

COMMUNICATION 134009

Received from Niki Dwyer, MCIP RPP, Director of Development Services
Addressed to Committee of the Whole
Date February 7, 2023
Topic 2022 Development Services Department Activity Report Card

SUMMARY

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

Population projections and community growth planning is a function of the County of Lanark. The County assigns population projections to lower-tier municipalities for adoption in their planning documents. In 2018, the County 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. **This equates to an annual growth of 3% per year, or 215 homes per annum.**

It is important to remember that this forecasted growth is only a projection for the purpose of planning municipal infrastructure needs, collecting development charges, and managing the land supply within the community. True growth trends may vary from year to year which is why the production of the Annual Report Card is important.

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 workflows 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 indicator is the amount of overall building activity.

2022 saw the **construction of 156 new dwelling units**. This statistic represents a **26% decrease in the number of new units** from 2021, which similarly saw a 34% decrease from 2020. The majority of these units represented townhome dwellings reflecting **52%** of the total number of new units.

Figure 1 – New Dwelling Units

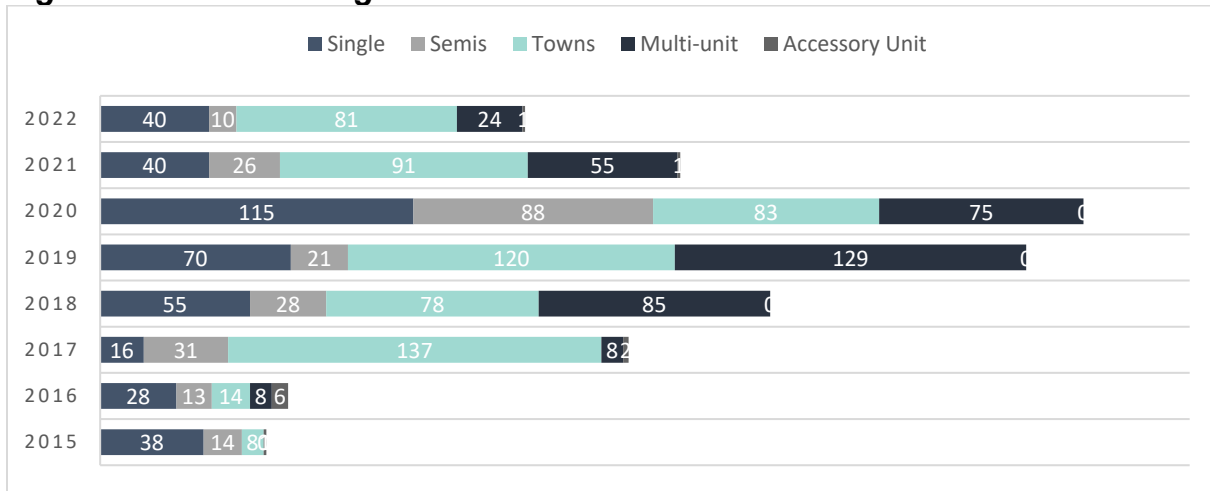
	2016	2017	2018	2019	2020	2021	2022
Single	28	16	55	70	115	40	40
Semis	13	31	28	21	88	26	10
Towns	14	137	78	120	83	91	81

¹ [2.4 persons per household](#) (2022 Stats Canada)

Multi-unit	8	8	85	129	75	55	24
Accessory Unit	6	2	0	0	0	1	1
Total	69	194	246	340	361	213	156

The 5-year trend data shows an annual average growth of **263 units per year**, with a **3-year annual average growth of 243 units per year**. Overall, the growth activity appears to reflect a normalization in the speed of growth from the peak in 2020. Factors associated with this decrease will be explored further below.

Figure 2 – New Dwelling Units



While **new residential construction currently represents almost 50% of our building permit activity**, it is also significant to track overall general activity as an indicator of resilience and regeneration of the community.

