



City of
Peterborough

To: Members of the General Committee

From: Blair Nelson, Commissioner, Infrastructure, Planning and Growth Management

Meeting Date: April 22, 2025

Report: Mayor's Housing Task Force for Housing Creation Implementation, Report IPGPL25-017

Subject

A report to Council providing an update on the implementation of Recommendations 2, 3, 7, 8, 9, 10, 11 and 12 of the Mayor's Task Force for Housing Creation Report.

Recommendations

That Council approve the recommendations outlined in Report IPGL25-017, dated April 22, 2025, of the Commissioner of Infrastructure, Planning and Growth Management as follows:

- a) That Council provide direction regarding Recommendation 2 should there be a desire to amend City policies and/or by-laws as they relate to development applications under the **Planning Act**;
- b) That Council direct staff to implement lapsing provisions in accordance with Provincial legislation and as described in Report IPGPL25-017 to address Recommendation 3 and to continue to monitor the impact and bring forward other tools as deemed appropriate;
- c) That Council direct staff to report back on the suggestion to require sidewalks on one side of local streets by the end of the first quarter of 2026 as described in Report IPGPL25-017;
- d) That staff review and report back with updates to the City's Tree By-laws as described in Report IPGPL25-017;

- e) That Staff be directed to develop a tree compensation policy/by-law for lands subject to Planning Act applications;
- f) That Recommendation 9 regarding engineering design review and inspection fees be referred to the 2026 budget process as described in Report IPGPL25-017, and that Staff develop a procedure for Development Security Collection and Releases Procedures;
- g) That Council consider Recommendation 10 addressed and implemented accordingly;
- h) That staff be directed to provide options and any necessary implementing by-laws to establish Community Improvement Plan incentives for the City's Strategic Growth Areas as part of the City's Strategic Growth Areas secondary plan and Community Planning Permit system initiative in the second quarter of 2026;
- i) That staff be directed to provide options and any necessary implementing by-laws to establish Community Improvement Plan incentives for multi-unit housing as described in Report IPGPL25-017 in the third quarter of 2026; and
- j) That the City's Director, Planning, Development and Urban Design, and Manager, Development Planning, each be delegated the authority to determine the additional required information and material for each application on a case-by-case basis for the purposes of the complete application requirements contemplated by section 7.21.2 of the City's Official Plan.

Executive Summary

- This report is a follow up report from the Planning, Development and Urban Design Division for the purposes of addressing Council's direction approved on December 9, 2024.
- Council approved the recommendations outlined in Report COU24-003, dated December 2, 2024, of Mayor Jeff Leal, as follows:
 - a) That the report from the Mayor's Task Force for Housing Creation, attached as Appendix A, be received for information;
 - b) That the seven recommendations provided in Section One be approved and in force effective December 9, 2024;
 - c) That, with respect to the eight recommendations provided in Section Two, staff be directed to report back with options for implementation for Council's consideration in one report in April 2025;

- d) That staff report back on the status of all approved recommendations from the Mayor's Task Force for Housing Creation Report in the fourth quarter of 2025; and,
 - e) That an Affordable Housing Task Force be created to guide Recommendation 12.
- This report was prepared in collaboration with Development Planning, Policy Planning, Development Engineering, Urban Forestry, and Transportation staff and in response to Recommendation c) of Report COU24-003.

Background

On December 6, 2023, the City of Peterborough pledged to achieve construction of 4,700 new housing units in the City by 2031. As part of the Housing Pledge, the City identified 10 initiatives it will undertake to support the creation of new housing.

To build on these efforts, the Mayor established the Task Force for Housing Creation in January 2024 to bring together housing development professionals to help inform ways of encouraging and promoting the construction of 4,700 new housing units by 2031.

Over the course of six meetings, this group of local housing developers and experts covered a range of topics and offered suggestions for how the City can improve its processes to better facilitate the construction of housing. Their insights have led to a report (attached as Appendix A to Report COU24-003 dated December 2, 2024) and the resulting 15 recommendations to bolster housing construction in Peterborough.

The initial seven recommendations were approved and came in to force effective December 9, 2024, with the remaining 8 recommendations pending a report back with options for implementation.

Recommendations from the Mayor's Task Force

The following Recommendations were approved and came into force effective December 9, 2024:

- Recommendation 1: One-year approval timeline for qualifying projects;
- Recommendation 4: Ensure firm processing timelines, make development approval status information available on City website, and provide quarterly development approval status reports to Council;
- Recommendation 5: Establish as-of-right residential zoning;

- Recommendation 6: Pre-zone underused properties within the City's Strategic Growth Areas;
- Recommendation 13: Prioritize public-private, public non-profit, and Indigenous partnerships to further housing construction;
- Recommendation 14: Seek funding from upper levels of government to incentivize affordable and Indigenous non-market housing;
- Recommendation 15: Lobby major federal political parties to support modernizing the Federal HST rebate on the purchase of a new home.

