



## DEVELOPMENT SERVICES MEMORANDUM

FILE NO.: D14-1686

**TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL**

**FROM: M. BANFIELD, RPP, DIRECTOR OF DEVELOPMENT SERVICES**

**NOTED: A. MILLER, RPP, GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH  
MANAGEMENT**

**M. PROWSE, CHIEF ADMINISTRATIVE OFFICER**

**RE: AFFORDABLE HOUSING UNITS ASSOCIATED WITH ZONING BY-LAW  
AMENDMENT APPLICATION – SEAN MASON HOMES (VETERAN'S LANE) INC.  
339 VETERAN'S DRIVE, 341 VETERAN'S LANE AND 19 MONTSERRAND  
STREET**

**DATE: OCTOBER 5, 2020**

The purpose of this memorandum is to provide members of Council with additional information that was requested from the consideration of the above referenced application at Council on September 21, 2020. In this regard, staff were requested to provide comment on the provision and long-term securement of three (3) affordable housing units on lands owned by Sean Mason Homes (Veteran's Lane) Inc., located at 339 Veteran's Drive, 341 Veteran's Lane and 19 Montserrand Street.

In response to Council's request to consider the securement of three (3) affordable housing units on the subject lands over the long term, the attached letter was received from the applicant's Planning consultant. The applicant has identified that the provision of three (3) surface parking spaces for the proposed walk-up apartment building would contribute to the overall affordability of the apartment units, thereby allowing three (3) units to be offered for sale for less than \$305,000 (see Appendix 'A'). However, there is no guarantee.

The proposed development would increase the supply of available walk-up apartment units within the City, providing additional opportunities for moderate income families to obtain suitable housing. However, in order to ensure that a minimum of three (3) units are sold for an affordable price, Council may want to consider that a provision be added to the implementing zoning by-law requiring the owner enter into an agreement with the City to ensure same. This may be addressed in the Development Agreement associated with a subsequent required site plan control process. This is staff's only suggestion to address the securement matter and Legal staff have advised that even if registered on title, the agreement will be very difficult to enforce in future land transactions.

### **Background**

On September 15, 2020, Planning Committee recommended approval of the staff recommendation related to a proposed Zoning By-law Amendment for the subject lands (DEV019-20). The effect of the application would be to permit the development of a five-storey residential apartment building with a maximum of 38 units and 35 block/cluster townhouse units fronting onto Veteran's Drive and Montserrand Street. A number of site-specific zoning provisions (SP) were recommended to implement the proposed concept plan submitted in support of the subject application. Of these SPs, was a reduced parking ratio of 1 parking space per unit for the proposed walk-up apartment building and a supplemental provision which would require all parking associated with this building be provided through an underground structured parking lot, as proposed. Staff understood and recommended that the balance of the parking for the site would be accommodated through the provision of private driveway/garage spaces associated with the proposed townhouse units and an additional thirteen (13) surface parking spaces dispersed throughout the site for visitor parking.

On September 21, 2020, a deputation was received from the applicant's Planning consultant, Darren Vella of Innovation Planning Solutions, requesting that Council reconsider the recommendation of staff and Planning Committee as it relates to the parking provisions for this site. More specifically, Mr. Vella noted that all of the required parking for the proposed walk-up apartment building could not be accommodated underground and that three (3) of the 'surface visitor parking spaces' would be required to be utilized to accommodate the 1:1 parking ratio for the proposed walk-up apartment building. In addition, Mr. Vella noted that the provision of 3 surface parking spaces for the proposed apartment building would contribute to the overall affordability of the associated apartment units.

As noted in paragraphs 52-54 of staff report DEV019-20, section 3.3.2.2 of the City's Official Plan identifies the goal that a minimum target of 10 percent of all new housing units be affordable. In the case of home ownership, the criteria for affordable housing is identified as the least expensive of:

- housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low- and moderate-income households; or
- housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area.

The County of Simcoe has identified that the median household income for the City of Barrie is \$79,984. This household income would allow the purchase of an affordable unit to a maximum price of \$305,000 per unit, representing 30 percent of household income spent on accommodation on an annual basis. The regional maximum of 10 percent below average resale price of a home in Barrie is \$445,582.

