



City of North Bay Report to Council

Report No: CSBU-2023-062

Date: September 20, 2023

Originator: Ian Kilgour, Director, Community Services

Business Unit:

Department:

Community Services

Community Development and Growth

Subject: Provincial Housing Target

Closed Session: yes no

Recommendation

That Council:

1. adopt the housing target of 1000 new residential units by 2031 as set out in the letter "Municipal Housing Pledges and Targets, Strong Mayor Powers and Building Faster Fund" from the Province of Ontario dated August 22, 2023;
2. authorize staff to prepare a Housing Pledge for the consideration of Council before December 15, 2023;
3. authorize the City Clerk to forward a copy of this resolution to the Minister of Municipal Affairs and Housing; and
4. authorize the City Clerk to forward a copy of the completed "List of 74 Housing Affordability Task Force (HATF) Recommendations for Response" chart to the Minister of Municipal Affairs and Housing prior to October 16, 2023.

Background

Housing Target

On August 21, 2023, the Ontario government assigned housing targets to 21 additional municipalities, including North Bay, as part of their overall plan to build at least 1.5 million homes by 2031. As part of this announcement, there is a three-year, \$1.2 billion dollar funding, representing \$400 million per year to municipalities that have committed in writing to achieve their housing target.

Municipalities which have accepted the assigned housing target would be funded based on their percentage of the housing target. Performance will be evaluated by comparing the municipality's number of housing starts and additional residential units created in a given calendar year against the annual target.

North Bay has been assigned a housing target of 1000 new residential units by 2031. The 1000 housing units represent 0.067% of the total provincial housing target of 1.5 million homes which equates to 100 new housing units per year until 2031. Based on this percentage, the City would be eligible for 0.067% of the \$1.2 billion fund which is \$800,000.

The timeframe to achieve assigned targets is between January 1, 2022, and December 31, 2031. The City has issued building permits for a total of 242 housing units from January 1, 2022, to September 9, 2023.

On August 22, 2023, by letter from the Minister of Municipal Affairs and Housing (attached), the City was advised that it is now assigned a housing target of 1000 homes by 2031. The letter asks that the Mayor respond in writing by October 15, 2023, confirming a commitment to meet the target. In addition, the letter states that the government will also extend Strong Mayor powers to those municipalities that commit to the newly assigned housing targets. This is also required to be eligible for the 'Build Faster Fund'.

If the City accepts the housing target, the province has requested that the City prepare a 'Housing Pledge' by December 15, 2023. The 'Housing Pledge' would showcase the strategies and actions that the City will take in order to achieve the housing target. The Housing Pledge would be very similar to the City's Housing Action Plan.

The 'Building Faster Fund' along with the 'Housing Accelerator Fund' would give the City substantial senior level government funding directly for housing related projects and infrastructure. With the boost in funding, the City would work with the private and public sector (DNSSAB) and the public to encourage development to take place and for new housing and renovated houses to incorporate ADUs, where possible.

Housing Affordability Task Force Recommendations

On September 15, 2023, by letter from the Minister of Municipal Affairs and Housing to the Mayor (attached), it was requested that the Mayor provide his position on all 74 recommendations of the Housing Task Force Recommendations, as well as for the Mayor to prioritize the top five recommendations for future consideration.

A chart containing the full list of 74 Task Force recommendations was provided. It has been filled in by staff and is attached for Council's review and discussion. It was noted in the letter that failing to return this chart completed in full by October 16, 2023, will disqualify the City from being eligible for the

province's new \$1.2 billion Building Faster Fund.

Current & Planned Initiatives

The City recognizes that housing construction is completed by the private sector. The City will continue to work with the private sector to facilitate, where appropriate, new housing within the community. A number of initiatives have already been undertaken to support the development of new housing units within the community, including the [Growth Community Improvement Plan \(Growth CIP\)](#), [Additional Dwelling Unit \(ADUs\)](#) policies to permit up to three dwelling units per urban property, and the [Housing Action Plan](#).

Over the past five years, the City has seen an average of 97 dwelling units constructed per year. However, the City adopted recent changes to encourage more housing units and within the last three years there has been an average 123 dwelling units created. The City anticipates a continued trend of increased housing units, especially if the City is successful in the federal government's Housing Accelerator Fund (HAF).

In addition, the City has applied to the federal government's Housing Accelerator Fund (HAF). If successful through this funding, the City anticipates that 837 units would be constructed within a three-year period which would put us on track to meet and exceed the housing target of 1000 new housing units within 8 years.

If successful through the HAF funding, the City would implement the 10 initiatives identified through the City's Housing Action Plan. The HAF may provide up to approximately 18 million dollars to the City to implement the initiatives which includes additional incentives to developers and property owners to create hidden density and intensification through ADUs and simplify residential zoning.

Financial/Legal Implications

The financial implications are those outlined in the background section of this report as it relates to provincial funding.

In addition, given the priorities of both the federal and provincial governments, there is a risk that not accepting the housing target may appear to show a strategic misalignment with the other levels of government.

Corporate Strategic Plan

- | | |
|---|---|
| <input type="checkbox"/> Natural North and Near | <input checked="" type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

- Promote and support public and private sector investment.
- Explore and implement opportunities to streamline processes, policies

and practices that make it easier and more effective to do business in North Bay.

- Facilitate the development of housing options to service the entire community, with consideration to socio-economic characteristics of the community.
 - Maximize funding opportunities with other governments.
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Options Analysis

Option 1:

That Council:

1. adopt the housing target of 1000 new residential units by 2031 as set out in the letter "Municipal Housing Pledges and Targets, Strong Mayor Powers and Building Faster Fund" from the Province of Ontario dated August 22, 2023;
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3. authorize the City Clerk to forward a copy of this resolution to the Minister of Municipal Affairs and Housing; and
4. authorize the City Clerk to forward a copy of the completed "List of 74 Housing Affordability Task Force (HATF) Recommendations for Response" chart to the Minister of Municipal Affairs and Housing prior to October 16, 2023.

Option 1 is the recommended option.

Option 2: That City Council not support the housing target, and not complete the HATF Chart as provided by the Minister of Affairs and Housing.

Recommended Option

That Council:

1. adopt the housing target of 1000 new residential units by 2031 as set out in the letter "Municipal Housing Pledges and Targets, Strong Mayor Powers and Building Faster Fund" from the Province of Ontario dated August 22, 2023;
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Respectfully submitted,

Name: Ian Kilgour, MCIP, RPP
Title: Director, Community Services

I concur with this report and recommendation

Name John Severino, P.Eng., MBA
Title: Chief Administrative Officer

Personnel designated for continuance:

Beverley Hillier, MCIP, RPP
Manager, Planning & Building Services