Figure 3 – Total Building Permit Activity

	2016	2017	2018	2019	2020	2021	2022
Residential	148	271	250	417	447	284	276
Multi-res	3	1	2	4	5	5	1
Commercial	24	11	27	28	27	21	32
Industrial	1	2	1	2	3	4	3
Institutional	5	0	1	9	9	7	11
Other	25	12	16	0	0	1	0
Total	206	297	297	460	491	325	323

In addition to residential construction, institutional permits were issued for the construction of the new Hospital Emergency Room Addition as well as an upgrade to the Fire Suppression System in the Hospital's existing wards. Commercially, significant projects included the new construction of commercial offices/trades spaces at 51 Roe Street and 50 Roe Street, the new Bean's Collision Centre at 119 Hooper Street, a new Wendy's

Restaurant on Highway 7 and the change of use at 124 Bridge Street which has become the home of the Foundry Café.

Institutional-Commercial-Industrial (ICI) construction values accounted for approximately 45% of building permit revenue, or \$626,000.00.

Building Permit activity also generated the collection of \$2,630,786.67 in Development Charges for the 2022 fiscal year.

Overall, Building Permit activity in 2022 represented a **total issuance of 323 permits, or 115 permits per inspector**. The Department uses as an average carrying capacity of 125 permits per inspector as an indicator of manageable volume. While the permit activity is reduced from previous years, the complexity of the projects which have been subject to inspection has increased significantly from previous years as a result of the transition from residential to ICI projects. Staff also continue to proactively follow up on historic open files needing to be closed in order to eliminate liability accrued from non-enforcement.

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 (5) 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.

Between 2015 and 2020, the Town of Carleton Place registered 1,141 lots for new construction. Of these lots, 471 lots were registered in 2020 alone. This flood of available land resulted in an over-supply of lots for market need and subsequent carry-forward into the 2021 construction year. No new lots were registered in 2021, however 213 units were constructed on lots registered in previous years.

In 2022, an additional 208 single and townhome lots were registered and opened for construction in the Mississippi Shores Subdivision. These lots, in combination with the remaining lots in the Meadow Ridge and Miller's Crossing subdivisions represented the majority of new home construction in 2022.

Heading into 2023, approximately **304** registered subdivision lots are available for construction in open phases of developments with an additional 24 units projected to be registered in the Carmichael Farms Subdivision. These lots are in addition to the infill and intensification projects similarly anticipated to commence construction (i.e. Lepine’s Johanne’s Garden).

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

	2016	2017	2018	2019	2020	2021	2022
Meadow Ridge		57	89	109	158		
Miller’s Crossing		134		74	67		
Coleman Central					226		
Jackson Ridge	139						
Carleton Crossing				42			
King Street (Brigil)		24					
Taber Street					20		
Mississippi Shores							208
Total	139	215	89	225	471	0	208

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 per year**. 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

