



Town of Mahone Bay
Staff Report
Date July 27, 2023
RE: Housing Action Plan

General Overview:

The Government of Canada announced the creation of the Housing Accelerator Fund, a \$4 billion dollar fund to incentivize municipalities to increase housing stock, in the 2022 federal budget.

The purpose of this staff report is to provide Council with additional information about the Housing Accelerator Fund, a summary of the response received to the community feedback survey on development of a housing action plan, and an overview of the proposed housing action plan currently under development to support the Town's anticipated Housing Accelerator Fund application.

Background:

This staff report follows on the prior report RE: Housing Accelerator Fund provided to Council's regular meeting of June 13th (attached for reference). At the June 13th meeting the following motion was passed:

THAT Council direct staff to develop a draft housing action plan to support application to the CMHC Housing Accelerator Fund, for Council's consideration.

The [Housing Accelerator Fund](#) (HAF) was announced in the 2022 Government of Canada Budget. The \$4 billion fund is administered by the Canadian Mortgage and Housing Corporation (CMHC) with the purpose of incentivizing and supporting local governments with initiatives to rapidly increase the housing stock. The initiatives should be long-term in nature and not focused on individual projects, but systemic change to encourage housing growth. The program goal is to have 100,000 net-new permits being issued across Canada by the end of 2026. Net-new permits are new permits minus demolitions of housing units. For example, there may be 5 new units permitted and 2 demolished, leaving a net-new of 3.

The HAF funding model is not directly underwriting specific housing projects or reimbursing proponents for specific costs incurred, but the funding can be used in support of housing under the following categories:

- Investments in Housing Accelerator Fund Action Plans
- Investments in Affordable Housing
- Investments in Housing-related Infrastructure
- Investments in Community-related infrastructure that supports housing.

HAF Requirements

Town of Mahone Bay qualifies to apply for the Housing Accelerator Fund under the Small/Rural/North/Indigenous stream, which is for municipalities with populations less than 10,000.

The requirements for Mahone Bay to apply for this fund are as follows:

- An Action Plan with a minimum of five (5) initiatives
- An average annual growth rate percentage change of at least 10% (HAF Incentivized Housing)
 - $(\% \text{ annual growth with HAF} - \% \text{ annual growth without HAF}) / (\% \text{ annual growth without HAF})$
- An overall annual growth rate of 1.1%
 - $(\text{annual projected permits}) / (\text{current housing stock})$

The housing needs assessment for Mahone Bay, recently conducted by the Province of Nova Scotia, will inform the above and support the establishment of a supply growth target in our municipal housing action plan.

Funding Model

The funding a municipality may receive is based on the net-new permitted housing unit in the supply growth target established in their action plan. All net-new permitted units receive a base funding of \$20,000. In addition to the base funding, there are opportunities for top up funding and affordability funding.

Base Funding	Top Up	Affordable
\$20K/unit	Near rapid transit - \$15K/Unit Missing Middle* - \$12K/Unit Multi-Unit Other \$7K/Unit	\$19K/Unit



If awarded, the funds will be disbursed to municipalities in four equal installations. The first payment will be made shortly after the application is approved, then the remaining three installments are sent annually. The first payment is sent with no conditions. The remaining payments are linked to reporting requirements and the payments are contingent on the progress being made on the Action Plan.

Application Overview

The application for HAF is based on historical permitting data, anticipated growth **without** HAF and anticipated growth **with** HAF.

The HAF [Pre-application Reference Material](#) provides information on how to apply for HAF, application requirements, and a list of acceptable Action Plan Initiatives.

The initial application is considered on a point system. Points are awarded based on a scale depending on the impact the action plan has. For example, if the action plan is anticipated to create more housing, it is awarded more points. Another example, if an action plan fits more than one of the goals of HAF, it may be awarded more points. Therefore, it is advisable to try to encourage impactful change in the housing system to encourage growth. From this, the potential initiatives for inclusion in the draft action plan for Mahone Bay have impacts on one or more of the listed initiatives in the HAF Pre-application Reference Material, which is outlined below.

The Housing Accelerator Fund application portal is open until 11:59pm PST on August 18, 2023. In order to apply, there must be a designated applicant from the organization, and they create and maintain a CMHC account and application on the portal. This has already begun. Furthermore, in that application (drawing from an approved housing action plan) approximate costing, timelines, and milestones are to be outlined. The information below is provided to assist with Council's consideration in this regard.

Mahone Bay Situation

Based on the recent needs assessment it is anticipated that the housing stock in Mahone Bay without HAF would increase by 18 units, with 12 single detached homes, and 6 multi-unit housing units over the next three years.

The projected housing growth with HAF is based on data gathered in a needs assessment, anticipation of need for health care workers, and expected population growth encouraged by the twinning of Highway 103, etc.. The projected required growth with HAF – proposed supply growth target – is 100 net-new permits, with 15 being single detached houses, 50 being 'missing middle' and 35 being multi-unit other with 60% of this total being affordable housing. Two of the goals of HAF are to increase gentle density and affordable housing.

