

## EXECUTIVE OVERVIEW

### Chapter 2 – Section 3. HOUSING

#### **SUMMARY**

A range and mix of housing options and densities are needed in Niagara to safely, affordably, and adequately house Niagara's current and future residents at all stages of life.

Housing policies set out land use planning tools to facilitate a diverse housing supply that meets affordable and market-based housing needs. Affordable housing options supports important regional economic sectors such as hospitality and tourism.

- The Region must ensure there is an adequate amount of designated land and residential units available to meet long-term housing needs.
- Consultant work from CANCEA concluded that Niagara needs to diversify its housing stock, particularly higher density housing forms, to address rates of core housing need.
- The rate of core housing need is inversely related to how much housing is built. The Region can address core housing need by building more of all forms of housing, and particularly, those of higher density.
- The Region will monitor and maintain a regional housing database that describes the demographic and economic factors used to determine the demand for and supply of housing in Niagara.
- The Region will support the action items and objectives identified in the Council approved Housing and Homelessness Action Plan ("HHAP"), including movement towards the targeted housing mix identified in the plan.
- The Region will work with Niagara Regional Housing and other departments and agencies to support the development of community housing and specialized housing needs.
- An annual target for the development of affordable ownership and rental housing is identified and included.
- Local municipalities are encouraged to use the regional housing database to develop local housing strategies that identify land use planning tools, financial incentives, and other initiatives that support the Region's affordable housing target and the HHAP's targeted housing mix.



**A Draft Policy set is provided with this sub-section document.**

Integration Guide for Sub-sections Reported in PDS 17-2021	
<input checked="" type="checkbox"/> Regional Structure	<input type="checkbox"/> Archaeology
<input checked="" type="checkbox"/> Housing	<input type="checkbox"/> Employment
<input checked="" type="checkbox"/> Land Needs	<input type="checkbox"/> Agriculture
<input checked="" type="checkbox"/> SABR	<input type="checkbox"/> Aggregates
<input checked="" type="checkbox"/> Transportation	<input type="checkbox"/> Natural Heritage incl.
<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Water Systems Options
<input checked="" type="checkbox"/> District/Secondary Plans	<input type="checkbox"/> Watershed Planning
<input checked="" type="checkbox"/> Urban Design	<input checked="" type="checkbox"/> Climate Change

## **OVERVIEW**

The responsibility to provide affordable, accessible, and adequate housing is governed by a complex set of policy and legislation that requires coordination between land use planning, infrastructure planning, economic development, public health, community services, housing service providers, and the development industry.

In 2019, Niagara Region engaged the Canadian Centre for Economic Analysis (“CANCEA”) to prepare a regional housing database that aggregated existing sources of housing, demographic, and economic data to determine the region’s current and future demand for affordable housing.

The resulting database found that, as of 2016, over 20,000 households in Niagara were in core housing need, primarily driven by a lack of affordable housing options within the community. Additional results of this work were reported to the year 2041 (the Growth Plan horizon at the time) through the Region’s Affordable Housing and Growth Scenario Analysis reports in PDS 27-2019 on April 17, 2019 and PDS 37-2019 on November 6, 2019.

Since 2019, the Province released amendments to the Provincial Policy Statement (PPS) and Amendment 1 to *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* (“Growth Plan”), which, among other things:

- extended the *Growth Plan* population and employment forecasts to the year 2051; and
- required planning authorities to support an appropriate range and mix of housing options and densities to meet both affordable and market-based housing needs.

Market-based housing needs, though not formally defined, refers to the balance between the medium and higher-density dwelling types generally encouraged by the

*Growth Plan* and the established housing markets. Niagara's housing market has traditionally been comprised of ground-related housing, such as single-detached dwellings, semi-detached dwellings, and townhouses.

The Region's draft Land Needs Assessment ("LNA"), further described in **Appendix 3**, identifies population and housing to 2051, and includes the consideration of market-based housing need.

To assess the housing affordability impacts of the revised 2051 Growth Plan period, the Region reengaged CANCEA.

CANCEA updated the Region's Affordable Housing and Growth Scenario Analysis, which is attached as **Appendix 5.2**.

