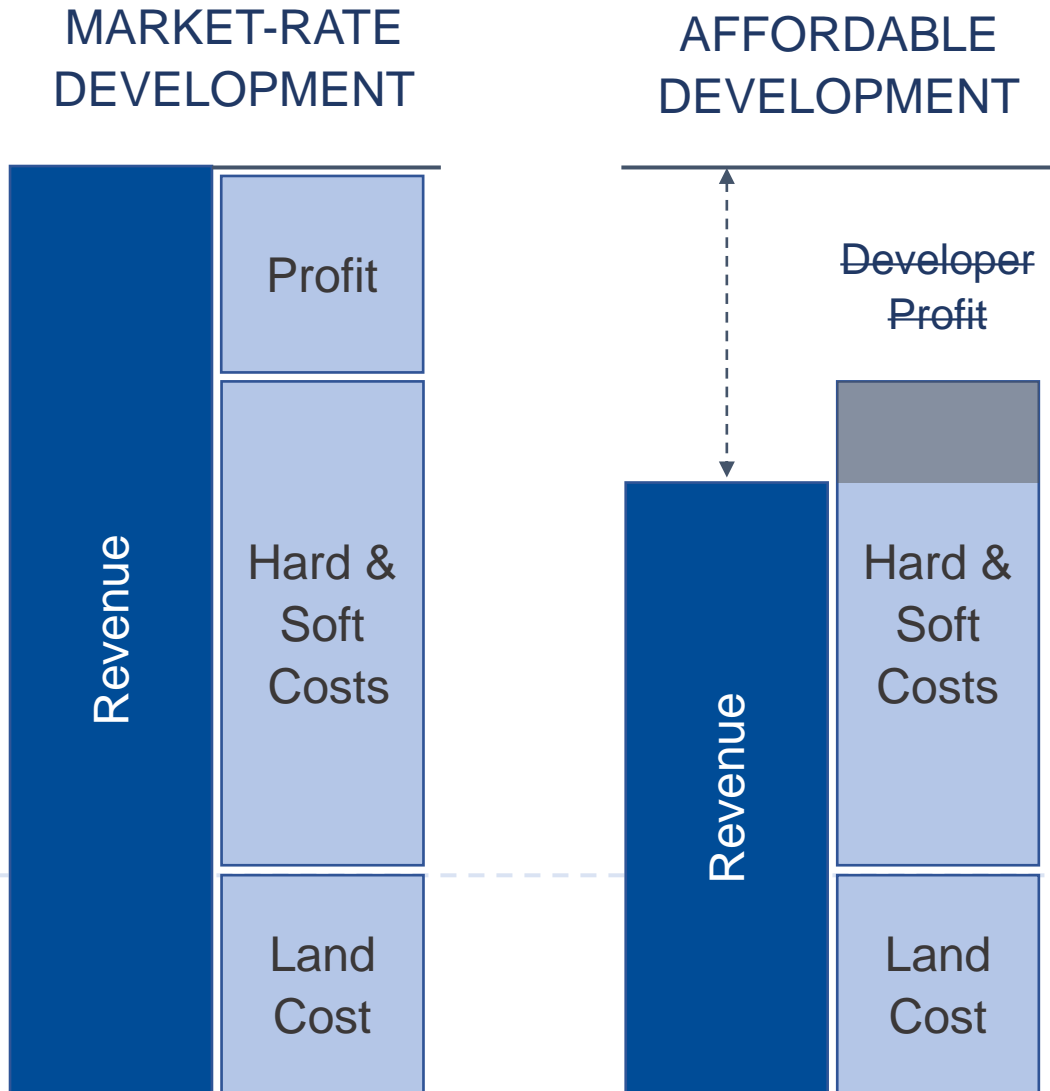
- Review of the existing Zoning By-law is expected to begin in 2024
- NBLC recommendations for review:
  - Upzone along arterial roads
  - Eliminate single-family-only zoning
  - Allow more density in neighbourhoods
  - Allow residential uses in designated commercial zones
  - Eliminate minimum parking requirements for mid/high-density projects
- The Town should also aim to simplify the Zoning By-law with focus on improving clarity and predictability, as well as reducing/eliminating the need for costly zoning amendments and minor variances.
- OP policies should be updated to reflect these changes, where needed