The projected supply growth target would result in an Annual Growth Rate percentage change of 455.56% and an Annual Growth Rate of 5.51%, meeting the HAF requirements.

In consideration of this target the HAF funding estimator tool indicates that the Town of Mahone Bay is eligible for Total Estimated HAF Funding of \$3,583,000, with Average Total Funding per Unit of \$43,496.12. This amount is based on the projection that Mahone Bay will permit 60% of these units as affordable, which adds \$19,000 per unit to the funding model.

Community Feedback

A public survey was created to gather feedback on the development of a housing action plan for the Town of Mahone Bay, supporting our anticipated HAF Application. The survey asked residents a number of questions relating to housing.

In total 69 survey responses were received. Over 75% of respondents were residents of Mahone Bay.

When asked about the goal of issuing 100 building permits by September 1, 2026, 28% felt this was an impossible goal and 44% felt it was lofty, but attainable. This raises the question over the feasibility of the proposed supply growth target, though staff feel it is potentially attainable if HAC funding is received and utilized.

Currently, the Town of Mahone Bay definition of affordable housing as outlined in the 2021-2025 Strategic Plan is “costing less than 30% of Mahone Bay’s median household income). Based on 2021 Statistics Canada data, 30% of the median household income in Mahone Bay is \$1,550. 57% of respondents felt this was a reasonable definition while 40% did not. When respondents were asked to elaborate, many cited the challenges of seniors, particularly those relying on CPP and OAS being able to afford this much for housing. Many others cited that the median is skewed given a potential wealth gap in Mahone Bay.

When asked about action plans specifically, affordable housing stood out as a priority to participants. The seven most popular Action Plan Initiatives were:

- Partnering with non-profit housing providers to increase affordable housing
- Encouraging affordable housing
- Updating and expanding infrastructure to encourage housing development.
- Create a process to use currently town-owned land for development of affordable housing without requiring rezoning
- Requiring that a developer build a certain percentage of affordable housing
- Streamlining building and development processes to support construction
- Discouraging things such as vacancies, empty or undeveloped land.

Though these were the top seven, all initiatives presented in the survey garnered support. Respondents were asked to give information on their choices and why they made these selections. From those, some themes arose. Affordability was another large theme, the need for supported housing, and taking a more innovative look at supporting affordable housing. Second was the short-term use of property in Mahone Bay. Mentions of seasonal housing and short-term rentals as significant contributors to long-term housing shortages. The need for the Town to partner with local housing organizations to support their expertise in the development of affordable and suitable housing plans. And finally, a review of the Town processes in permitting and development to help remove 'red tape' from the process.

Planned Initiatives

The following is a high-level overview of the proposed initiatives staff have developed based on the public survey, data on housing stock, historical data, and projected growth. It would be the goal of our proposed action plan to have these initiatives complete by September 1, 2026 per the requirements of HAF. The HAF is basing their three-year timeline on net-new permitted construction, not necessarily new construction completed within that three-year period. The final implementation of the proposed Action Plan Initiatives may be longer than three years. It should also be considered that the Housing Accelerator Fund may not cover all costs associated with an initiative, so consideration for budgetary implications is recommended.

The final draft version of these initiatives with more detailed associated projected costing, timelines, milestones, and organizational impact will be presented at the August 11, 2023 special Council meeting.

Action Plan Initiative 1: Creation and delivery of an Asset Management and Infrastructure Plan for the Town of Mahone Bay with attention to stimulating housing development.

Estimated Cost (of \$3,583,000): \$2,083,000

Like many municipalities, Mahone Bay has begun to undertake projects in Asset Management. Asset Management is a multi-faceted approach to examining the assets of the Town, their lifespan, usefulness, and strengths, weaknesses, opportunities, and threats associated with the asset. This initiative would have some attention focused on infrastructure. The 2021-2025 Town of Mahone Bay Strategic Plan identified infrastructure, particularly water and wastewater infrastructure, as a key indicator of success around Town mission and values.

Furthermore, an Asset Management and Infrastructure plan would contribute to the goals around climate and energy action highlighted by both the HAF and Mahone Bay Strategic Plans.

The goal of this plan would be to have a long-term vision with tangible steps to accomplish to manage and update current town infrastructure with the goal of increasing the housing stock for a growing population.

This plan may include the following:

- Review of current assets and infrastructure supporting development
- Asset mapping of developable lands or assets that can be repurposed
- Engineering design supporting expansion of services and infrastructure (water/wastewater)
- Environmental assessments and remediation of environmental hazards to make land suitable for development
- Review of Town property and zoning to allow for more streamlined development of Town land or sale of Town land.
- Emergency Management Planning in response to potential emergencies, i.e. fire and flooding

Associated HAF Action Plan Initiatives

- Implementing measures to address or prevent flood plain or climate change rise (for example conservation zoning of flood plains)
- Incorporating climate adaptation planning into the Town's asset management plans
- Create a process for the disposal of Town-owned land assets for the development of affordable housing as-of-right (not requiring rezoning).
- Updating infrastructure planning to align with official community plans, growth targets, and housing needs assessment.