The balance of the recommendations from the Mayor's Task Force will be discussed in Report IPGPL25-017 as follows:

- Recommendation 2: Identify studies and drawings required for the development approval process within municipal discretion to impose and consider reducing their scope or eliminating, as appropriate;
- Recommendation 3: Lapse Provisions for Development Approvals;
- Recommendation 7: Require sidewalks on one side of local streets in subdivisions;
- Recommendation 8: Review bylaws 21-074 and 17-121 to reduce development costs associated with compensating for tree removals;
- Recommendation 9: Review engineering fees and the City's Development Security Collection and Release Procedures;
- Recommendation 10: Permit two stage curbs in new development;
- Recommendation 11: Expand Community Improvement Plan incentives to all Strategic Growth Areas, and convert incentives from refunds to waivers;
- Recommendation 12: Financially incentivize multi-unit residential development projects.

Recommendation 2 – Reducing scope or eliminating material needed for applications, as appropriate

Background: Many Task Force members expressed concern that the number of studies and drawings required to support new development has increased substantially over time and that study requirements add both significant cost and time delay to development approvals. The Task Force notes that the City should have discretion to scope or eliminate the need for certain studies in the interest of supporting housing

creation - particularly any studies that are intended to address City policies or standards and are not required to address Provincial policies and standards. This recommendation seeks to review the City's study requirements with a goal of scoping or eliminating study requirements where feasible. As part of this process, the implications of any such scoping or elimination will need to be considered in light of the City's overarching policy goals and objectives as detailed in the Official Plan and other Council-approved policies. Staff were asked to identify all studies, reports, plans and drawings that the City currently requires for the development approval process that are within municipal discretion to impose. Further, direct staff to identify opportunities for either eliminating or reducing the scope each of these "discretionary" items, with consideration given to the risks and benefits of each.

Discussion:

At the time of submitting a development application the onus is on the applicant to submit the necessary material to justify and support the approval of the application.

To determine requirements for a complete application, planning staff refer to the Planning Act, Provincial Planning Statement, the City's Official Plan, and any other local by-laws, policies and guidelines in effect that may apply to the site and the development.

It is preferred that items for a complete application are identified as early as possible in the process, however with the pre-consultation process now being optional, discretion lies with the applicant as to whether they choose to benefit from this early identification of issues/requirements.

Planning Act

The Planning Act requires an applicant to provide prescribed information and material to the City, including a fee for processing. The discretion to determine what is needed lies with Planning Staff, as supported by other subject matter experts.

A council may require that a person or public body that files an application under the Planning Act provide any other information or material that the council considers it may need, but only if the official plan contains provisions relating to the requirements.

A completeness check must be done within a prescribed timeframe (30 days from the payment and application form being received) and an application can be deemed complete or incomplete. For an incomplete application, staff will document and list the items missing from the application and will refer to the pre-consultation letter as a reference.

The Planning Act provides an appeal mechanism if the applicant disagrees with the completeness check. The applicant has the ability to appeal the staff's determination, and the matter can be referred to the Ontario Land Tribunal.

Provincial Planning Statement, 2024

In accordance with Section 3(5) of the **Planning Act**, all Council decisions that exercise authority on planning matters must be consistent with the Provincial Planning Statement (PPS).

While many studies are driven by PPS, the PPS itself doesn't prescribe when a study is necessary or the content contained therein. The request for a study is driven by staff in their professional capacities when they deem a study is required to address elements of PPS policy. There are opportunities to scope study requirements to tailor to the unique characteristics of the site and the nature of the development.

The following studies and reports are commonly required to demonstrate consistency to PPS:

- Planning Justification Report;
- Land Use Compatibility Study;
- Transportation Study;
- Servicing Capacity Study;
- Stormwater Management Report;
- Environmental Impact Studies and other evaluations to address Natural Heritage and Water policies;
- Archaeological Assessments;
- Studies to address areas subject to flooding and erosion hazards; and,
- Environmental Site Assessments relating to contaminated/brownfield sites.

City of Peterborough Official Plan

Official plans identify provincial interests and set out appropriate land use designations and policies. Official plans provide clear, reasonable and attainable policies to protect provincial interests and facilitate development in suitable areas. To help achieve its goals and objectives, the Official Plan contains policies that establish the need for various technical studies and reports during the development application review process.

Section 7.21 of the City's Official Plan contains policy regarding pre-consultation and complete application requirements for development applications.

While Section 7.21 provides a lengthy list of reports, studies and drawings, these are not intended to be needed each time. The Planning Act is clear in that the possible study has to be listed in the Official Plan otherwise it cannot be requested as part of the complete application.