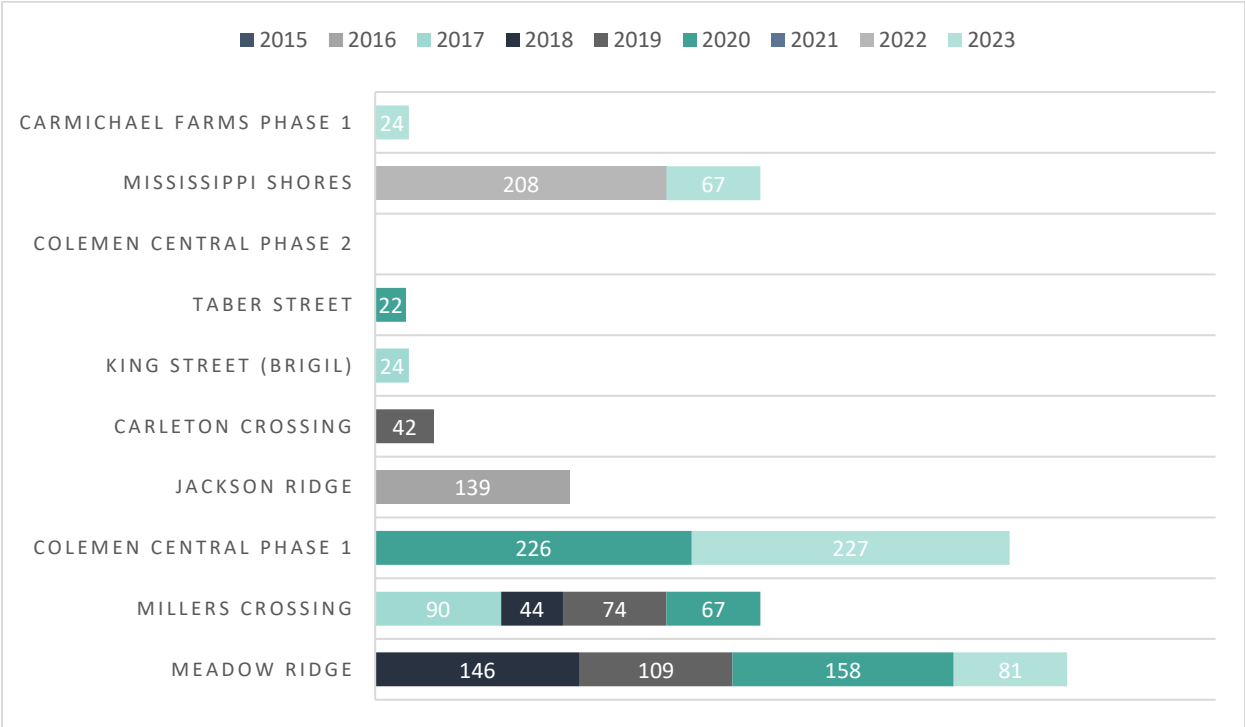
	2016	2017	2018	2019	2020	2021	2022
Part Lot Control	9	23	36	29	39	56	13
Severance	15	7	4	2	5	8	4

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, it does so with the understanding that the development will occur according to a phasing plan. In order to “unlock” or release a new phase of a development, the developer must meet certain obligations outlined in the Subdivision

Agreement and apply to the municipality to lift a 1' reserve allowing road access to the next phase.

In the past eight (8) years, the **number of lots released for developments has ranged anywhere from 0 in 2021 to 473 in 2020**. In 2022, the Town released the first 208 lots **within the Mississippi Shores Subdivision** and continued to see the build out of previously released lots in Meadow Ridge and Miller’s Crossing subdivisions. No other subdivisions saw the release of new lots.

Figure 6 – Number of Lots “Unlocked” for Construction



At the end of the 2022 building year, approximately 50% of the units in Mississippi Shores Phase 1 remained vacant and not subject to building permit. The majority of this undeveloped allotment is attributed to the construction of a 78-unit apartment block, which has been moved to Phase 2 of the development and is intended to be constructed in late 2023 / early 2024.

A full breakdown of the efficiency build-out of subdivisions since 2015 can be found attached to this report.

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 has 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 \$323,700.00 in 2020³.
- *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 in Lanark County to be \$368,000.00 in 2020⁴.

For the purposes of this report, affordable owner-occupied housing is determined to be \$323,700.00.

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 income⁶ households:*
 - The County of Lanark reports this statistic as less than \$915 a month⁵ in Lanark County proper.
- *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

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 Lanark County Municipal Tools to Support Affordable Housing Report, April 6, 2022

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 \$915.00/month.

In 2021, Council approved an “Affordable Housing Policy” which established a locally indexed affordable rental value. The policy has now been updated to reflect the reported average shelter costs reported in the 2020 census for the creation of the 2022 values. 2020 and 2021 values remain reflective of the 2016 indexed values as applied during those years. Local rates are reflected in the table below:

Figure 8 – Carleton Place Affordable Rental Housing Index

Dwelling Type	2020	2021	2022
Bachelor	\$661.79	\$669.02	\$821.37
1- bedroom	\$815.16	\$824.06	\$1,081.84
2- bedroom	\$1,004.08	\$1,015.04	\$1,424.91
3- bedroom	\$1,194.85	\$1,207.90	\$1,695.64

2021 Census

General Demographics

Over the course of 2021, Statistics Canada released data pertaining to the 2021 Census profiles. The purpose of this summary is to provide an overview of Key Performance Indicators from the census that are helpful in predicting the housing and development needs of the Town relative to indicators in Lanark County and the Province of Ontario.

