



Subject: *Municipal Housing Strategy - Initial Report*
To: CAO for Planning Advisory Committee, Nov 21, 2023
Date Prepared: November 8, 2023
Related Motions:
Prepared by: John Woodford, Director of Planning & Development
Approved by: John Woodford, Director of Planning & Development

Summary

This report provides background information on the housing crisis in Nova Scotia, housing information specific to East Hants and identifies options for the preparation of a municipal housing strategy.

Financial Impact Statement

There are no material costs associated with adopting this report. If a housing working group is formed, a small amount of money will be added to the 2024-25 budget to cover meeting expenses.

Recommendation

That the committee decide on an option for the preparation of the strategy.
Option 1 Housing Advisory Working Group or Option 2 Staff-Council Project.

Invite Max Chauvin, HRM Director of Housing and Homelessness to speak to PAC.

Recommended Motion

Planning Advisory Committee recommend that Council:

- *Authorize staff to begin the preparation of a terms of reference for a municipal housing working group;*
- *Authorize staff to begin recruiting for a municipal housing working group; and*
- *Invite Max Chauvin, HRM Director of Housing & Homelessness to present to PAC.*

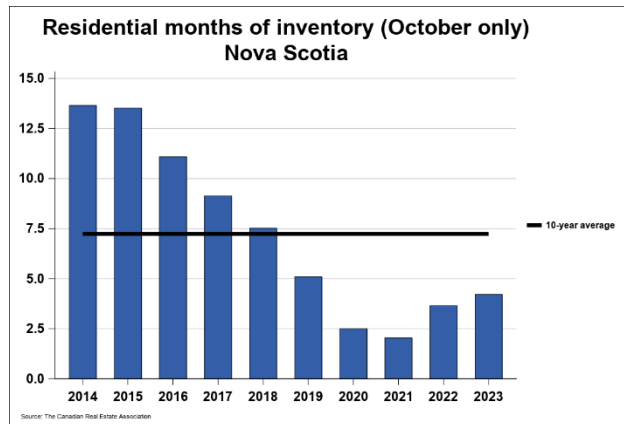
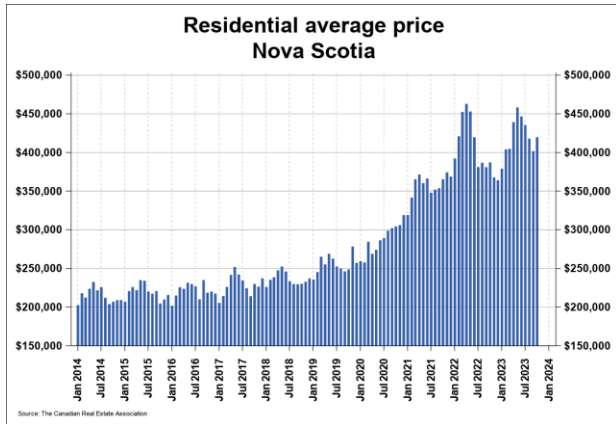
Alternative Motion

Planning Advisory Committee recommends that Council:

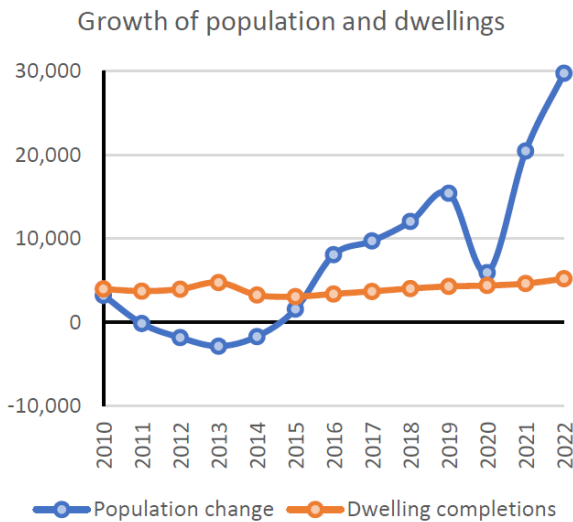
- *Authorize staff to begin the preparation of a municipal housing strategy; and*
- *Invite Max Chauvin, HRM Director of Housing & Homelessness to present to PAC.*