# #2: Offer Development Incentives

- There is no business case for the private sector to build affordable housing on their own
- Incentives help to offset costs of development for projects that are otherwise unfeasible
- Consideration should be given to using incentives not just for affordable housing, but also market-rate rental housing given shortage in Collingwood and limited new investment
- Strategic options within this category, include:
  - ***Offer Development Incentives Through a CIP or MCFB***
  - ***Prioritize Housing Outcomes on Public Land***
  - Consider Guaranteeing or Offering Low/No-Interest Loans
  - ***Consider a Property Tax Increase Targeted Specifically at Funding Affordable Housing***
  - ***Consider How Changes to Property Taxes Could Benefit New Rental Development***
  - Invest Budget Surpluses into Desired Housing Outcomes
  - Expand Rapid ADU Program to Include More Options
  - Explore Alternative Revenue Tools
  - Explore Rent Supplements as a Near-Term Measure to Support Renter Households
  - Avoid Demand-Side Incentives

# The Need for Development Incentives



- The figure to the left illustrates why incentives are needed for affordable housing development
- Costs remain the same as in a market-rate development, but revenues are significantly reduced
- Development incentives are used to help offset this difference to ensure that projects are feasible at lower, more affordable revenue levels
- Even non-profits will require incentives to advance a project

*If an affordable housing developer acquires land in a free market, it will need to compete with market housing developers.*

# ***Prioritize Housing Outcomes on Public Land***

- Like incentives, no- or low-cost land is powerful way to subsidize affordable housing development
- Town of Collingwood should use Town-owned land to advance affordable housing objectives
- Undertake RFP process for any property deemed suitable – would allow for-profit and non-profit housing providers to compete based on set criteria
- Recommendations for Town-owned property:
  - Maximize density on the property
  - Maximize number of affordable housing units delivered
  - Set clear expectations for depth / length of affordability
  - Prioritize rental over ownership
  - Offer the property without cost or at below market value
  - Be open to alternative construction/design techniques that reduce costs, deliver more housing quicker
  - Identify partners to develop and operate affordable housing
- NBLC does not recommend that the Town of Collingwood retain ownership and operation of new affordable housing developments, as this can be more efficiently and effectively provided by community-based organizations, private entities, or the County as service manager



# Let's Talk Property Taxes!

- Municipalities have limited options for raising revenues – property taxes are the primary revenue generator
- Recommend exploring a modest tax increase to fund affordable housing priorities. A modest increase can have a significant impact on funding for new priorities!

*Example: There were 13,200 dwelling units in Collingwood in 2021. Average increase of \$100 per unit – or \$8.33 per month – would raise \$1,320,000 annually, nearly 4x what was collected for affordable housing annually in Collingwood in 2022 and 2023*

- Other changes to property taxes could also be beneficial, including reduced or waived property tax for new affordable and/or market-rate rental housing
- We also recommend that Collingwood explore how other available revenue tools (ridesharing fees, accommodation tax, higher licensing fees, etc) could reduce burden on tax base and recommend advocating for a wider range of revenue tools

