

COMMUNICATION 132026

Received from Niki Dwyer, MCIP RPP, Director of Development Services
Addressed to Committee of the Whole
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Topic 2020 Department Activity Report Card

SUMMARY

The intent of the Development Services Annual Activity Report is to provide a report card to Council respecting development activities and trend data respecting community growth.

As Council is aware, the County of Lanark has allocated a forecasted growth to Carleton Place of 97% by 2038 which will increase the total population of the Town to 20,964, or approximately 8,735 households¹. **Our forecasted annual growth is 3% per year, or 215 homes per annum.**

COMMENTS

Development staff track and chart several Key Performance Indicators in order to assess the volume and complexity of development within Carleton Place. These growth trends allow the Department to effectively manage work flows and predict where resource shortages may exist in the future.

Building Permit Activity:

In the analysis of Building Department activities, staff track two (2) indicators of volume of work. The first indicator is the number of New Units created which provides trend data over a number of years to show the true growth rate in comparison to the municipal population projections and the second is the amount of overall building activity.

2020 saw the continued increase in total new dwellings with the **construction of 361 new units**. The majority of these units represented single detached dwellings, reflecting a 40% increase from the previous year. Permit tallies also reflected a 72% reduction in the number of apartment dwelling units constructed. This is largely reflective of the exceptional number of apartments constructed in 2019 in the Johanne's Court development.

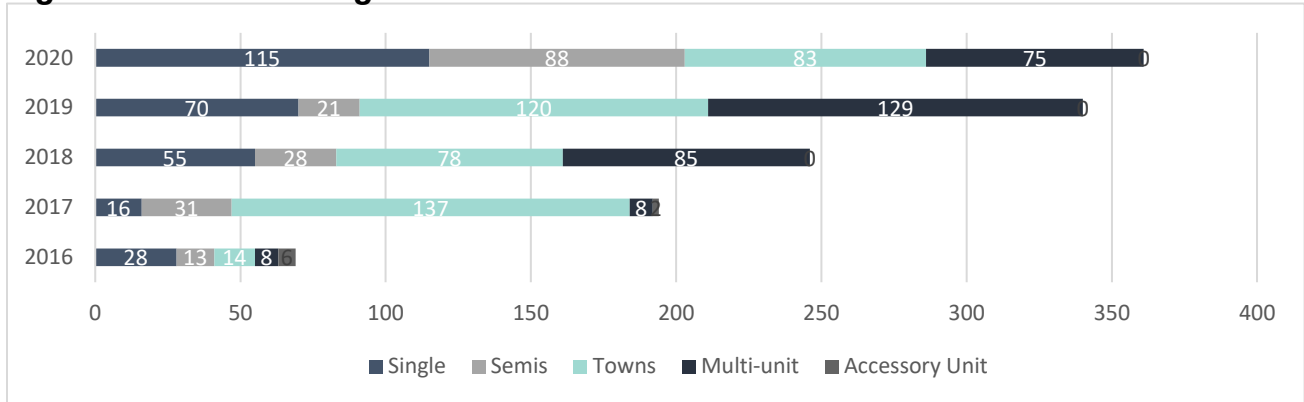
Figure 1 – New Dwelling Units

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------|------|------|------|------|------|
| Single | 28 | 16 | 55 | 70 | 115 |
| Semis | 13 | 31 | 28 | 21 | 88 |
| Towns | 14 | 137 | 78 | 120 | 83 |
| Multi-unit | 8 | 8 | 85 | 129 | 75 |
| Accessory Unit | 6 | 2 | 0 | 0 | 0 |
| Total | 69 | 194 | 246 | 340 | 361 |

¹ [2.4 persons per household](#)

The 5-year trend data shows an annual average growth of 242 units per year, however isolation of the last 3-years reflects an annual average growth of 315 units per year. This consequently represents an **annual growth rate of 4.5% and 6.6% respectively.**

Figure 2 – New Dwelling Units



“Accessory dwelling units”, or “secondary suites”, have also continued to see a minimum uptake in construction despite new permissive policies from the More Homes, More Choice Act to encourage their establishment. Accessory dwelling units, either interior or exterior to the dwelling unit, are considered to be a healthy and sustainable means of gentle intensification which also provides opportunities to construct more affordable rental and ownership options for residents.

Staff have recently adopted new “Secondary Suite” enabling policies in the Development Permit By-law and we will continue to promote and encourage their development as an option to residents, as appropriate.

While **new residential construction represents 73% of our building permit activity** currently, it is also significant to track overall general activity as an indicator of resilience and regeneration of the community.

Figure 3 – Total Permit Activity

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------|------------|------------|------------|------------|------------|
| Residential | 148 | 271 | 250 | 417 | 447 |
| Multi-res | 3 | 1 | 2 | 4 | 5 |
| Commercial | 24 | 11 | 27 | 28 | 27 |
| Industrial | 1 | 2 | 1 | 2 | 3 |
| Institutional | 5 | 0 | 1 | 9 | 9 |
| Other | 25 | 12 | 16 | 0 | 0 |
| Total | 206 | 297 | 297 | 460 | 491 |

With the stay-at-home order in place for a significant portion of 2020, the Department saw a **53% decrease in the number of renovation, addition and retrofitting permits** for residential dwellings. This trend is inconsistent with the 5-year actuals and while it is likely a direct reflection of the limited economy during COVID, it is expected to continue

into 2021 as the market price on construction materials continue to inflate and the availability of trade-persons remains limited due to high demand in new-construction.