Potential Costs Supported by HAF

- Consulting Fees
- Staffing
- Expansion in infrastructure
- Assessments and remediation of lands
- Community energy systems that support housing
- Disaster mitigation
- Brownfield redevelopment
- Site preparation
- Investments in community-related Infrastructure
- Landscaping and greenspace



Action Plan Initiative 2: Partnering with and supporting non-profit housing organizations and providers to increase the stock of affordable and supported housing.

Estimated Cost (of \$3,583,000): \$1,100,000

One main focus of HAF, the Town of Mahone Bay Strategic Plan, and the results of the community survey was affordability. It is clear that all levels of government and the public want to see action on affordable and suitable housing. This Action Plan Initiative would see the Town of Mahone Bay partner with local non-profits housing organizations and providers to create relationships to make change to affordable housing in Mahone Bay. It is important to partner with these organizations to leverage their expertise and to support them financially to have that expertise work for the residents of Mahone Bay.

This plan may include the following:

- The creation of a multi organizational working group to work on actionable items as they relate to affordable housing.
- Creating a reserve fund in the Town of Mahone Bay budget specifically for affordable and supported housing projects and housing organization supports.
- Creation of a program to assist with the funding of affordable or supported housing projects.
- Support the creation and maintenance of an inventory of affordable and suitable housing options.

Associated HAF Action Plan Initiatives

- Partnering with non-profit housing providers to preserve and increase the stock of affordable housing.

Potential Costs Supported by HAF

- Consulting Fees
- Staffing
- Construction of affordable housing
- Repair or modernization of affordable housing
- Land or building acquisition for affordable housing
- Investments in community-related infrastructure
- Landscaping and greenspace



Action Plan Initiative 3: Creation and delivery of an affordable housing strategy in Mahone Bay

Estimated Cost (of \$3,583,000): \$150,000

This plan is closely related to proposed Action Plan Initiative 2. Though partnering with and supporting local non-profit housing organizations is an important step, it is also important for the Town of Mahone Bay to have its own plans, goals, and actions to compound the impact of partnering with organizations.

This plan would have a long-term focus on affordable housing, building on the draft action plan. It is evident that the population of Nova Scotia and Mahone Bay are growing and are projected to grow into the future and with the rapid inflation rate of recent years, this growth and expense will create issues for the Town of Mahone Bay residents. This sort of plan would likely be a 10-to-20-year vision with an intersectional approach. Looking at affordable housing in isolation is problematic, as it can ignore contributing and intersecting factors that contribute to the issue, like race, gender, education, country of origin, etc. By having an affordable housing strategy that not only looks at housing as a stock number, it will allow the Town of Mahone Bay to create solutions to other issues that will have a long-term systemic and cultural change on how we as a population view housing, which is a priority for HAF.

Though there will be an Action Plan submitted with the HAF application, there would be more detail provided in an affordable housing strategy. Also, the creation of a longer-term strategy will allow for more plans beyond the current action plan.

This plan may include the following:

- Creation of a strategy for the upgrading and maintenance of existing affordable housing stock as well as creation of new housing stock
- Grants and funding programs, for example affordable housing grants, review of the low-income tax exemption levels, etc.
- Changes to zoning and land use requirements
- Creation of partnerships with other levels of government, educational institutions, non-profit organizations.
- Changes to and realignment of programs and policies
- Review and investment in active transportation
- Review and consideration for Accessibility, Equity, Diversity and Inclusion.

Associated HAF Action Plan Initiatives

- The creation and delivery of an Affordable Housing Strategy may contribute to all the Action Plan Initiatives outlined by CMHC.

Potential Costs Supported by HAF

- Consulting fees
- Staffing
- Assessment and remediation of lands
- Software or other equipment purchases
- Indigenous consultation
- Investments in affordable housing and related infrastructure (Initiative 2)
- Investments in community-related infrastructure (Initiative 1)

Action Plan Initiative 4: Review and Improvement of Building and Development Processes in Mahone Bay

Estimated Cost (of \$3,583,000): \$150,000

The Town of Mahone Bay is currently engaged in the Plan Mahone Bay process, a review of Mahone Bay land use. As part of this process, Mahone Bay is already taking steps outlined in HAF to increase housing.

With that in mind, one area that this review would emphasize is whether Mahone Bay is most effectively encouraging construction during the building and development process, particularly around permitting, inspection, fees, etc.

This plan may include the following:

- A review of current practices and policies, which may include amendments to bylaws.
- A review of the current permitting process for Mahone Bay with recommendations for future opportunities.
- Examination of software available to help streamline and automate parts of the permitting process.
- Review of current fee structures for building and development in Mahone Bay.
- Creation and addition of housing support staff
- Creation of incentives to encourage gentle density and affordable development in Mahone Bay.

Associated HAF Action Plan Initiatives

- Aligning development charges with the costs of infrastructure and servicing
- Implementing incentives, costing or fee structures.

- Waiving public hearings on all affordable housing projects that conform to a set standard.
- Implementing new/enhanced processes or systems such as case management, e-permitting, land and building modelling.