Background

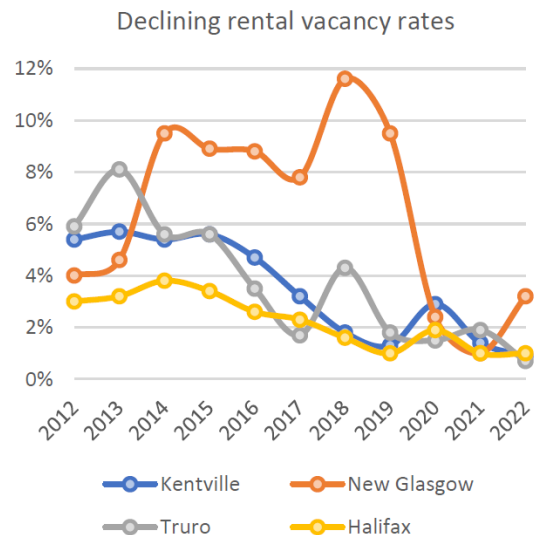
Housing has become a growing concern across Nova Scotia with the increasing cost of housing, the limited availability of homes for sale or rent and the inability of the system (development community, construction industry and government regulators) to add new dwellings units fast enough to satisfy demand based on population growth. Of particular concern are low-income individuals who have difficulty competing for open market housing. As shown below, the price of a home in Nova Scotia has doubled in the past decade and the number of units for sale at any one time has decreased significantly.



The vacancy rate in the rental market is also a key driver in the cost of rents and availability of units. CMHC considers a healthy vacancy rate to be between 3% and 5%. The current vacancy rate in East Hants is 0%.

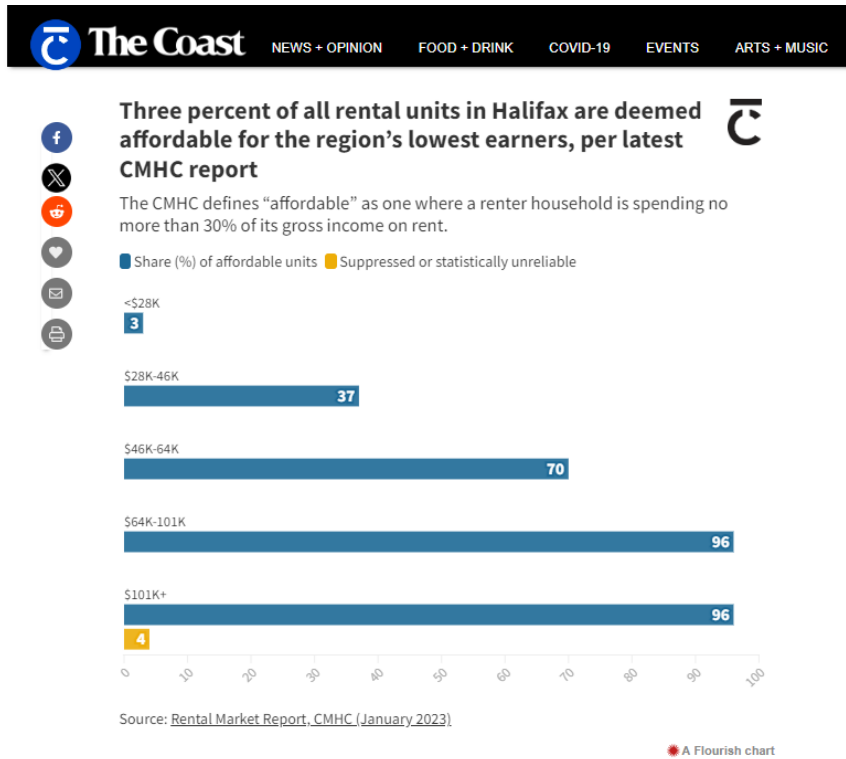


Source: Statistics Canada. Tables 34-10-0135-01, 17-10-0009-01.



Source: Statistics Canada. Tables 34-10-0130-01, 34-10-0132-01.