Figure 9 – Population Demographics

Characteristic	Carleton Place	Lanark	Ontario
2021 Population	12,517	75,760	14,223,942
Population change 2016-2021	17.6%	10.3%	5.8%
Total Private Dwellings	5,341	35,441	5,929,250
Median Resident Age	41.6	48.8	43.2
Average Household size	2.4	2.3	2.6

Similarly, the Census revealed a **median total income in 2020 of \$47,200** of residents aged 15 of older. This median income was higher than both the County and Provincial averages as shown in the table below.

Figure 10 – Income of Individuals in 2019 and 2020

	Carleton Place	Lanark	Ontario
Median total income in 2019 among recipients (age 15+)	\$44,800	\$42,800	\$39,200
Median total income in 2020 among recipients (age 15+)	\$47,200	\$44,400	\$41,200

Household Characteristics

Census data for 2020 indicated that **1,130 households reported spending in excess of 30% of their income on shelter costs**. This represents 21.8% of Carleton Place's households. When considered inclusively to reflect not only shelter costs but additional "major repairs" resulting from an aging building stock, this number increased to 1,405 households, or 25% of households. Private households reported in **105 instances that their housing was "unsuitable"**. The census defines "housing suitability" as follows:

"Housing suitability refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is, whether the dwelling has enough bedrooms for the size and composition of the household. A household is deemed to be living in suitable accommodations if its dwelling has enough bedrooms, as calculated using the NOS." Statistics Canada 2020

Household characteristics reported **3,655 owner occupied dwellings** with the remaining **1,560 dwellings occupied by renters** (representing a 70:30 split).

Housing Characteristics

In order to rationalize the impact of the suitability of housing, it is also important to look at the size and type of dwellings within the community:

Figure 11 – Total Occupied Dwellings by Number of Bedrooms

Classification	Reported number	% of overall units
No bedrooms	10	>1%
One Bedroom	535	10%
Two Bedrooms	1,295	25%
Three Bedrooms	2,225	42%
Four+ Bedrooms	1,135	22%
Total	5,210	100%

Similarly, understanding the age of the community's housing stock can provide context to understand the extent to which renovations, maintenance and possibly replacement may be necessary and impactful to the net affordability of living within the community.

Figure 12 – Private Dwellings by Period of Construction

Classification	Reported number	% of overall units
Pre 1960	1350	26%
1961-1980	830	16%
1981-1990	630	12%
1991-2000	635	12%
2001-2005	290	5%
2006-2010	295	5%
2011-2015	335	6%
2016-2021	890	18%
Total	5,210	100%

Labour Force Characteristics

It is also worth considering data associated with characteristics in the Town's labour force in order to make decisions related to the needs of employment lands and targeted economic development.

Within the population 35% of residents over the age of 15 reported not working during the reference year (2020) while 38% reported working full-time with the remaining 27% report working part-time. The overall **community unemployment rate was reported as 7.8%** with a participation rate of 64.4%.

Predominant occupations reported within the community included those in **business, finance and administration (19%); sales and service (26%); and trades, transport and equipment operators and related occupations (16%)**.

By industry sectors, the labour force was concentrated more specifically into professional, scientific and technical services (8%); construction (9%); retail (13%); health care and social assistance (13%) and public administration (14%).

