

HOUSING REPORT

APPLICATION FOR ZONING BY-LAW AMENDMENT & DRAFT PLAN OF SUBDIVISION

National Homes (1240 Britannia) Inc.
1240 Britannia Road West
City of Mississauga

March 25, 2020
GSAI File #815-008

TABLE OF CONTENTS

1.0	INTRODUCTION	
1.1	Background.....	1
1.2	Surrounding Land Use & Housing Context.....	2
1.3	Subject Property.....	2
2.0	PROPOSED DEVELOPMENT.....	2
2.1	Proposal Description.....	2
2.2	Planning Process.....	3
3.0	POLICY CONTEXT.....	4
3.1	Provincial Policy Statement (2014).....	4
3.2	Growth Plan for the Greater Golden Horseshoe (May 2019).....	5
3.3	Region of Peel Official Plan (Office Consolidation December 2018).....	7
3.4	Peel Housing and Homelessness Plan (2018).....	8
3.5	City of Mississauga Official Plan (Office Consolidation March 2019).....	9
3.6	Making Room for the Middle: A Housing Strategy for Mississauga (October 2017).....	9
4.0	POLICY ANALYSIS.....	11
5.0	CONCLUSION.....	12

Housing Report
1240 Britannia Road
City of Mississauga

1.0 INTRODUCTION

1.1 Background

Glen Schnarr & Associates Inc. was retained by National Homes (1240 Britannia) Inc., to prepare a Housing Report with regard to the proposed development of the property municipally addressed as 1240 Britannia Road (the subject property) for a residential development consisting of 1 detached dwelling, 48 dual frontage townhouse dwellings and 60 standard townhouse dwellings including 6 secondary suites which are provided as affordable housing.

As identified in the City's Housing Report Terms of Reference (TOR), a Housing Report shall be submitted in support of a complete application for all official plan amendment, rezoning, and plan of subdivision applications proposing 50 or more ownership residential units. The purpose of this report is to demonstrate how the proposed development contributes to Provincial, Regional and City objectives as it relates to housing affordability in the City of Mississauga.

The Housing Report TOR requests the provision of affordable middle income housing units at a minimum rate of 10%. The 10% contribution rate is not applied to the first 50 units of a building. The proposed development of 109 residential units therefore proposes a total of 6 secondary suites. The Housing Report TOR also provides the following direction for affordability thresholds for ownership and rental housing, as shown in *Table 1*.

Table 1. Affordability Thresholds

Affordable Ownership Price Threshold		
\$420,000 or less		
Affordable Rent Threshold – 1.5 x Average Market Rent (AMR)*		
Unit Type	2018 AMR*	1.5 x AMR or less
Bachelor	\$922	\$1,383
1 Bedroom	\$1,233	\$1,850
2 Bedroom	\$1,396	\$2,094
3+ Bedroom	\$1,590	\$2,385

**Source – Table from the Housing Report TOR, AMR data from the Canada Mortgage and Housing Corporation (CMHC) Rental Market Survey, October 2018.*

This report scopes its analysis to the East Credit Neighbourhood in which the subject property is located. The East Credit Neighbourhood is bound by the Credit River to the west, Mavis Road to the east, Highway 401 to the north and Highway 403 to the south. This analysis has been prepared utilizing information from a number of secondary sources. While every effort has been made to ensure the accuracy of the data used, complete accuracy cannot be guaranteed nor can this analysis account for future changes.

1.2 Surrounding Land Use & Housing Context

The subject property is located in close proximity to a range of services and activities including housing, schools, employment, a community centre, transit, parks, large format and specialty grocers, pharmacies, banks, medical/health services, restaurants and other services. This allows residents to meet their daily needs within their neighbourhood.

The housing context of the surrounding area can be characterized by predominantly low-density ground-related housing forms including detached dwellings and townhouses. The adjacent lands to the east, south and west of the subject property are occupied by existing detached residential dwellings and lands to the north of Britannia Road West are occupied by townhouse dwellings.