Potential Costs Supported by HAF

- Consulting fees
- Staffing
- Purchase and maintenance of software

Action Plan Initiative 5: Creation and Delivery of Programs that Discourage Idle Land and Space

Estimated Cost (of \$3,583,000): \$100,000

The Town of Mahone Bay is just over 3 km². Though small, there is idle land and space in Town, both public and private that could be developed or used for housing. The role of the Town in the development and use of idle private land is to offer incentives or disincentives to landowners to want to develop the land. This can take on two forms, one being the positive incentivization of development, the other is the negative discouragement of idle lands by way of increased property taxes. Another form of idle land is short-term rentals and seasonal housing. Again, there are ways to discourage these vacancies on already developed land.

The development of incentive and disincentive programs for the promotion of long-term rentals, development of empty or idle lands, creation of multi-unit dwellings in large houses, could increase the housing stock.

This plan may include:

- The implementation of a marketing levy on short-term tourism properties
- Increased property taxes on idle land or empty housing units
- Incentive programs to promote landowners to develop housing on idle land
- Incentive programs to support the reconstruction of large single-use dwellings into multi-unit dwellings.
- Creation of a rebate program for long-term rental landlords

Associated HAF Action Plan Initiatives

- Implementing disincentives, costing or fee structures to discourage such things as unit vacancies, underdevelopment/idle land, and low-density forms of housing.

Potential Costs Supported by HAF

- Consulting Fees
- Staffing and training
- Software purchases and updates

Financial Analysis

Based on the proposed supply growth target and the number of affordable units being projected, the application being proposed is for \$3,583,000. Within each of the proposed Action Plan Initiatives there is a general estimate of how much each initiative would cost to complete. This staff report outlines costs with the anticipation that the Housing Accelerator Fund would fund 100% of the proposed Action Plan Initiatives. There may be an instance where a project may incur costs that are either not eligible under the HAF or costs go beyond the projections in this report, which at that time, there would be potential for staff and Council to review the Action Plan Initiative or the potential for the Town of Mahone Bay to add supplemental funding. This is particularly the case with infrastructure expansion (included in proposed initiative 1) where the Town already has initiatives in this area on the horizon in our 10-year capital investment plan.

Beyond the financial break down by Action Plan Initiative, the HAF also requests other financial projections, one such being the following:

For information purposes only. Using the illustrative examples provided by CMHC in its published program material, the applicant estimates that they may be eligible for a total of \$ under HAF.		\$3,583,000.00
Based on this assumption, it is estimated that HAF funding will be used for the following purposes:		
Permitted Uses	Applicant's Estimate %	Applicant's Estimate \$
Investments in HAF action plan items (include estimates by year of program) YR1	5.58%	\$200,000.00
Investments in HAF action plan items (include estimates by year of program) YR2	5.58%	\$200,000.00

Investments in HAF action plan items (include estimates by year of program) YR3	5.58%	\$200,000.00
Investments in affordable housing	30.70%	\$1,100,000.00
Investments in housing-related infrastructure	41.39%	\$1,483,000.00
Investments in community-related infrastructure that supports housing	11.16%	\$400,000.00
Total	100.00%	\$3,583,000.00

This projection itemizes costs based on year and infrastructure type. Though it is projection that \$200,000.00 will be spent per year on HAF action plan items, the infrastructure projections and the annual projections are interrelated. For example, there may be the development of an agreement with a non-profit housing provider support affordable housing in year 1. In that case, it may cost \$15,000 to create the agreement then the grant has a reserve of \$150,000 used to support a housing build. The \$150,000 would be considered as an investment in affordable housing.

Climate Analysis

The development and implementation of the proposed housing action plan would support the realization of the Town's goals around climate and energy as articulated in the GHG Reduction Action Plan and Council's Strategic Plan.

Links to Strategic Plan

2.1 Support Housing Supply to Meet the Needs of a Growing Community

This project also links to the Town of Mahone Bay Strategic Plan Key Measurable Results of the Mission and Values.

Council Direction

Staff are seeking Council's feedback and direction on the development of the housing action plan and HAF application as outlined in this report. This feedback

will enable staff to bring a recommendation to Council for motion on the Housing Accelerator Fund application at the special meeting on August 11, 2023. Some areas requiring feedback include:

- Confirmation of the housing target goal of 100 net-new permits. Keeping in mind that changing the housing target would impact the growth rates and the amount of funding being requested.
- Feedback concerning the extent to which affordability will be an established goal (60% of net-new permitted units).
- Feedback concerning the proposed initiatives for the action plan as outlined in this report.

Respectfully submitted,

Eric J. Levy

Deputy CAO





Town of Mahone Bay

Staff Report

RE: Housing Accelerator Fund

June 13th, 2023

General Overview:

This staff report is intended to provide Council with an update concerning the development of a Housing Strategy for Mahone Bay.

Background:

Since the last update in October of 2022 (attached for reference) we have been anticipating the release of the Provincial Needs Assessments, following which the Council expected staff to begin working on the development of a housing strategy, engaging a consultant and working with the community. Based on the timing of the Needs Assessments – which have yet to be released by the Province – Housing Strategy adoption by Council is not currently anticipated prior to Spring/Summer 2024.