The CANCEA report provided the following conclusions (consistent with their previous work):

1. The rate of core housing needs – at 13% – can be maintained if the Region achieves the *Growth Plan*'s population forecasts and associated housing allocations. If the Region's housing grows at a slower rate, consistent with its historic rate (defined as the "status quo"), core housing need would increase to 16%. Worse is if the Region's housing supply grows at a slow growth scenario, which leads to a core housing need rate of 19%.
2. Achieving the *Growth Plan* population forecasts will require diversification of the Region's housing stock. This means building a higher portion of medium and high-density housing forms to better address core housing need.
3. Housing affordability is directly tied to economic development in the region, as a lack of housing options can impact the ability to attract and retain the labour force necessary to support key sectors of Niagara's economy, including the tourism and hospitality sectors.

The CANCEA report also concludes that, in addition to building more housing, improvements to core housing need will require other policy, financial, and infrastructure supports that holistically address economic development and affordability pressure in the Region.

In addition to the core housing need work, the Region's Housing program includes work on the HHAP. The HHAP provides a comprehensive strategy for addressing homelessness and access to affordable housing in Niagara. Accordingly, the housing

policies in the Niagara Official Plan (NOP) will align with the goals, action items, and outcomes of this plan.

Affordability, in the context of land use planning, refers to shelter costs, such as mortgage and rent payments, property taxes, and utility costs, that amount to less than 30 per cent of the annual household income for low and moderate income households. In Niagara, low and moderate income households refer to household incomes equal to or below \$84,000 per year.

Affordable housing can include temporary and permanent housing provided by the private, public and non-profit sectors and all forms of housing tenure, including rental, ownership, and co-ownership housing.

Goal 3 of the HHAP outlines objectives and action items related to the provision of permanent, affordable housing, including:

- identifying a targeted mix of housing that increase the supply of higher-density housing forms, including townhouse and apartments units;
- increasing the number of new community housing units developed, and the proportion of new community housing units that are one-bedroom units or four or more bedroom units; and
- preventing the loss of current community housing stock.

In addition to establishing a minimum target for the provision of affordable housing, the NOP supports HHAP objectives by directing local municipalities to permit and facilitate a range of housing types, densities, and tenures that support the targeted housing mix.

The NOP also encourages local municipalities to consider implementing the following strategies:

- flexible as-of-right permissions related to the form and scale of housing that would reduce inefficiencies in the development approvals process;
- as-of right permissions for secondary suites/additional residential units to encourage gentle intensification within existing neighbourhoods and increase the availability of rental tenure in Niagara;
- development and site standards, such as reduced lot setbacks and road allowances, narrower lot sizes, cash-in-lieu of parking, and reduced parking standards, that facilitate the development of secondary suites/additional residential units;

- demolition control and residential replacement by-laws that would prohibit the demolition of existing rental units without replacement of the same or higher number of rental units within the municipality; and
- development of local housing strategies that identify land use planning tools, financial incentives, and other housing initiatives and programs that support the housing needs within the Area Municipality.

Finally, the NOP will coordinate with the Region's Incentive Review to support potential future programs, such as grants, development charge deferrals, property tax reductions, or other programs that promote residential intensification, brownfield redevelopment, and affordable housing options, including community housing and purpose-built rental units.

Housing policies are based on recent consultation for the HHAP Five-Year-Review, as well as engagement undertaken specifically for the Growing Region chapter of the NOP.

To date, feedback from the public and stakeholders suggests a strong interest in ensuring the NOP facilitates an increase in affordable housing options. Concerns have also been raised regarding increased densities and residential intensification in established neighbourhoods.

This is addressed in part through the identification of Strategic Growth Areas, which are expected to accommodate a significant portion of a municipality's growth and high density, mixed use development. The use of intensification strategies, secondary plans, and urban design can assist to identify strategic locations for allowing, or not allowing, certain densities and housing forms within neighbourhoods.

Included in this Appendix is the CANCEA Report as **Appendix 5.2** and draft housing policy as **Appendix 5.3**.