



The Corporation of the Town of Tecumseh

Development Services

To: Mayor and Members of Council

From: Brian Hillman, Director Development Services

Date to Council: April 9, 2024

Report Number: DS-2024-08

Subject: Expanding Housing Choices and Improving Affordability
Tecumseh Housing Accelerator Fund
Next Steps
OUR FILE: L11 FED

Recommendations

It is recommended:

That Report DS-2024-08, entitled “Expanding Housing Choices and Improving Affordability - Tecumseh Housing Accelerator Fund: Next Steps,” **be received.**

Background

Tecumseh Housing Action Plan

On August 8, 2023, by way of Report [DS-2023-15](#), Council adopted the Tecumseh Housing Action Plan (“Tecumseh HAP”). The Tecumseh HAP was prepared with input from Council, Town Staff, and community stakeholders. It includes housing goals, initiatives and targets that are intended to:

- accelerate and increase the supply of new housing in Tecumseh;
- expand housing options; and

- improve housing affordability for residents and their families, and for new households that want to move to this growing community.

The Town's Strategic Plan for 2023-2026 ("Strategic Plan") establishes a strategic priority to "achieve prosperity and a livable community through sustainable growth." More specifically, the Strategic Plan prioritizes the need to "increase the population of Tecumseh through new housing supply."

The goals and initiatives as set out in the Tecumseh HAP build on the foundation that has been established by Council as part of the Strategic Plan.

The goals of the Tecumseh HAP are to:

- increase the Town's housing supply and to accelerate new home construction to meet a growing demand for housing;
- improve housing affordability for Tecumseh residents, for both rental and home-ownership housing;
- diversify the Town's existing housing stock;
- streamline municipal approvals of new housing; and
- engage, collaborate and educate the public on the intent of the HAP.

CMHC Approved Housing Accelerator Funding

The Tecumseh HAP was submitted to Canada Mortgage and Housing Corporation ("CMHC") in August 2023 as part of the Town's Housing Accelerator Fund (HAF) Application. On February 12, 2024 the Town received notification from CMHC that the Town's application had been approved, subject to adjustments as set out in [Report DS-2024-05](#). With Council's adoption of Report DS-2024-05 at the February 13, 2024, Regular Council Meeting, authorization was provided for the execution of the HAF Contribution Agreement ("HAF Agreement") with CMHC. Final execution of the HAF Agreement makes the Town eligible for funding in the amount of \$4.38M, as more specifically discussed in the Financial Implications section of this Report.

The HAF Agreement provides funding to support the implementation of nine initiatives (see Attachment 1) over the next three years. Collectively, these initiatives are intended to accelerate the delivery of much needed new housing in Tecumseh, and to contribute to positive long-term changes that will broaden housing choices and improve affordability in both the rental and ownership market.

Collaboration with community stakeholders, the public at large, the local homebuilding industry, non-profit housing providers, and senior levels of government will be key to achieving Council's stated goals.

Funding from the HAF program will be used to undertake these important housing initiatives and to assist with the construction of one or more priority infrastructure projects as referenced in Subsection 2.8 of the Town's HAF.

Town Consultant

The Town has retained Larry Silani of MillerSilani Inc. to provide project management and to oversee the successful completion of the nine initiatives, and to assist Council and Town Administration in meeting the housing goals and targets as established in the HAF Agreement. Mr. Silani, who assisted in the preparation of this Report, will attend the April 9, 2024, Council meeting.

Community consultation and stakeholder engagement will be integral components of the work plans being developed by Mr. Silani and Town Administration for these initiatives. This will include in-person and virtual workshops, open houses, and on-line engagement to solicit meaningful input from Tecumseh residents, landowners, housing providers, and community stakeholder groups.

Comments and Next Steps

The current focus is the preparation of work plans for all nine initiatives in keeping with milestones that have been established in the HAF Agreement. Key tasks are being incorporated as part of these work plans to ensure that relevant background information is made available and presented to the community and to stakeholder groups as part of the planned consultation/engagement being undertaken by the Town.

Community consultation and stakeholder engagement is especially important early-on in the various processes to be undertaken over the next three years, as information and best practices are being collected, reviewed, and analyzed from municipalities located throughout Ontario and across the country.

The work plans and consultation processes that are currently in their development stages are intended to be comprehensive in nature and broader in scope than the notification/statutory public meeting processes as set out in the *Planning Act* for Official Plan and Zoning By-Law Amendments. At this time, specific emphasis is being placed on work plans for Initiatives 1 to 4 (see Attachment 1), as the HAF Agreement establishes these are to be completed before the end of the first quarter of 2025.

Council will be provided with status updates as work on various initiatives is being undertaken, and as key deliverables and project timelines are being reached over the coming months.

The first status update report will be provided to Council at the beginning of June of this year, with more detailed information regarding the intended initial round of community and stakeholder consultation to be undertaken for various HAF initiatives. Dates when Council can expect the first set of background studies/reports to be prepared and submitted for each of the nine HAF initiatives will also be included as part of this initial status update report.

In addition, HAF related reports, studies, presentations, and notices will be posted on the Town's website and through the Town's social media channels to ensure that Tecumseh residents, landowners, and interested community stakeholders are kept informed throughout all phases of the HAF implementation program. PlaceSpeak (the Town's public consultation website) will be used to further enhance stakeholder engagement.

Over the course of the coming months, some of the required work will be carried out by consultants retained by the Town, while other tasks will be completed by Town Staff. Costs incurred by the Town for work undertaken to implement the nine initiatives, either by consultants or Town Staff, will be funded from the HAF.

In addition, regular meetings will be held with the Town's CMHC staff representative to review the progress that is being made towards meeting the Town's 3-Year Housing Target and completing the approved HAF initiatives.

Consultations

CMHC
MillerSilani Inc.

Financial Implications

The Town's HAF application was approved and is providing \$4,383,110 in funding, approximately \$1,184,000 of which is to be used for the implementation of the Town's nine initiatives, including \$738,000 to offset the waiving of Development Charges and Building Permits and the purchase of software for e-processing of planning applications. The balance of the HAF funds, being approximately \$3,199,100, will be used for capital projects that support the accelerated provision of housing over the next three years.

The Council-approved 2024 Planning Services budget included line items that incorporate HAF funding to fund the costs being incurred by the Town to complete these initiatives.

Link to Strategic Priorities

Applicable	2023-2026 Strategic Priorities
<input checked="" type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input checked="" type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Brian Hillman, MA, MCIP, RPP
Director Development Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1.	Approved Housing Action Plan Initiatives

Attachment 1, DS-2024-08

Approved Housing Action Plan Initiatives

Initiative	Initiative's Purpose
1.	Pre-zoning lands to allow up to four housing units as-of-right as part of all low density residential districts.
2.	Pre-zoning lands within the Town's Main Street Community Improvement Plan Area to allow "missing middle" housing forms and Mid-Rise Apartments.
3.	Implementing land use changes permitting residential intensification and mixed-use development/redevelopment in the Manning Road Commercial District.
4.	Implementing revised parking requirements such as reduced or eliminated parking spaces for new developments.
5.	Implementing incentives (reduced DC and other fees) and a Property Tax Equivalent Tax Program for new rental/affordable housing in the Main Street CIP Area.
6.	Preparing a user-friendly information kit on how to add an ARU, provide illustrative design guides, outline stream-lined permit process.
7.	Eliminating building permit fees for ARUs for a 3-year period.
8.	Implementing a new e-processing system for all planning-related applications.
9.	Creating a new Housing Advisory Panel to advise Council on housing-related matters.