Analysis:

A new program has been launched by the Canada Mortgage and Housing Corporation (CMHC) which appears to be positioned as the federal government's primary program for supporting the implementation of municipal housing strategies over the next several years. This is the Housing Accelerator Fund (<https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/housing-accelerator-fund>).

The Housing Accelerator Fund will have an intake window later this summer; this may be the only intake window to this new program. To apply, municipalities are required to have a completed needs assessment, along with an action plan (essentially a basic housing strategy). The intent is that the needs assessment would inform the development of an action plan. The action plan submitted with application will be the key document establishing milestones for federal funding to the municipality.

The Province of Nova Scotia has announced that municipalities will be provided with the completed Needs Assessments in time for the deadline to apply to the Housing Accelerator Fund. It is clear at this point that there will be insufficient time from the receipt of this Needs Assessment to develop the Housing Strategy envisioned by Council, but there remains the possibility of developing an action plan sufficient for application to the Housing Accelerator Fund, if the Council sees fit to proceed with the development of a streamlined action plan, acknowledging the lack of a needs assessment to

inform the development of the plan, and that the time for public engagement on the action plan will be tightly constrained.

Utilizing the budget established for the development of a Housing Strategy staff could, on Council's direction, undertake minimal public engagement and produce a draft action plan for consideration. Presuming Council members could devote sufficient time to this initiative an action plan could be approved at Council's July 27th meeting, to accompany an application to the Housing Accelerator Fund. This action plan, along with the Provincial Needs Assessment, could then form the basis for development of a more comprehensive Housing Strategy over the coming year, or alternatively the development of a Housing Strategy could be shelved in favour of proceeding to implementation of the action plan (if the Town's application to CMHC were approved). It should be acknowledged that diverting staff resources to the development of the action plan and CMHC application could delay other priorities for June/July 2023.

Financial Analysis:

Council currently has allocated \$30,000 in the 2023-24 budget for development of a Housing Strategy. It would be difficult to engage a consultant to develop a full strategy prior to the deadline for CMHC application, but we might be able to swiftly deploy external resources to assist staff with the development of an action plan, particularly as we are currently under contract with Upland Planning & Design for the Plan Mahone Bay process. Costs incurred in development of an action plan would be expected to contribute to the eventual development of a Housing Strategy, presuming Council elects to continue with that project following CMHC application.

Climate Analysis:

Increased density of housing reduces GHG emissions from transportation.

Strategic Plan:

- 1.1. Housing Supply to Meet the Needs of Growing Community
 - Develop and implement Housing Strategy with affordability as its focus.

Recommendation:

It is recommended,

THAT Council direct staff to develop a draft housing action plan to support application to the CMHC Housing Accelerator Fund, for Council's consideration.

Attached for Council Review:

- Oct 27, 2022 Staff Report

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Dylan Heide', with a long horizontal flourish extending to the right.

Dylan Heide
Town of Mahone Bay CAO



Town of Mahone Bay

Staff Report

RE: Housing Strategy Update

October 27th, 2022

General Overview:

This staff report is intended to present Council with an update on the planned development of a Housing Strategy for Mahone Bay.

Background:

Housing is a significant priority in Council's 2021-25 Strategic Plan.

Particularly, the four Key Measurable Results to achieve by 2025 include two in relation to housing:

1. 10% population increase with diversity in age, ethnicity and income.
2. Increased supply of affordable housing (costing less than 30% of Mahone Bay's median household income) to 25% of total housing units.

The Strategic Plan articulates Council's intentions in relation to housing:

2.1 Support Housing Supply to Meet the Needs of Growing Community

Support population growth with an increased number of dwelling units by implementing a Town Housing Strategy that fosters housing affordability, reduces the number of households in core housing need, and preserves our built heritage.

The Strategic Plan further anticipates a Mahone Bay Housing Strategy – with affordability as its focus – will be in place by the end of fiscal 2023-24.

The Staff Report re Housing Strategy Development, presented to Council's Dec 14th, 2021 meeting, is attached for reference. Per the Report, Council directed staff to reach out to the other municipal units in the County, supporting joint housing needs assessments and encouraging regional coordination on housing strategy development. Since that time the Province has undertaken needs assessments for all municipalities and staff-level discussions concerning strategy development are ongoing between the units in the County.

Analysis:

Developments in relation to the proposed Mahone Bay Housing Strategy include:

Provincial Needs Analysis

The Provincial needs analysis for all municipalities in Nova Scotia is currently underway using 2021 census data.

The Province of Nova Scotia has partnered with Turner Drake and Partners Ltd. (www.turnerdrake.com) to carry out the needs assessment. The project team also includes UPLAND Planning + Design Studio (uplandstudio.ca), COLAB (thecolab.ca) and MountainMath (mountainmath.ca).

The website for the Provincial Needs Assessment is:

<https://www.nshousingneeds.ca/>.

Though it was initially anticipated that the needs assessment would be completed late in 2022, it now appears the process will run until the Spring of 2023.