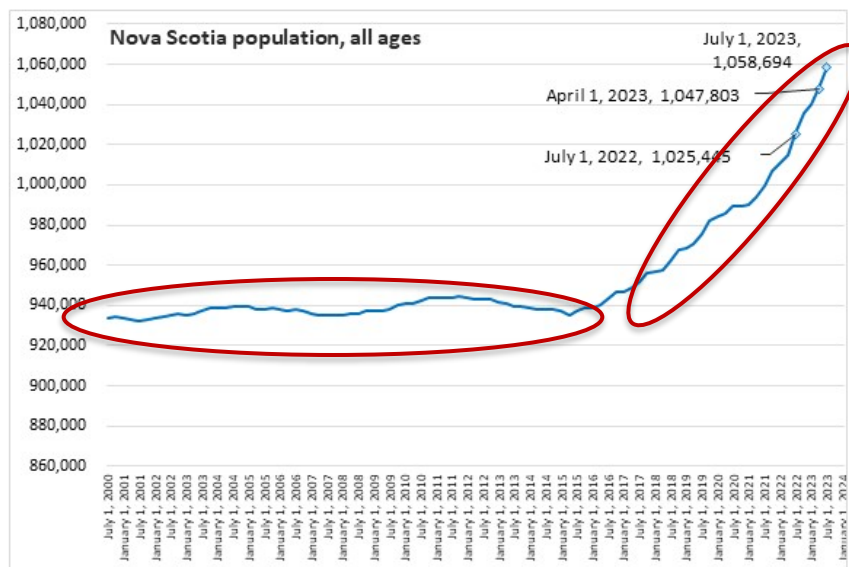
The graphic below shows that only 3% of all rental units in HRM are considered affordable to low-income individuals (full-time minimum wage job). Similar results would be expected in East Hants.



Population Growth

The reason for the current housing situation is strong population growth over the past several years. This level of growth was unexpected given Nova Scotia's aging population, outmigration of younger residents and relatively few international immigrants historically moving to the province. In fact, Nova Scotia's population was expected to begin a long period of slow decline from 2011 onward. This trend did emerge but then suddenly stopped and reversed in 2016. Since then, Nova Scotia has added over 120,000 residents with no sign of a slowdown.

September 27, 2023
NOVA SCOTIA QUARTERLY POPULATION ESTIMATES AS OF JULY 1, 2023



Need for a Housing Strategy

As a result of these concerns municipalities are developing strategies to ensure a coordinated and focused approach to developing policies and regulations that could impact the supply and affordability of housing.

Discussion

Actions Taken To Date

East Hants has an Official Community Plan in compliance with the Statement of Provincial Interest Regarding Housing. Specifically:

- Accessory Dwelling Units are permitted where ever a single unit dwelling is permitted.



- Small option or group homes are permitted as single unit dwellings.
- The East Hants planning documents use a variety of zones that permit denser forms of housing including manufactured housing, multi-units, semi-detached units and townhouses.
- There is also a provision for unique housing solutions such as tiny homes on wheels and urban cottage developments shown below:



- East Hants has also been planning for and making critical investments in sewer and water infrastructure to enable growth (e.g., Enfield Water Treatment Plant, Shubenacadie Waste Water Treatment Plant).

Over that past decade East Hants Council has approved developments that enable 5,979 dwelling units to be built. This housing contains a wide range of unit types and will eventually house an estimated 14,350 new East Hants residents, increasing the population by 58%.

An additional 1500 units are currently in the application process and developer interest remains strong in East Hants with other projects in discussions between staff and the development community.



East Hants Housing Stock

There are an estimated 11,907 housing units in East Hants broken down as follows:

Dwelling Type	Number	Percentage
Single-detached	10,028	84%
Semi-detached	696	6%
Townhouses	277	2%
Multi-units	905	8%

Although East Hants is heavily skewed toward single unit dwellings this has been changing over the past several years.

Permits for 372 new dwelling units issued in 2022 include:

Dwelling Type	Number	Percentage
Single-detached	193	52%
Semi-detached	72	19%
Townhouses	72	19%
Multi-units	35	10%

The vast majority of housing in East Hants is private market housing. However, there is also some non-market public housing in East Hants. The Nova Scotia Public Housing Agency (created in 2022 from 5 merged housing agencies) owns 11,200 dwelling units across the Province that provide affordable housing to low income Nova Scotians.