At the time of writing the staff report, the applicant identified a selling price of \$285,000 - \$400,000 per unit for the proposed apartment units, and \$425,000 - \$550,000 for the proposed townhouse units. In this regard, a minimum of 38 apartment units would be offered for sale at 10 percent below the average purchase price of a resale unit in the regional market area given the estimated price of \$285,000 - \$400,000 per unit. However, in accordance with the Official Plan, a maximum purchase price of \$305,000 would be considered affordable given that this is the less expensive than the average resale value in the regional market area. There is no guarantee that the sale price will be \$305,000 or lower as the applicant has identified a selling price range for the units and the housing market in Barrie is very hot right now.

Unlike affordable rental housing whereby affordable rental units are maintained in common ownership and/or managed by an affordable housing provider to ensure their long-term affordability, the same is not true for freehold residential units, as proposed. Following the initial sale of an affordable freehold unit to the first owner, there is no guarantee that these units would be sold for an affordable rate in the future. As such, any adjustment to zoning provisions granted based on an offer of affordable housing will be short-lived, potentially a very short period of time as there is no way to stop a "flip" of the unit sold at an affordable sale price. As noted in the attached letter, the applicant is proposing that the 'affordable units' will differ from the balance of the units in the apartment building (such as smaller units and modest interior finishes) to contribute to their affordability over time. The applicant also anticipates that the associated increase in market value would increase with the overall market values across the City which would, in turn, keep these units within an affordable price range. While this addition to housing stock does contribute to the generally more affordable nature of housing in Barrie, it does not address Council's explicit direction to secure Affordable Housing. Staff interpreted that Council's intent was for the longer term preservation of these units as affordable, as is the case for CIP grants, if alternate zoning permissions were allowed.

While staff recognize that the proposed built-form (walk-up apartment units) provides a housing type that is generally more affordable and attainable than lower density forms of housing such as single or semi detached dwellings, in the absence of an agreement registered on title, there is no guarantee that any of the proposed units would be sold for an affordable price. Further, should any of the units be sold to the first purchaser at an affordable price, the City has no ability to secure the affordability of these units over the long term.

---

APPENDIX 'A'

Applicant's Proposal for Affordable Housing



**INNOVATIVE PLANNING SOLUTIONS**

planners • project managers • land development

September 29<sup>th</sup>, 2020

City of Barrie  
70 Collier Street  
Barrie, ON L4M 4T5

Attention: Mayor Lehman and Members of Council  
Michelle Banfield, MCIP, RPP, Director of Planning and Development

Re: Zoning By-law Amendment and Draft Plan of Subdivision Applications  
339 Veterans Drive & 341 Veterans Lanes

---

Further to my deputation on September 21, 2020, the following information is intended to provide clarification on Sean Mason Homes (Veterans) Inc. intention with the three (3) units considered for surface parking. In accordance with Official Plan policy, affordable home ownership units are a vehicle through which Council's affordable housing initiatives can be satisfied. In this instance, 3 surface parking spaces allows these units to be offered for sale less than \$305,000. Without surface parking, this purchase price is not feasible and will make units less affordable within the building.

This is not to suggest that such units can be sold at a higher market value following the initial affordable sale. Unit sizes for affordable units will differ from other units in the building to ensure they remain affordable. It is anticipated that their market value will increase with the overall City market value which in turn will keep these units within the affordable price range. Affordability is determined by a percentage of income and property value which will increase over time.

It is not Sean Mason Homes (Veterans) Inc. intention to become an affordable rental housing provider. The Community Improvement Plan defines affordable as:

**a) In the case of ownership housing:** Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low to moderate income households. Annual household income will be based upon the most recent Census of Canada statistics for the City of Barrie which is updated every five years.

**b) In the case of rental housing:** A unit for which the rent does not exceed 30 percent of gross annual household income for low to moderate income households. Annual household income will be based upon the most recent Census of Canada statistics for the City of Barrie which is updated every five years.

Sean Mason Homes (Veterans) Inc. intention is to pursue item (a) above. The staff report articulates the intention to provide 10 percent affordable ownership housing units in the development as targeted in the Official Plan. Council's approval of three surface parking spaces will allow for greater diversity of affordable housing in this project.

I trust the following assists in your final decision making on this matter.

Respectfully submitted,  
**Innovative Planning Solutions**

A handwritten signature in black ink, appearing to read "D. Vella".

Darren Vella, B.Sc, MCIP, RPP  
President & Director of Planning