An online survey of townhouse listings in the East Credit Neighbourhood found the cost of homeownership for a townhouse ranged from \$695,000 to \$1,019,990 per unit with an average of \$803,241 per unit. This survey included two pre-construction townhouse projects adjacent to the East Credit Neighbourhood.

An online survey of 1-bedroom secondary suite rental listings in the East Credit Neighbourhood found that the cost of rent ranged from approximately \$559 to \$2,352 per month, with an average of approximately \$1,150 per month. Variation in cost could be attributed to the size, location, quality, individual homeowner valuation of the rental unit among considerations.

1.3 Subject Property

The subject property is located south of Britannia Road West and between the intersections of Whitehorn Avenue/Bidwell Trail and Britannia Road and Brookhaven Way/Douguy Boulevard and Britannia Road West. The subject property has an area of approximately 2.24 hectares (5.54 acres) and lot frontages of approximately 126 metres (413.4 feet) on Britannia Road West and 120 metres (393.7 feet) on Galesway Boulevard.

The Mississauga Official Plan designates the subject property “Residential Medium Density” which permits all forms of townhouse dwellings. The Mississauga Zoning By-law 0225-2007 zones the subject property for “RM2-29”, “R1” and “RM2-23” which permits residential uses.

2.0 PROPOSED DEVELOPMENT

2.1 Proposal Description

National Homes (1240 Britannia) Inc. is proposing to redevelop the subject property for a total of 109 residential dwellings including 1 detached dwelling, 48 dual frontage townhouse dwellings and 60 standard townhouse dwellings. Dual frontage townhouses are to be located along Britannia Road West and Galesway Boulevard. A total of 6 secondary suites are proposed within the end units of the dual frontage townhouse blocks facing Britannia Road West (Lots 17, 24, 25, 30, 31, and 38).

A 606.9 m² (6,532.6 ft²) outdoor amenity area is provided in a central location with open access

and visibility to the proposed condominium road. The outdoor amenity area is proposed to contain a shade structure, benches, tot lot and play area as well as 225m² (2,421.9 ft²) of open lawn which will provide for a flexible range of activities.

The 6 secondary suites comprise the affordable housing component of the proposed development and meets the 10% affordable housing target of the City’s Housing Report TOR. Secondary suites are an appropriate and feasible form of affordable housing for the proposed development as they are an important and desirable form of affordable rental units and in consideration for the significant gap between affordable ownership and current market cost for ground-related housing. Considering the average monthly cost of existing secondary suite rental in the East Credit Neighbourhood is \$1,150, future rental cost for the proposed secondary suites may rent at a similar rate.

Secondary suites are defined as “Second Units” by the City of Mississauga Zoning By-law and are described as “*an accessory dwelling unit with its own kitchen, sanitary facilities and bedroom(s)/sleeping area*”. The proposed secondary suites are provided with a separate access, bedroom, kitchen/live space, bathroom and one parking spot. These suites will offer rental options in the neighbourhood as well as flexibility for future homeowners in the use and financing of their homes.

As per the City’s Housing Report TOR, a housing breakdown of all proposed units is provided in Table 2 below.

Table 2. Proposed Development Housing Breakdown

Ownership Units	
Ownership Units to be Sold at Market Prices	Quantity of Units
Bachelor	0
1 bedroom	0
2 bedroom	0
3+ bedroom	109
Secondary Suites	
Private Ownership Secondary Suites	Quantity of Units
Bachelor	0
1 bedroom	6
2 bedroom	0
3+ bedroom	0

2.2 Planning Process

To permit the proposed development an application for a Zoning By-law Amendment and Draft Plan of Subdivision application are required.