Needs Analysis Engagement

Engagement activities to inform the Provincial Needs Analysis, both general and targeted, are currently underway. Direct engagement with residents is underway with municipalities being encouraged to promote (poster attached for reference). Targeted engagement of municipal councils and staff is also underway with the Town Council participating in a session with COLAB on October 27th.

Housing Authority Consolidation

A new Crown Corporation, the “Nova Scotia Provincial Housing Agency”, will be established “to provide oversight and accountability for public housing in Nova Scotia”. This means that the current 5 Housing Authorities will join together to become one new Crown Corporation. The Department of Municipal Affairs and Housing will provide strategic oversight to the Crown Corporation while continuing to maintain responsibility for other housing-related programs, agreements, and initiatives. Existing financial agreements will not change as a result of the establishment of the new Crown Corporation.

The five Housing Authority boards will be dissolved and their review function will be undertaken by staff of the Crown Corporation. The Province’s recent news release indicates that, “The Crown Corporation

will be solely focused on improving public housing from one end of the province to the other, by standardizing and streamlining operations.” The Province anticipates that the Crown Corporation will be operational by the end of this year.

Staff-Level Regional Coordination

As noted above, relevant staff of the five municipalities in Lunenburg County are meeting semi-regularly to discuss the units’ approaches to housing strategy development. Regional strategy development has not been significantly explored to date but opportunities exist for coordination in areas such as Planning approaches, home heating programs and infrastructure development.

Provincial Interest in Planning Documents

The Province, in their action on housing, have been taking a more direct role in municipal planning through the issuance of Statements of Provincial Interest (such as the attached re small option homes) and withholding Ministerial approval from planning amendments seen as contradicting the Province’s intentions with respect to housing. It will be important to align the Town’s planning approach with that of the Province, particularly as regards housing development.

Housing and Plan Mahone Bay Process

The ongoing Plan Mahone Bay process is a key opportunity for Council to pursue its strategic goals with respect to housing as the community’s Municipal Planning Strategy and Land Use By-law are major influencers over housing development, particularly with respect to development of market housing and the affordability of housing.

Motions of Council with respect to housing in the Planning process:

“Staff to initiate discussion with MODL Planning staff and prepare a report for Council about the possibility of intermunicipal collaboration between the Town of Mahone Bay and MODL on the topic of housing in the preparation of their respective planning documents.” (Nov 26, 2020)

“That minimum standards for housing be reflected in any housing strategy that the Town may develop.” (Sep 14, 2021)

“Staff to provide a report on the next steps to develop a housing plan for Mahone Bay.” (May 10, 2022) <- this report

Financial Analysis:

The approved budget for Housing Strategy Development is \$30,000 over fiscal 2022-23 (\$5,000) and fiscal 2023-24 (\$25,000). The \$5,000 anticipated for 2022-23 would be for any additional consultation or other data collection in relation to Provincial Housing Strategy / Needs Assessment, if Council determines it necessary to supplement the work going on at the Provincial level. The allocation to 2022-23 had however anticipated earlier completion of the Provincial Needs Analysis process – as noted above – and it would now be reasonable to expect the full \$30,000 to be moved ahead to fiscal 2023-24.

Climate Analysis:

Multi-unit housing reduces emissions per dwelling unit, housing developments in the downtown core reduce emissions from transportation, new and renovated housing stock presents opportunities for electrical heating to support the phase-out of fossil fuels.

Strategic Plan:**2.1 Support Housing Supply to Meet the Needs of Growing Community**

- Develop and implement Housing Strategy with affordability as its focus

Recommendation:

It is recommended,

THAT Council accept this report for information.

Attached for Council Review:

- Dec 14, 2021 Staff Report re Housing Strategy Development
- NS Housing Strategy Poster
- Statement of Provincial Interest Regarding Housing and Small Option Homes - Bulletin of June 2022

Respectfully Submitted,



Dylan Heide
Town of Mahone Bay CAO

Appendix A



Town of Mahone Bay

Staff Report

RE: Housing Strategy Development

December 14th, 2021

General Overview:

This report is intended to provide Council with information related to the development of a housing strategy, as per Council's 2021-25 Strategic Plan, as well as to seek Council's direction on the development of the strategy.

Background:

The [2021-25 Strategic Plan](#) (approved by Council June 3, 2021) includes the following with respect to the development of a Housing Strategy:

2.1 Support Housing Supply to Meet the Needs of Growing Community

Support population growth with an increased number of dwelling units by implementing a Town Housing Strategy that fosters housing affordability, reduces the number of households in core housing need, and preserves our built heritage.

Strategic Actions:

- Develop and implement Housing Strategy with affordability as its focus

Key Measurable Results:

- 10% population increase with diversity in age, ethnicity and income.
- Increased supply of affordable housing (costing less than 30% of Mahone Bay's median household income) to 25% of total housing units.

The timeline for development and initial implementation of the strategy is shown as Q3 fiscal 2021 to Q4 fiscal 2023.

Council included an allocation of \$30,000 for housing strategy development in the 2021-22 operating budget.