Total Permit Activity levels also presented a consistent and steady activity level of Institutional-Commercial-Industrial permits (ICI). Significant permits issued in 2020 included:

- The addition at the Childcare Centre;
- The addition at the Community Centre;
- The renovation to the Carleton Place Library;
- Napa Autoparts;
- 12 commercial fit-up permits for new businesses.

Overall, Building Permit activity in 2020 represented a **total issuance of 491 permits, or 245 permits per inspector**. In consultation with Building Officials in other municipalities, this workload is significantly higher than the average carrying capacity of 125 permits per inspector. Staff anticipate the addition of the Plans Examiner position in 2021 will provide some relief to our staff and enable them to spend their otherwise occupied capacity following up on outstanding open files from previous years; outstanding permits represent a significant liability to all municipalities and remains a struggle for staff to exercise due diligence in completing final inspections and closing permits.

Planning and Pre-Development:

While Building permit activity can provide a retrospective position of development trends, analysing and tracking future development provides a picture of how growth will continue in the next five years. This information is vital to ensuring that the Municipality has sufficient resource capacity to respond to development requests and ensure the thorough and comprehensive review of proposals from start to finish.

While the Provincial Policy Statement requires that municipalities have adequate supply of serviceable land for 3-5 years of growth and designated land for infill and development for 15 years of growth, the release and phasing of these lands is left to the discretion of the local municipality.

The Comprehensive Review commissioned in 2020 begins to look at the land needs to accommodate forecasted growth for a 20-year period. Part of this analysis includes examining the number of approved-vacant lots within plans of subdivision. This land supply serves our immediate 3-5 year needs for growth.

Over the past five years, the Town of Carleton Place has registered 1141 lots for new construction. The majority of these lots have been registered within the past two (2) years in the Carleton Landing (Pegasus) and Miller's Crossing (Cardel) subdivisions.

Figure 4 – Number of Units Registered in Plans of Subdivision:

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------|------------|------------|------------|------------|------------|
| Carleton Landing | | | 146 | 109 | 158 |
| Miller’s Crossing | | 90 | 44 | 74 | 67 |
| Coleman Central | | | | | 226 |
| Jackson Ridge | 139 | | | | |
| Carleton Crossing | | | | 42 | |
| King Street (Brigil) | | 24 | | | |
| Taber Street | | | | | 22 |
| Total | 139 | 114 | 190 | 225 | 473 |

In addition to lot creation by plans of subdivision, the Town also creates new lots through consent and part lot control applications. On average the **Town establishes six (6) new lots by consent**. These applications may represent the division of existing semi-detached dwellings into freehold units, but more often the applications are filed to permit the severance of a vacant lot for new infill development.

Part lot control applications represent the final partitioning of blocks of land within subdivisions at the time of sale. The majority of these applications are for the establishment of townhomes and semi-detached dwellings. The total number of “doors” created through the registration of the final part lot control applications for plans of subdivision have been considered and accounted for in Figure 4, however it should be noted that annually the Town receives 1-2 applications for part lot to sever infill developments outside recently approved plans of subdivision (i.e. 63-65 Napoleon Street in 2019). The inclusion of the applications in the analysis is significant as a general indicator of speed of development within phases of plans of subdivision.

Figure 5 – Number of lot creation applications

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|------------------|------|------|------|------|------|
| Part Lot Control | 9 | 23 | 36 | 29 | 39 |
| Severance | 15 | 7 | 4 | 2 | 5 |

Finally, staff have commenced the tracking and monitoring of how quickly phases of subdivisions build out once lots are “released” for development. When the Municipality approves a Plan of Subdivision by issuance of a Subdivision Agreement, it does so with the understanding that the development will occur according to a phasing plan, mutually agreeable to the parties. In order to unlock or release a new phase of a development, the developer must meet certain obligations outlined in the agreement and apply to the municipality to lift a 1’ reserve allowing road access to the next phase.