In East Hants the NSPHA owns 15 properties with a total of 84 units. These units include single unit dwellings and multi-unit buildings in:

- Enfield
- Lantz
- Maitland
- Mount Uniacke
- Nine Mile River
- Shubenacadie
- Upper Rawdon

Of these, NSPHA also owns 5 senior residences:

- Bayview Manor, Noel
- Cobequid Bay Manor, Maitland
- Enfield Manor, Enfield

- Parkview Manor, Mount Uniacke
- Sunny Brook Manor, Shubenacadie

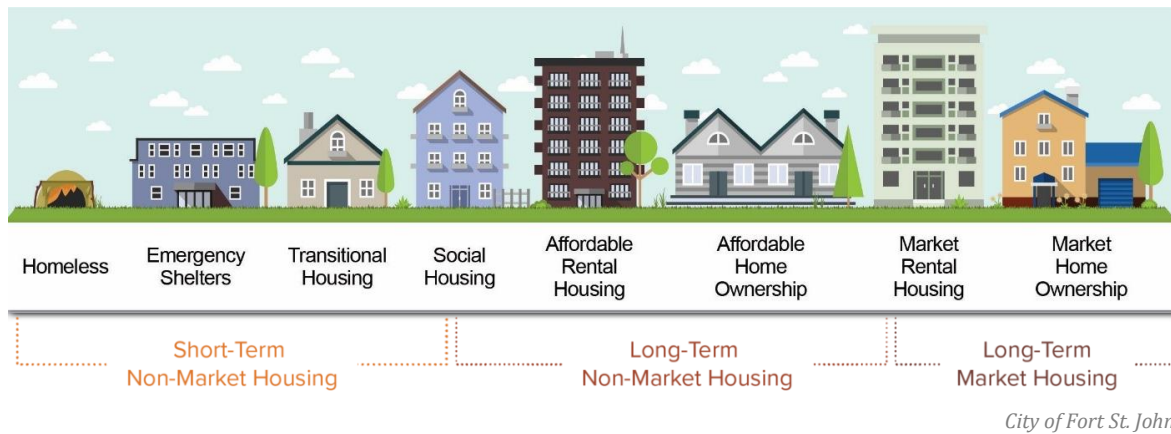
Corridor Community Options Society also provide non-market housing for 14 individuals with intellectual disabilities within 3 properties in Enfield and Lantz.

There are also 4 nursing homes/residential care facilities in East Hants:

- Magnolia, Enfield - 71 beds
- Serenity Lodge, Enfield - 6 beds
- Mitchell’s Rest Home, Upper Nine Mile River - 3 beds
- Willow’s Manor, Shubenacadie - 8 beds

Housing Continuum

Below is a good graphic representation of the range of housing options and security usually called the housing continuum or transect. This is useful to highlight which if any sectors are missing in a municipality. For example, East Hants has no emergency shelters for homeless individuals.



Municipal Housing Strategy

A municipal housing strategy is typically intended to:

- Better understand housing trends and needs in a municipality.
- Identify measures a municipality can take to enable additional housing to be built.
- Establish measurable targets for the number of units created and/or affordability of housing within the municipality.

The province is responsible for public & non-market housing programs. Despite this, the Statement of Provincial Interest Regarding Housing requires municipalities to take steps within their planning documents to ensure that a variety of housing is permitted.

In addition, municipalities have control over a number of areas beyond zoning that can influence the supply and cost of housing. A housing strategy would highlight those areas and outline actions a municipality is proposing to take.

A typical housing strategy would have these components:

1. Needs Assessment
2. Zoning & Land Use Regulations
 - Accessory dwelling units
 - Multi-unit housing
 - Manufactured housing

- Bonus zoning
 - Inclusionary zoning
 - Short term rentals
3. Incentives
 4. Use of surplus land
 5. Infrastructure
 6. Community Engagement
 7. Short, medium & long-term actions
 8. Monitoring & Evaluation

Needs Assessment

As noted above, a housing needs assessment is a typical first step in developing a housing strategy. To this end, the Province of Nova Scotia engaged a group of consultants led by Turner Drake & Partners to prepare a Housing Needs Assessment for the province as well as for each municipality. The East Hants Housing Needs Assessment was released earlier this year.

