

**Date:** 2020-12-12

**Subject:** **Recommendation Report**

**Secondary Title:** Peer Review Consultant for Market Analysis, Inclusionary Zoning Assessment

**Contact:** Bindu Shah, Policy Planner III

**Report Number:** Planning, Building and Economic Development-2021-037

**Recommendations:**

1. **THAT** the report titled: **Peer Review Consultant for Market Analysis, Inclusionary Zoning Assessment**, to the Planning and Development Committee Meeting of January 18, 2021, be received; and
2. **THAT** the proposed selection of urbanMetrics Inc. to provide a written opinion of the market analysis component of the assessment report to be prepared by N. Barry Lyon Consultants Ltd., in accordance with the Planning Act and Ontario Regulation 232/18, be endorsed.

**Overview:**

- **The City of Brampton continues to advance the development of its comprehensive housing strategy, Housing Brampton, which will address housing affordability, diversity and innovation.**
- **A number of housing action items are also well underway as early deliverables of the Housing Strategy. One such item is an assessment report which is required under the Planning Act to be completed by municipalities prior to adoption of Official Plan policies to implement inclusionary zoning (the “Assessment Report”).**
- **The Assessment Report is required to include, “An analysis of potential impacts on the housing market and on the financial viability of development or redevelopment in the municipality from inclusionary zoning by-laws” (the “Market Analysis”).**

- **The City is working in collaboration with the Region on the Assessment Report being undertaken by N. Barry Lyon Consultants (“NBLC”), a consultant retained by the Region.**
- **As per Section 2(1)(7) of the Ontario Regulation 232/18, the City must obtain a written opinion on the Market Analysis by “a person independent of the municipality and who, in the opinion of the council of the municipality, is qualified to review the analysis” (the “Qualified Reviewer”).**
- **The Region has proposed that urbanMetrics Inc. be selected as the Qualified Reviewer of the Market Analysis, and staff recommend that Council endorse the Region’s selection.**
- **The Region will proceed with an agreement with the Qualified Reviewer only after receiving confirmation that all local municipal councils endorse the Region’s selection. Brampton legal staff will review and approve of the agreement at that stage to ensure Brampton’s interests are considered and protected.**
- **This report represents good planning, is consistent with the Provincial Policy Statement, and conforms to the Planning Act, Provincial Growth Plan, the Region of Peel Official Plan and the City of Brampton Official Plan.**
- **Housing Brampton is consistent with the “2019-2022 Term of Council Direction: A Compass for our Community” and supports the “A City of Opportunities” theme. The proposal is consistent with the direction of building complete communities to accommodate growth for people and jobs.**

### **Background:**

Housing Brampton aims to support the provision of age-friendly and inclusive housing that is affordable and accessible to all. It will recommend policies, identify actions that the City and various stakeholders can undertake to improve the supply of affordable ownership and rental housing, as well as implement city wide initiatives in terms of policy and process improvements stemming from the recommendations.

Affordable housing is a key component of Housing Brampton and is defined within the Provincial Policy Statement and the City’s Official Plan as adequate housing which is affordable to households of low, moderate and middle incomes, or households within the lowest 60 percent of the income distribution for the housing market area.

### **Inclusionary Zoning (IZ)**

Currently, provincial legislation in Ontario authorizes municipalities to adopt inclusionary zoning provisions which would require a proportion of new residential development to be allocated for affordable housing. Various criteria must be satisfied prior to a municipality implementing an inclusionary zoning program, including:

- The Assessment Report which includes the Market Analysis;
- Mandatory peer-review of the Market Analysis by the Qualified Reviewer;
- Enactment of an inclusionary zoning bylaw under Section 34 of the Planning Act, associated official plan policies setting out the City's approach for authorizing IZ, and a determination of various program details; and,
- Update reports to Council, to be prepared every two years.

Inclusionary zoning has been identified as a leading tool available to municipalities to mandate provisions for affordable housing through the development process. Due to recent changes to the *Planning Act* (in particular through Bill 108), IZ can only be applied in Brampton within protected Major Transit Station Areas (MTSAs) and Community Planning Permit System (CPPS) By-Law Areas where a CPPS has been ordered by the Minister of Municipal Affairs and Housing. Municipalities which have recently commenced the development of an IZ framework include Toronto, Markham and Kitchener.