The subject property is zoned “RM2-29”, “R1” and “RM2-23” which permits residential uses. The proposed townhouses are not permitted within the existing zoning. To facilitate the proposed redevelopment, a Zoning By-law Amendment is proposed to rezone the subject lands to “RM6 – Special Exception Zone” to facilitate the proposed townhouses on a common element

condominium road and “R7- Special Exception Zone” to facilitate the proposed single detached dwelling fronting on Cabrera Crescent. Relief from the parent RM6 and R7 zones is required to accommodate the characteristics of the development proposal, including the provision of 6 secondary suites, and achieve an efficient site layout. Secondary suites are permitted as of right in the general provisions for residential uses.

As it relates to the secondary suites, the proposed development complies with the provisions of Section 4.1.20 General Provisions for Residential Zones of the Zoning By-law as well as the building permit requirements for secondary suites. Certain amendments to the RM6 parent policies are required to accommodate the secondary suites including a reduced setback of 0.8m to the internal walkway west of townhouse unit #17 and double-wide driveways for the primary units to accommodate the required additional parking space.

3.0 POLICY CONTEXT

The following section outlines application provincial, regional and local municipal policies and strategies related to housing and the provision of affordable housing.

3.1 Provincial Policy Statement (2014)

The Provincial Policy Statement (PPS) provides planning direction on matters of provincial interest related to land use planning and development. Among other objectives described in greater detail in the Planning Justification Report enclosed with this submission, the PPS seeks to achieve the creation of compact, healthy, liveable and safe communities supported by a range and mix of housing types that meet a diverse range of housing needs, including affordable housing. The PPS seeks to achieve a range and mix of housing options that meet social, health and well-being requirements of current and future residents while also contributing to provincial objectives for intensification. The PPS provides the following policy direction for housing:

1.1.1 Healthy, liveable and safe communities are sustained by:

b) accommodating an appropriate range and mix of residential (including second units, affordable housing and housing for older persons), employment (including industrial and commercial), institutional (including places of worship, cemeteries and long-term care homes), recreation, park and open space, and other uses to meet long-term needs;

1.4.1 To provide for an appropriate range and mix of housing types and densities required to meet projected requirements of current and future residents of the regional market area, planning authorities shall:

a) maintain at all times the ability to accommodate residential growth for a minimum of 10 years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development; and

- b) *maintain at all times where new development is to occur, land with servicing capacity sufficient to provide at least a three-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.*

1.4.3 *Planning authorities shall provide for an appropriate range and mix of housing types and densities to meet projected requirements of current and future residents of the regional market area by:*

- a) *establishing and implementing minimum targets for the provision of housing which is affordable to low and moderate income households. However, where planning is conducted by an upper-tier municipality, the upper-tier municipality in consultation with the lower-tier municipalities may identify a higher target(s) which shall represent the minimum target(s) for these lower-tier municipalities;*
- b) *permitting and facilitating:*
 - 1. *all forms of housing required to meet the social, health and well-being requirements of current and future residents, including special needs requirements; and*
 - 2. *all forms of residential intensification, including second units, and redevelopment in accordance with policy 1.1.3.3;*
- c) *directing the development of new housing towards locations where appropriate levels of infrastructure and public service facilities are or will be available to support current and projected needs;*
- d) *promoting densities for new housing which efficiently use land, resources, infrastructure and public service facilities, and support the use of active transportation and transit in areas where it exists or is to be redeveloped; and*
- e) *establishing development standards for residential intensification, redevelopment and new residential development which minimize the cost of housing and facilitate compact form, while maintaining appropriate levels of public health and safety.*

3.2 Growth Plan for the Greater Golden Horseshoe (May 2019)

The Growth Plan for the Greater Golden Horseshoe (the Growth Plan) builds on the policy directions contained in the PPS and in this regard, is intended to function as a policy framework for achieving a number of provincial objectives including complete communities by managing growth in the Greater Golden Horseshoe (GGH) Region. Complete communities offer and support opportunities for people of all ages and abilities to conveniently access most of the needs for daily living, including an appropriate mix of jobs, local stores, services, and a full range of housing, recreation and public service facilities, and active transportation options.