# #3: Leadership Role in Delivery of Housing

- The Town should take a leadership role in the delivery of new housing
- These items are not as impactful as planning reform and development incentives but are still important to consider
- Strategic options within this category include:
  - **Create a Concierge Program to Connect Parties Who are Interested in Partnering to Deliver New Housing**
  - **Shift the Public Discourse Around Growth, Density, and Affordable Housing Through a Public Education Campaign**
  - **Push Back Against Local NIMBYism**
  - Declare Housing as a Human Right
  - Pursue Economies of Scale by Partnering with Other Municipalities
  - Treat the Private and Non-Profit Sectors as Partners
  - Leverage Knowledge and Experience of Private and Non-Profit Sectors
  - Enact a Rental Replacement By-law in Order to Preserve Existing Rental Stock
  - Take Advantage of Federal, Provincial, and County Funding Programs
  - Connect Housing Providers to Funding Programs That Could Encourage Affordability in New Developments
  - Be Encouraging of Non-Traditional Construction Techniques
  - Enable Opportunities for Non-Traditional Housing Types
  - Support Housing Providers Proposing Non-Traditional Funding Models, Where Possible
  - Ensure the Town of Collingwood has Robust Data Collection to Support Good Decision-Making
  - Require Housing Above or in Conjunction with New Public / Community Facilities

# Create a Concierge Program

- Town of Collingwood should create a ‘**concierge**’ program whereby interested parties (e.g. those with equity/capital, landowners, developers, or others) that otherwise may not cross paths, can be connected to help deliver more housing – both affordable and market-rate
- The concierge program could also:
  - Connect potential affordable housing providers to other public funding sources
  - Inform housing providers about relevant incentives offered by ToC (and/or County)
  - Help housing providers navigate Town Hall and the development process more efficiently
- Existing Housing Coordinator partially fills this mandate, though administration of a wider or more coordinated program may require a dedicated staff member
- Consideration should also be given to connecting with other municipalities in South Georgian Bay or Simcoe County to expand the program more widely and increase its effectiveness



# *Shift Public Discourse / Push Back Against NIMBYism*

- Collingwood is in need of a **paradigm shift** in terms of how new development, intensification, and affordable housing is viewed
- Council and staff can start this shift by undertaking a public education campaign focused on getting more housing built. This could include:
  - Advertising across different mediums
  - Information on who new housing will benefit
  - How new housing development benefits the Town and all residents
  - Policy changes to support more affordable and market-rate residential development
  - Dispelling myths associated with new development
  - Supply and demand economics and impact on younger residents
- This public education campaign should also be used to push back against loud ‘NIMBY’ (‘not-in-my-backyard’) voices in Collingwood who generally oppose new housing
- While these ‘NIMBY’ residents are undoubtedly passionate about the community, their opposition has direct impacts on affordability by delaying new development and reducing housing supply

# #4: Advocate to Other Levels of Government

- Collingwood can only do so much on its own – resources are limited
- More active participation from the Provincial and Federal governments will be required
- Collingwood should advocate for more help – however, advocacy alone is not enough!
- Strategic options within this category include:
  - Advocate for the Elimination or Deferral of HST on New Purpose-Built Rental Developments
  - Advocate for More Revenue Tools to Reduce the Burden on the Tax Base
  - Advocate for the County to Participate in any Local Incentive Programs
  - Advocate for a 'Fair Share' of Affordable Housing Funding from the County
  - Advocate to CMHC for More Streamlined Access to Funding and Financing Programs
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  - Advocate for Increased Labour Supply for New Development
  - Request Targeted Funding Where it is Not Currently Available
  - Advocate for More Progressive Property Taxation Options
  - Leverage the Collective Power of Municipalities in Advocacy



# Next Steps





# Next Steps

1. Housing Needs Assessment 
  - Public and Focused Stakeholder Consultations 
2. Phase 2: Strategic Direction Options 
  - Develop options for expanding affordable housing 
  - Public engagement session / stakeholder consultation #2  **We are here**
3. Phase 3: Action / Implementation Plan (Fall 2023)
  - Prioritized and costed recommended actions & implementation tools
4. Phase 4: Affordable Housing Master Plan (Fall 2023)
  - Draft / Final Reports
  - Staff / Council Presentations
  - Council Direction and Budget Considerations



# Q & A