The City of Brampton is working with the Region of Peel on the MTSA exercise that includes development of MTSAs across the Region, delineating station area boundaries, and establishing minimum density targets. Inclusionary Zoning policies can come into effect once MTSA delineations are complete and MTSA policies are established in the Official Plan.

A Recommendation Report was brought forward to Brampton's Planning and Development Committee on July 22, 2020. Staff was directed to initiate the development of an IZ Assessment Report, in collaboration with the Region of Peel, to support the development of an inclusionary zoning framework and policies. The current report speaks to the next phase in the process.

### **Analysis:**

The Region has been working collaboratively with the local municipalities and has retained NBLC to undertake the Assessment Report required by Ontario Regulation 232/18 – Inclusionary Zoning, which will include an overview of local municipal demographics, housing markets, and housing needs and demand.

In addition, the regulation requires the Assessment Report contain the Market Analysis, to review the potential impacts of inclusionary zoning policies on the housing market and on the financial viability of development or redevelopment. The regulation also requires a written opinion of the Market Analysis from the Qualified Reviewer, who is to be, "...a person independent of the municipality and who, in the opinion of the council of the municipality, is qualified to review the analysis."

The Region has proposed that urbanMetrics Inc. be selected as the Qualified Reviewer of the Market Analysis, given their industry expertise in market analytics, feasibility analysis, and economic impacts, as well as recent work reviewing inclusionary zoning market analysis. Brampton staff recommend that Council endorse the Region's selection. The Region will proceed with an agreement with the Qualified Reviewer only after receiving confirmation that all local municipal councils endorse the Region's selection. Brampton legal staff will review and approve of the agreement at that stage to ensure Brampton's interests are considered and protected

Both the Market Analysis and the Peer Review of the Market Analysis are being undertaken with extensive input from Brampton planning staff and are expected to be utilized in implementing the inclusionary zoning program. Following the review of the Market Analysis and completion of all other background analysis, the Region will finalise an IZ Framework and Brampton staff will proceed with developing IZ Official Plan (OP) policies and an IZ Zoning By-law.

Expected process steps are:

- Assessment Report (by NBLC) – ongoing, expected completion by February, 2021;
- Peer review (by Qualified Reviewer)- to commence after February, 2021 (pending Council endorsement of selection of the Qualified Reviewer);
- MTSA delineation and OP policies- ongoing, expected completion by March, 2021;
- Brampton IZ OP Policy and Zoning By-law formulation- to commence once Assessment Report is endorsed, and MTSA policies are in place- expected completion by Fall 2021.

### **Corporate Implications:**

#### Financial Implications:

No financial implications to the City, the Region will bear the cost of retaining the consultant.

#### Other Implications:

No other implications associated with this report have been identified at this time.

### **Strategic Plan:**

This report achieves the Strategic Plan priority of 'Create Complete Communities' through the development of a city-wide affordable housing strategy, ultimately improving the quality of life of residents and the state of housing security.

## Living the Mosaic – 2040 Vision:

This report aligns with Action #5-3 of the 2040 Vision in seeking to diversify the City's housing stock to address the housing needs of all. Action #5-3 identifies the need for a made-in-Brampton comprehensive housing strategy, including partnerships targeting the end of homelessness.

## **Term of Council Priorities (2019-2022):**

This application is consistent with the "A City of Opportunities" theme. It supports the building of complete communities to accommodate growth for people and jobs. Affordable housing is a key component of the creation of complete and equitable communities.

## **Conclusion:**

Various early-impact opportunities have been identified to advance the objectives of the City's emerging housing strategy. This report brings forward a recommendation to endorse the Qualified Reviewer for the Market Analysis proposed by the Region of Peel.

Staff will report to Council with the findings of the IZ Assessment Report to support the development of an IZ program.

Authored by:

Bindu Shah  
[Policy Planner III]

Reviewed by:

Robert Bjerke, MCIP, RPP  
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[Director, Policy Planning]

Approved by:

Richard Forward, MBA, M.Sc., P.Eng.  
[Commissioner, Planning, Building and  
Economic Development]

Submitted by:

David Barrick  
[Chief Administrative Officer]