
Subject: Growth Scenario Analysis Related to the Regional Housing Strategy

Report to: Planning and Economic Development Committee

Report date: Wednesday, November 6, 2019

Recommendations

1. That Report PDS 37-2019 **BE RECEIVED** for information; and,
2. That a copy of Report PDS 37-2019 **BE CIRCULATED** to the Local Area Municipalities.

Key Facts

- The purpose of this report is to inform Council of the completion of the *Niagara Region Growth Scenario Analysis Final Report* (“the Report”).
- Building on the previously prepared *Niagara Region Housing Market Analysis* report (see PDS 27-2019), the Report utilizes housing-related data for the Niagara Region to run a series of growth forecasts that measure the impacts of each scenario on the Region’s population, housing stock, and local economic development.
- The results of the analysis indicate that the Region’s current growth trajectory may result in higher rates of core housing need, increased difficulty for individuals in the sales and service industry to find housing, and fewer households choosing to live in Niagara compared to a targeted growth scenario.
- The findings of the growth scenario analysis were presented by Paul Smetanin, President and CEO of the Canadian Centre for Economic Analysis (CANCEA), to the Committee-of-the-Whole on Thursday, September 5, 2019.
- Planning and Development Services staff will continue to work with the Affordable Housing Strategy Steering Committee to use the results of this analysis to inform the creation of a housing strategy for the Niagara Region.

Financial Considerations

The Growth Scenario Analysis was funded through the 2019 Council Approved Operating Budget with contributions from the Planning and Development Services Department and Niagara Regional Housing. There are no direct financial implications arising from this report.

Analysis

Niagara Region Growth Scenario Analysis Report

Following the completion of the Niagara Region Housing Database and the related *Niagara Region Housing Market Analysis* report in June 2019, the Planning and Development Services Department and Niagara Regional Housing prepared a single-source agreement with CANCEA for the continued analysis of the diversity and affordability of Niagara's housing stock.

The objective of the study was to provide forecasts of the Region's future housing stock up to the year 2041 under three different growth scenarios, including (1) status quo growth, which maintains the average construction rates seen in Niagara over the last five years; (2) slow growth, which uses two standard deviations less than the average construction rate of the status quo growth scenario; and (3) target growth, which uses the strategic growth numbers developed as part of the Region's Municipal Comprehensive Review with the assumed split in housing builds:

- 30% single-detached dwellings;
- 40% mid-density dwellings (i.e. 25% semi-detached, 75% row houses); and
- 30% apartment units.

The results of the analysis indicate that the Region's current growth trajectory would fall short of the 2041 population targets of the Municipal Comprehensive Review, which in turn may impact the Region's ability to affordably house its future residents. By maintaining the current growth rate, the Report states that rates of core housing need may increase by up to 26 per cent; that there may be increased difficulty for those in the sales and service industry to find housing, impacting industries such as tourism which rely on minimum-wage labour; and that there may be fewer households choosing to live in Niagara due to the price and types of housing available within the Region. This would indicate that the Region is better served by policy direction and investments that encourage higher-densities and greater housing diversity in our communities over the long-term.

Next Steps

Planning and Development Services staff will continue to work with the inter-Departmental working group known as the Affordable Housing Strategy Steering Committee to develop a Regional Housing Strategy, which will utilize the findings of the Report to provide direction for long-term housing demand and supply.

The Regional Housing Strategy will support a range and mix of housing types and densities in our communities, address the current and future housing needs of Niagara residents, and establish affordable housing targets for ownership and rental housing. The recommendations of the strategy will be implemented through policies in the new Regional Official Plan.

Alternatives Reviewed

N/A

Relationship to Council Strategic Priorities

The data collected and analyzed as part of the Niagara Region Housing Database and Growth Scenario Analysis projects will inform the development of a Regional Housing Strategy that will support Objective 2.3 (“Addressing Affordable Housing Needs”) of Council’s 2019-2022 Strategic Priorities.

Other Pertinent Reports

PDS 17-2019 Niagara Housing Statement: Affordable Housing Data
PDS 27-2019 Niagara Housing Statement Final Summary Report

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Appendices

Appendix 1 Niagara Region Growth Scenario Analysis, 2018 to 2041