The Growth Plan facilitates this vision by reinforcing the need to direct growth to settlement areas that have the capacity to accommodate growth, and prioritizing intensification within these areas. A range and mix of housing options, including affordable housing, to serve all sizes, incomes and ages of households is supported.

The Growth Plan provides the following policy direction for housing as it relates to the context of this report:

2.2.1.4.4 Applying the policies of this Plan will support the achievement of complete communities that:

- a) feature a diverse mix of land uses, including residential and employment uses, and convenient access to local stores, services, and public service facilities;*
- c) provide a diverse range and mix of housing options, including second units and affordable housing, to accommodate people at all stages of life, and to accommodate the needs of all household sizes and incomes;*

2.2.6.1 Upper- and single-tier municipalities, in consultation with lower-tier municipalities, the Province, and other appropriate stakeholders, will:

- a) support housing choice through the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan by:
 - i. identifying a diverse range and mix of housing options and densities, including second units and affordable housing to meet projected needs of current and future residents; and*
 - ii. establishing targets for affordable ownership housing and rental housing;**
- b) identify mechanisms, including the use of land use planning and financial tools, to support the implementation of policy 2.2.6.1 a);*
- c) align land use planning with applicable housing and homelessness plans required under the Housing Services Act, 2011; and*
- d) implement policy 2.2.6.1 a), b) and c) through official plan policies and designations and zoning by-laws.*

2.2.6.2 Notwithstanding policy 1.4.1 of the PPS, 2014, in implementing policy 2.2.6.1, municipalities will support the achievement of complete communities by:

- a) planning to accommodate forecasted growth to the horizon of this Plan;*
- b) planning to achieve the minimum intensification and density targets in this Plan;*
- c) considering the range and mix of housing options and densities of the existing housing stock; and*
- d) planning to diversify their overall housing stock across the municipality.*

3.3 Region of Peel Official Plan (Office Consolidation December 2018)

The Region of Peel Official Plan (the ROP) outlines policies and strategies that reflect and conform to the policy directions of the PPS, Growth Plan and other provincial plans. The ROP indicates that the Region's primary role is to provide broad policy directions on strategic matters such as the management of land and natural resources, growth strategies, housing, economic development, water and wastewater services, solid waste management, transportation, and health and social services.

The ROP provides the following objectives for the Region of Peel regarding housing:

- 5.8.1.1 *To provide for an appropriate range and mix of housing types, densities, sizes and tenure to meet the projected requirements and housing needs of current and future residents of Peel.*
- 5.8.1.2 *To foster the availability of housing for all income groups, including those with special needs.*
- 5.8.1.4 *To achieve annual minimum new housing unit targets for the Region by tenure, including affordable housing.*

Section 5.8.2 and 5.8.3 of the ROP provides the following general policies and objectives for housing and affordable housing:

- 5.8.2.1 *Maintain jointly, with the area municipalities, a supply of designated land for new residential development, redevelopment and residential intensification in Peel Region in accordance with projected requirements and available land resources.*
 - a) *maintain at all times the ability to accommodate residential growth for a minimum of ten years through residential intensification and redevelopment and lands which are designated and available for residential development; and*
 - b) *maintain at all times where new development is to occur, land with servicing capacity sufficient to provide at least a three year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment and land in draft approved and registered plans.*
- 5.8.2.3 *Encourage and support the efforts by the area municipalities to plan for a range of densities and forms of housing affordable to all households, including low and moderate income households, enabling all Peel residents to remain in their communities.*
- 5.8.3.2.1 *Explore, in collaboration with the area municipalities, the feasibility of implementing incentives such as waivers, deferrals or grants in-lieu of development charges, other municipal planning and building fees and*

charges, and regional property taxes to promote the development of affordable housing.