In the past five years, the **number of lots released for developments has ranged anywhere from 133 in 2018 to 315 in 2020**. At this time, the Municipality does not employ a strategy on when it releases new phases of development across multiple developments. Provided the developer satisfies the requirements of the Subdivision Agreement pertaining to the next phase of development the Municipality will pass a by-

law lifting the 1' reserve. The consequence of this approach is that **the phasing and speed of buildout of the subdivision is largely controlled by the free market.**

Figure 6 – Subdivision Build Out

| Subdivision Efficiency Build Out (As a rolling average) | | | | | | | | | | | | | |
|--|---------|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|-------------|
| | | 2015 | 2016 | %built out | 2017 | %built out | 2018 | %built out | 2019 | %built out | 2020 | %built out | 2021 |
| Carleton Landing | | | | | 57 | 42% | 89 | 66% | 109 | 39% | | 100% | 158 |
| | Singles | | | | 5 | 0% | 39 | 33% | 87 | 14% | 75 | 100% | 49 |
| | Semis | | | | 20 | 30% | 24 | 75% | 49 | 4% | 47 | 100% | 23 |
| | Towns | | | | 32 | 56% | 40 | 70% | 36 | 78% | 8 | 100% | 98 |
| Miller's Crossing | | | | | 90 | | 44 | | 74 | | 67 | | None |
| | Singles | | | | 48 | | 0 | 29% | 0 | 41% | 41 | 28% | |
| | Semis | | | | 0 | | 0 | 0% | 0 | 0% | 26 | 46% | |
| | Towns | | | | 42 | | 44 | 88% | 74 | 30% | 0 | 46% | |
| Coleman Central | | | | | | | | | | | 226 | | TBD |
| | Singles | | | | | | | | | | 31 | 100% | |
| | Semis | | | | | | | | | | 103 | 100% | |
| | Towns | | | | | | | | | | 92 | 100% | |
| Jackson Ridge | | | 139 | | | | | | | | | | 21 |
| | Singles | | 44 | 0 | | 2% | | 33% | | | | | 100% |
| | Semis | | 58 | 0 | | 7% | | 7% | | | | | 100% |
| | Towns | | 41 | 0 | | 56% | | 67% | | | | | 100% |
| Other | | | | | 24 | | 0 | | 42 | | 22 | | |
| | Singles | | | | 0 | | | | 0 | | 0 | | |
| | Semis | | | | 0 | | | | 0 | | 0 | | |
| | Towns | | | | 24 | 83% | | 17% | 42 | 100% | 22 | 100% | |
| Total | | | 139 | | 171 | | 133 | | 225 | | 315 | | TBD |

Measuring Affordability:

Housing affordability has been recognized by the province as a specific public interest to be addressed through land use policy. Housing is considered to be affordable if it costs less than 30% of a household's before-tax income. **Many people believe “affordable housing” refers only to government subsidized housing; this is a myth.** Affordability encompasses a variety of housing types, tenures and providers and operates on a fluid continuum. Finding “affordable housing” is not a one size fits all problem, it must be assessed based on the needs and sustainability of each individual household.

Figure 7 – The Housing Continuum



In accordance with the Provincial Policy Statement's definition of "Affordable", staff have begun to analyze the current market conditions for both ownership and rental housing within the prescribed "regional market area" (Lanark County).

The PPS defines affordable owner-occupied housing as the lesser of the following:

- *Where the purchase price results in an annual accommodation cost of less than 30% of the gross annual household income for low and moderate income² households:*
 - The Ministry of Municipal Affairs and Housing reports this statistic in Lanark County as less than \$323,700.00³.
- *Where the purchase price is at least 10% below the average purchase price for a resale unit in the regional market:*
 - The Ministry of Municipal Affairs and Housing reports this statistic to be \$368,000.00 in Lanark County⁴.

Consequently, affordable owner-occupied housing is determined to be housing purchased as less than \$323,700.00.

In a survey of developers and builders constructing new dwellings in 2020, the median base-price for a dwelling was \$499,088.12 (before taxes). **The lowest reported base-price for any dwelling was an interior townhome selling at \$423,900** (before taxes).

The PPS defines affordable rental housing as the lesser of the following:

- *Rent not exceeding 30% of the gross annual household income for low and moderate income⁵ households:*
 - The Ministry of Municipal Affairs and Housing reports this statistic in Lanark County as less than \$1,130 a month⁷.
- *Rent which is at or below the average market rent of a unit in the regional market area:*
 - This is not a statistic which is accurately reported by the Ministry, however staff reviewed the average market rents reported by Lanark County in their recent Housing Study. The Study only reported rental values by Settlement Area (i.e. the Town) and is not consistent with the assessment of the "regional market area" in accordance with the PPS.

For the purposes of this report, affordable rental housing is determined to be a one-bedroom dwellings rented for less than \$710.00/month.

A general survey of landlords in the area as well as a frequent inventory of available units on Facebook Market Place and Kijiji yielded an inventory of 135 rental units and

² "in the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the *regional market area*;" PPS Definition

³ Based on indexed 2016 Statistics Canada data.

⁴ Based on indexed 2016 Statistics Canada data.

⁵ All reported values based on indexed 2016 Statistics Canada data.

demonstrated an average **rental price in the Town of Carleton Place of \$1,625.00/month in 2020**, with single rooms renting for between \$600-750/month.

The purpose of this very preliminary analysis is to provide Council with a prelude to further work that may be required to develop a better understanding of the challenges with housing affordability within the community in order to effectively recommend solutions.

Staff will be seeking further direction from Council in March 2021 regarding whether they would like to examine affordability issues within the community as a priority in the analysis of the Official Plan.

STAFF RECOMMENDATION

THAT the 2020 Development Activity Report by the Director of Development Services dated February 23, 2021 be received as information.