In Q1 and Q2 of 2021-22 Council has also given subsequent directions re:

- Connecting with MODL planning staff with regards to housing and land use; and,
- Incorporating Minimum Standards for rental housing into the housing strategy.

Prior to the development of the 2021-25 Strategic Plan, housing had been the topic of staff reports dated Nov 28, 2019 ([re Housing Committee](#)) and Jan 28, 2021 ([re Housing Call for Proposals](#)), which informed the need for a Mahone Bay housing strategy as reflected in the 2021-25 Strategic Plan.

The South Shore Housing Action Coalition – of which the Town is a member, along with the other municipal units in Lunenburg County – has also done considerable work in recent years which would inform the development of a Mahone Bay housing strategy. In particular, a regional housing needs assessment was carried out in 2016 with Mahone Bay as one of the participating communities (available [HERE](#)) and a housing policy toolkit for municipalities was developed (available [HERE](#)).

Housing supply and affordability were significant issues in the recent Provincial and Federal elections and Provincial and Federal priorities for housing will significantly inform the development of a Mahone Bay housing strategy.

The Provincial Government in particular has unveiled a new “Solutions for Housing and Homelessness” position document since the recent election, laying out the priorities and approach of the new government (available [HERE](#)); the prior NS Housing Action Plan is available [HERE](#), for reference.

It is worth noting that the Province’s new approach includes amending the Municipal Government Act (MGA) to introduce “flexibility in taxation that will encourage affordable housing development”; we don’t yet know what form this will take, but potentially it will include giving Municipalities the ability to provide a property tax rebate for private developers on some defined form(s) of housing development.

The Federal Government has put a significant focus on housing in recent years, with a well-defined national housing strategy (detailed [HERE](#)). The federal Canada Mortgage and Housing Corporation (CMHC) provides additional guidance to municipalities on the development of local housing strategies (available [HERE](#)).

Both Provincial and Federal approaches to housing – particularly as regards financial partnerships with municipalities – tend to focus on “shovel-ready” projects on public lands.

Analysis:

In preparation for the development of a Mahone Bay housing strategy staff have reviewed numerous municipal strategy documents and guidance documents developed in various jurisdictions (for example [What is a Local](#)

[Housing Strategy and Why is it Important](#) and [Key Steps to Develop a Local Housing Strategy](#), from the American community of practice Local Housing Solutions). All local housing strategies reviewed began with a needs assessment including public engagement, followed by vision and goal setting, definition of actions, and progress measures. A needs assessment is therefore the first component of strategy development to be considered.

As noted above, a prior housing needs assessment for Mahone Bay was undertaken by the South Shore Housing Action Coalition in 2016 ([Mahone Bay needs assessment excerpt](#)). This assessment consists of statistical information (from the 2016 federal census) and public input gathered through engagement activities (a targeted phone survey carried out at the regional level).

The 2016 needs assessment includes the most recent census data currently available. Housing data from the recent 2021 census will be made available from Statistics Canada in 2022, in particular September 21st is scheduled as the release date for “Canada’s Housing Portrait” (census data release schedule available [HERE](#)). Public input informing the 2016 needs assessment is now five years old and could be updated via another targeted survey (potentially carried out again at the regional level) or other engagement activities (staff could develop a draft engagement plan at Council’s direction, in accordance with the Town’s [Public Engagement Policy](#)).

In proceeding with the development of a housing strategy for Mahone Bay Council needs to determine whether the 2016 needs assessment is sufficient or whether a new needs assessment will be conducted. If a new needs assessment is undertaken to inform the housing strategy staff strongly recommend utilizing the 2021 census data rather than 2016 data. While awaiting the release of the census data in the Fall of 2022 new public input could be collected.

Before proceeding with a new needs assessment the potential for a regional approach should be explored, particularly if there is an interest in conducting another targeted survey of residents in all participating units. Per prior reporting from the Town’s SSHAC Board member (Councillor Burdick) it is understood that the Town of Bridgewater is interested in carrying out a new needs assessment and further that SSHAC would support such a regional approach to undertaking a new needs assessment. Recent comments from the Deputy Minister of Municipal Affairs and Housing indicate that the Province would also be supportive of a regional approach to housing needs assessments. As such a regional housing needs assessment would be undertaken in 2022, agreement between participating municipal units (and potentially the Province as a funder) would be needed as soon as possible.

Financial Analysis:

The 2021-22 budget included \$30,000 for housing strategy development. Depending on Council's direction on the conduct of a needs assessment, this budget allocation – presuming it is carried over to 2022-23 – will be substantially more than would be required for this initial component, leaving remaining funds to support future strategy components (vision and goal setting, definition of actions, and progress measures), via contracted or term resources. If a needs assessment were to be carried out regionally Provincial funding may further defray the Town's costs for this component.

Climate Analysis:

The development of a Mahone Bay housing strategy presents potential opportunities for climate action to be explored.