5.8.3.2.2 *Work with the area municipalities to explore opportunities to coordinate the fast-tracking of planning approvals for affordable housing projects.*

5.8.3.2.11 *Encourage residential development, redevelopment and intensification to include an affordable housing component by promoting incentives or funding from different levels of government.*

3.4 Peel Housing and Homelessness Plan (2018)

As the Service Provider for its local municipalities, the Region of Peel has the responsibility of providing affordable housing options for those with the highest housing need. The Peel Housing and Homelessness Plan (PHHP) (2018) provides direction for the Region of Peel and its partners for achieving outlined targets for affordable housing over the next 10 years to 2028.

The PHHP provides the following classifications of affordable housing:

Low Income Housing

- Households earning \$59,156 or less as of 2017
- Type of required housing includes ownership housing that costs \$235,291 or lower

Middle Income Housing

- Households earning between \$59,156 and \$106,002 as of 2017
- Type of required housing includes ownership housing that costs \$421,617 or lower

Emergency/Temporary Housing:

- Households/persons without permanent housing

Supportive Housing

- Households/persons with need for permanent supportive housing

The PHHP stipulates that a total of 7,500 new units are needed annually to support Peel's population growth between 2018 and 2028. Of this, the PHHP provides the following region-wide affordable housing targets across:

- 2,000 affordable units, consisting of:
 - 200 supportive housing units, 30 emergency/temporary housing units and 770 units for low income households
 - 1,000 units for middle income households
- 5,500 units for middle and greater income households

To achieve the above region-wide objectives, the PHHP allocates a target of 3,894 new units annually for the City of Mississauga, comprising of the following split:

- 1,034 affordable units, consisting of:
 - 104 supportive housing units, 10 emergency/temporary housing units and 400 units for low-income households
 - 520 units for middle income households
- 2,860 units for middle and greater income households

3.5 City of Mississauga Official Plan (Office Consolidation March 13, 2019)

The City of Mississauga Official Plan (the MOP) provides direction for the City's growth and articulates a vision for a future Mississauga through specific guidance in the ongoing evolution of the city. The MOP provides planning policies to guide the city's development to the year 2031, as required by Provincial legislation.

The MOP provides the following policy direction for housing and affordable housing:

- 7.1.3 *In order to create a complete community and redevelop a built environment supportive of public health, the City will:*
 - a. *encourage compact, mixed use development that reduces travel needs by integrating residential, commercial, employment, community, and recreational land uses;*
- 7.1.6 *Mississauga will ensure that the housing mix can accommodate people with diverse housing preferences and socioeconomic characteristics and needs.*
- 7.2.1 *Mississauga will ensure that housing is provided in a manner that maximizes the use of community infrastructure and engineering services, while meeting the housing needs and preferences of Mississauga residents.*
- 7.2.2 *Mississauga will provide opportunities for:*
 - a. *the development of a range of housing choices in terms of type, tenure and price;*
 - b. *the production of a variety of affordable dwelling types for both the ownership and rental markets; and*
 - c. *the production of housing for those with special needs, such as housing for the elderly and shelters.*

3.5 Making Room for the Middle: A Housing Strategy for Mississauga (October 2017)

The Making Room for the Middle: A Housing Strategy for Mississauga (MRMHS) is the City of Mississauga's strategy for accommodating middle income supportive housing. The MRMHS defers to the Region of Peel's definition of affordable housing which stipulates that housing is affordable when a household spends 30% or less of their gross annual income on housing-related

expenses. Currently, the following is the accepted City-wide Annual Minimum New Housing Unit Targets for Mississauga as identified in the MRMHS:

- *17% Social Housing*
- *3% Affordable rental*
- *35% Market Rental and Affordable Ownership*
- *45% Market Ownership*

In the context of the City of Mississauga, the MRMHS emphasizes the need to encourage more affordable housing geared to the “Missing Middle”. The Missing Middle refers to households earning an annual income between \$55,000 and \$100,000. In the broader literature, “missing middle” describes a range of housing types which cater to the budgets and needs of middle-income households that are “missing” from the market. This describes the housing context in Mississauga, where middle income households are confronted with high competition for housing in their affordable price range and have difficulty finding units that suit their needs due to a lack in unit diversity and supply. The MRMHS provides that housing is considered affordable when:

- *Prospective homeowners can afford to pay from approximately \$270,000 to 400,000 for a home.*
- *For rental housing it is a monthly rental rate of approximately \$1,200.*

The MRMHS outlines a variety of actions to achieve its housing objectives. As it relates to the proposed development, this includes:

Increasing the new rental supply of all unit types and range of housing options

The City of Mississauga seeks to achieve a balanced rental market and acknowledge that development of new rental units has not kept pace with demand. The MRMHS also acknowledges that a range of housing types is critical to meet the needs of middle-income earners who risk being priced out of the city.

Encouraging second units

The MRMHS acknowledges that secondary suites are intrinsically more affordable than other market rentals and also support affordable homeownership. They are also one of the most cost effective ways to increase the supply of affordable housing throughout the city

Support for first time homebuyers and affordable ownership

The MRMHS acknowledges that financial supports should be considered in supporting first time homebuyers as there is an increasing barrier to entry into the ownership market. The inclusion of second units may help make home ownership more accessible to a wider range of households by providing flexibility in the financing of their homes.

4.0 POLICY ANALYSIS

The applicable provincial, regional and local municipal policy outlined in Section 3 of this report confirm that achieving a mix and range of housing options, including affordable housing, supporting intensification and the creation of a complete community as well as encouraging the development of “missing middle” housing options, including secondary suites are important considerations for the City of Mississauga.

Mix and Range of Housing Options

The proposed development contributes a mix of housing options by increasing the inventory of family-friendly housing as well as 6 secondary suites that can offer new affordable rental opportunities that expand to meet more diverse housing needs, in particular that of middle income households and smaller household sizes.

The proposed secondary suites will contribute to the mix of housing options in terms of tenure, affordability and size and therefore can suit the needs of young adults, older adults as well as provide options for multi-generational living within the local community. It also provides future potential purchasers of these primary units with flexibility in the use and financing of their home, therefore may support some households in their ability to afford homeownership.

Intensification and the Creation of Complete Communities

The proposed development will contribute to a range and mix of housing options through an appropriate scale of intensification located within an area with convenient access to local stores, services and public service facilities. Housing mix is an important component of achieving a complete community and the proposed mix of housing types including secondary suites will support this objective by increasing affordable rental options to the neighbourhood. This mix will therefore support a range of household types, housing needs, sizes and income levels.

Encourage “Missing Middle” Housing Options, New Rental Units and Secondary Suites

Rental housing, including secondary suites, are specified in all provincial, regional and local municipal policy as a desirable form of housing and affordable housing. The PPHP and MRMHS in particular emphasize the importance of rental housing in sustaining the housing needs of middle-income households. Secondary suites are identified as a desirable form of rental housing in the City of Mississauga.

Although it is not possible to predict the exact price range the proposed secondary suites will be rented for, the previous analysis in Section 1.2 of this Report suggests they may be priced at approximately \$1,150 per month in keeping with the average for the East Credit Neighbourhood. This average estimate aligns with the affordable threshold identified in the *Table 1* for 1-bedroom rental suites.

In addition, the inclusion of a secondary suite may assist prospective homebuyers overcome the financial barrier to entry for homeownership by providing the opportunity for an additional revenue stream to support the financing of their home.

5.0 CONCLUSION

Based on the analysis provided in this Report, it is our opinion that the proposed development provides for an appropriate contribution of affordable housing in keeping with the City's Housing Report TOR. The proposed mix of housing types including affordable secondary suites are consistent with the housing objectives of the PPS and conform to the applicable housing policies of the Growth Plan, Region of Peel Official Plan and City of Mississauga Official Plan. The proposal supports the intent and implementation of the Peel Housing and Homelessness Plan and the Making Room for the Middle: A Housing Strategy for Mississauga.

Respectfully submitted,

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