When considering the educational background of residents aged 15 and older, **31% indicated completing up to a secondary school** diploma or equivalency with an additional **57% completing post-secondary** certificates, diplomas or degrees. Predominant fields of study by post-secondary graduates included social and behavioural science and land (8%); business, management and public administration (10%); architecture, engineering, and related trades (11%);

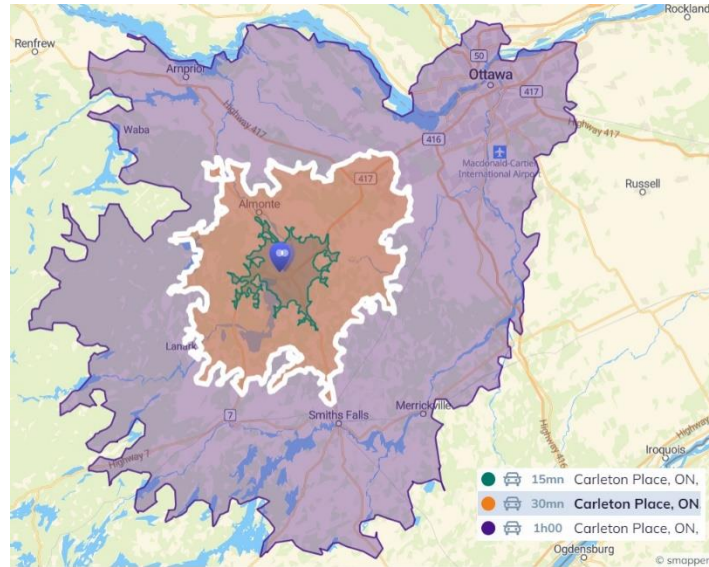
Figure 13- Place of Work Status

Place of Work	Number of Respondents
Worked at home	1,690
Worked outside of Canada	10
No fixed workplace address	735
Usual place of work	3,540

Of respondents who noted that their employment resulted in traveling to a destination, 36% indicated their commuting time to be less than 15 minutes, 24% commuted between 16 and 30 minutes, **36% reported commuting between 30-60 minutes**, and 3% indicated a commute in excess of 60 minutes.

Figure 14 – Commuting Distances from Carleton Place⁶

⁶ generated in smappen.com



STAFF RECOMMENDATION

THAT the 2022 Development Activity Report Card by the Director of Development Services dated February 7, 2023 be received as information.

ATTACHMENTS

- (1) Subdivision Efficiency Build Out

Attachment 1 - Subdivision Efficiency Build Out (As a rolling average)

Subdivision Efficiency Build Out (As a rolling average)																	
	2015	2016	% remaining at year end	2017	% remaining at year end	2018	% remaining at year end	2019	% remaining at year end	2020	% remaining at year end	2021	% remaining at year end	2022	% remaining at year end	2023	% remaining at year end
Meadow Ridge				57		89		109		158						81	
Singles				5	100%	39	67%	74	84%	103	27%	41	100%	41	100%	41	
Semis				20	70%	24	25%	32	94%	44	32%	14	14%	2	0%	0	
Towns				32	44%	40	30%	36	22%	106	8%	98	32%	31	0%	0	
Multi																81	
Millers Crossing				134				74		67							
Singles				48	85%	41	78%	32	41%	41		40	20%	8	0%		
Semis				4	100%	4	100%	4	100%	26		18	56%	8	0%		
Towns				86	13%	11	100%	85	46%	39	18%	7	0%	-	-		
Coleman Central										6						227	
Singles										31	0%	-	-	-	-	-	
Semis										-117	188%	-	-	-	-	-	
Towns										92	13%	12	100%	12	50%	6	
Multi										-	-	-	-	-	-	227	
Jackson Ridge		139										21					
Singles		44	0		2%		33%		0		100%						
Semis		58	0		7%		7%		0		100%						
Towns		41	0		56%		67%		0		100%						
Other				24		0		42		20							
Singles				0				0		0							
Semis				0				0		0							
Towns				24	83%		17%	42	100%	20	100%	20	25%	5	100%	5	
Mississippi Shores														208		67	
Singles														47	66%	47	
Semis														0	-	36	

	Towns															89	89%	10	
	Multi															78	100%	78	
Carmichael Farms																		24	
	Singles																	0	
	Semis																	0	
	Towns																	24	