Strategic Plan:**2.1 Support Housing Supply to Meet the Needs of Growing Community**

- Develop and implement Housing Strategy with affordability as its focus

Recommendation:

It is recommended,

THAT Council direct staff to prepare a letter to the Mayors/Wardens and Councils in Lunenburg County requesting their support for a regional housing needs assessment to be carried out in 2022 utilizing 2021 census data, and for jointly approaching the provincial Department of Municipal Affairs and Housing to support this initiative.

Attached for Council Review:

None

Respectfully Submitted,

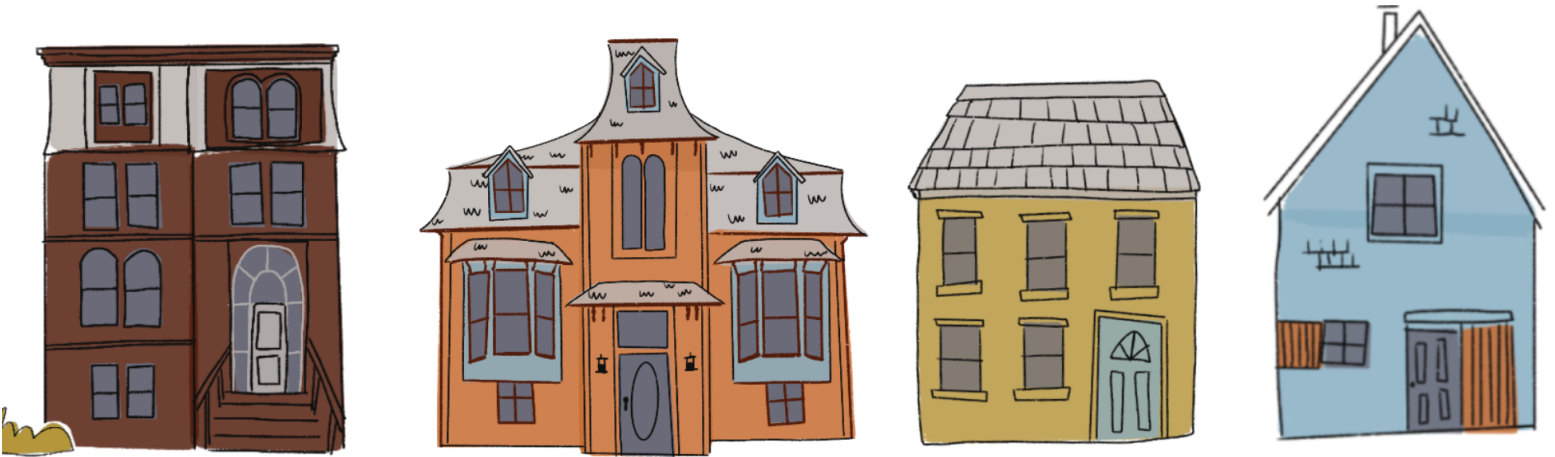


Dylan Heide
Town of Mahone Bay CAO

We want to hear from you!

Appendix B

Nova Scotia Housing Needs Assessment



What are the housing needs of Nova Scotians? What housing challenges have communities been facing? Where does housing need to be built across the province?

Addressing the housing crisis in the province requires informed decisions. However, not all 49 municipalities across the province have access to housing data and information. This is the gap that the Nova Scotia Housing Needs Assessment is trying to fill.

Want to learn more about the project?
Visit our website at NSHousingNeeds.ca

Have your voice heard!
Scan to take the Housing Needs Survey:



Appendix C



Department of Municipal Affairs and Housing

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Halifax, NS B3J 2M4

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October 21, 2022

TO: CAOs & Clerks / Municipal Planning Staff

**RE: Statement of Provincial Interest Regarding Housing and Small Option Homes -
Bulletin of June 2022**

The Department of Municipal Affairs and Housing has received questions seeking clarification regarding the letter and Information Bulletin released on June 6, 2022, clarifying the Statement of Provincial Interest regarding Housing and the application to small option homes. This letter is to provide that clarification to all municipalities.

Small option homes are a type of home, licensed under the *Homes for Special Care Act*, that house three or four residents with developmental, mental health or physical disabilities. Residents live independently in community and receive assistive support from staff. In land use matters, small option homes function in the same manner as other residential dwellings. Regulation that restricts access to classes of persons where the building use, land use, structure, and lot geometry are the same as for any other dwelling within a zone are inappropriate and, in the case of small option homes, would be considered inconsistent with the Statement of Provincial Interest regarding Housing.

Small option homes typically exist as single-unit dwellings, but may also exist as other types of dwellings, such as duplexes or other conventional housing forms (triplexes, multi-unit residential, etc.). Based on this, where a type of dwelling is permitted, a small option home of that same type of dwelling is to also be permitted. This applies to all zones that permit residential uses and is not limited to zones classified as 'Residential.'

We encourage municipalities to review their Municipal Planning Strategy and/or Land Use By-law with the intent to remove any possible exclusionary language or other barriers for small option homes that may currently exist within the planning documents.

Should you have any questions pertaining to small option homes as they relate to your planning documents, please feel free to contact me.

Kind regards,

Christina Lovitt, MCIP, LPP, PMP
Provincial Director of Planning

/kz