The report attempts to identify the projected housing need in East Hants out to the year 2032 and estimate the annual gap in required units. Staff find the report to be of limited use given that the report focuses specifically on East Hants without taking a regional focus and our connection to the HRM housing market. As the report states:

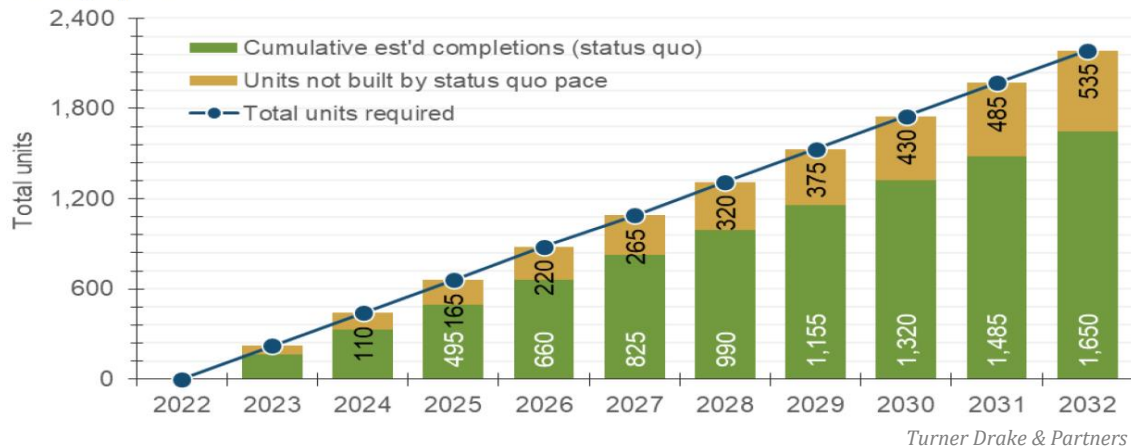
“It is important to identify the primary limitation of the model: it cannot consider what impacts of nearby community growth might have locally. Specifically, East Hants’ market condition is significantly related to the nature of the Halifax Regional Municipality’s (HRM’s) balance of supply and demand.”

The report also identified a potential shortfall in housing by estimating an annual need of 220 dwelling units and construction of only 175 per year.

The 175 units per year number was derived by taking the average of permits from 2016 to 2021. However, in 2022 alone 372 units were permitted.

The study also didn’t take into consideration the large amount of future housing already approved by Council or steps that the municipality has taken to increase capacity, such as hiring additional building inspection and development control staff.

Figure 4.1: Anticipated Unit Gap based on Total Units Required and Estimated Completions, Demographic Model Results



Options

Staff have identified two options for completing a municipal housing strategy:

- Option 1
Create a housing advisory working group to prepare a draft housing strategy for Council's consideration.
Working group could be composed of:
 - 2 councillors
 - 2 members of the development community
 - 2 members of the non-profit housing community
 - 1 public member at large
- Option 2
Staff draft the plan for Council's consideration after taking initial direction.
Consultation with stakeholders could involve requesting initial feedback and then comments on a draft strategy.

Although it adds a layer of complexity, staff favour Option 1 as it could provide for more in-depth discussions with stakeholders and additional time to deal with the topic than the executive committee agenda usually affords.

Recommended First Steps

Decide on an option for the preparation of the strategy.

- Option 1 Housing Advisory Working Group
If Option 1 is selected, staff will prepare a terms of reference for Council consideration as well as begin recruitment for the working group
- Option 2 Staff-Council Project
If option 2 is selected, Staff will begin bringing issue papers to PAC for discussion and decision.

Finally, staff are suggesting that we invite Max Chauvin, HRM Director of Housing and Homelessness to speak to PAC. Mr. Chauvin is a leading thinker in the region on the issue of housing. His contribution will, no doubt, be invaluable as we begin this project.