Appendix A to this report is a summary of the studies and plans identified by Section 7.21.2 of the Official Plan. For context, Appendix A indicates the driving force behind

each possible study or plan, i.e. whether the study is derived by the PPS or whether it is reflective of Peterborough-specific policy.

The studies identified in Appendix A that are triggered by local 'made in Peterborough' policy could be revised however; an Official Plan Amendment would be required. In doing so, other City policies and guidelines may also need to be updated. In Appendix A, the most commonly required studies where local policies may exceed the minimum requirements by the PPS, and other related legislation, are noted with an asterix (*).

While the Official Plan is quite prescriptive in its requirement for some studies/reports, there are other specific policies around facilitating all forms of housing that also need to be considered. Establishing standards to minimize the cost, facilitate compact built form, while at the same time maintaining appropriate levels of health and safety (Section 5.2.3 a. v.) are key objectives to balance. Further, alternative residential development standards to facilitate affordable and accessible housing can and should be considered (Section 5.2.4 e. iii), in addition to providing relief from parking rates which has been implemented by the recent amendment to the Zoning By-law.

The discretion for requiring studies, whether the study need is driven by the PPS or otherwise, best lie with professional/technical staff. Staff can use their professional capacity discretion for studies listed to determine whether required or not and is supported by policies. For example, existing Official Plan policies contain direction on waiving and scoping Environmental Impact Studies (Policies 7.21.2 k. and o.). In an effort to enhance and improve this capability, Staff have included recommendation in this Report IGPL25-017 whereby Council may wish to delegate the waiving and scoping of studies and plans triggered by the Official Plan to the appropriate subject matter experts in a formal capacity.

Risks

Eliminating study requirements without a thorough review could compromise the City's ability to achieve the goals and objective of the Official Plan. Any movement to eliminate technical studies from the development review process should be based on a comprehensive review of the underlying Official Plan policies that drive the need for the studies in question including community consultation and ultimately Council approval.

Benefits

Waiving and scoping of studies would offer potential cost and time savings for development. Staff highlight that this does not relieve developers from their obligations under other pieces of legislation i.e. Species at Risk Act, the Forestry Act etc.

Task Force Recommendation 2 Discussion Summary

Staff and subject matter experts are intentional in their requests for studies. In their roles as subject matter experts, they perform a critical review of why the study is necessary. The time and cost of requesting such study should be considered, however is not the sole determining factor in requesting a study. Staff must consider and anticipate the probable outcome of the study to determine whether the study will result in value added information and a meaningful impact to the process. Considering the shared common goals is part of the exercise in triggering the need for and scope of a particular study.

To support the preparation of studies and supporting material, the City used funding from the Streamline Development Approval Fund to create standard Terms of Reference (TOR) documents for common technical studies. A total of 27 Terms of Reference documents were drafted and are in the process of being finalized and posted to the City's website for use by the development community. Having a standard set of TOR documents will assist the development community prepare supporting material for Planning Act applications. This report recommends providing staff the delegated authority to scope the Terms of Reference as appropriate or waive a study altogether as a way to fulfill the Mayor's Task Force recommendations and to assist development.

In summary, as requested by the MTF, Staff have reviewed studies and plans that could be requested and identified those that stem from 'made-in-Peterborough' policies areas that could be revisited. Should Council's direct staff to undertake a review and amendment of the planning policies, a more in-depth analysis would follow.

Should Council direct Staff to revisit these more discretionary matters that are currently enshrined in the Official Plan, Staff would recommend that Council direct a review of these matters and a report back with a review and implementation strategy, including necessary amendments to the Official Plan.

Recommendation 3 – Imposing lapsing provisions

Background: Some Task Force members expressed concern that land speculation, particularly the practice of obtaining land use approvals only to then list a property for sale or not pursue the development, is contributing to escalating land and house prices and is delaying the construction of new homes. To address this concern, the Task Force recommended the use of lapse (a.k.a "use it or lose it") provisions to both discourage land speculation and encourage house construction. The Planning Act currently requires municipalities to impose a lapse deadline of at least three years for plan of subdivision approvals and was recently amended by Bill 185 to enable lapse deadlines of at least three years to be imposed on site plan approvals. In some instances, developments may require longer lapse dates based on their scale or market conditions and so the Task Force is recommending that a City standard for lapse dates be developed in conjunction with the industry. In December staff was asked to consult the development industry regarding the establishment of mutually acceptable lapse

provisions for development approvals to encourage timely construction of approved developments.

Discussion:

This recommendation is in keeping with Housing Affordability Task Force Recommendations <https://files.ontario.ca/mmah-housing-affordability-task-force-report-en-2022-02-07-v2.pdf> from 2022. Recommendation 43 was to 'enable municipalities, subject to adverse external economic events, to withdraw infrastructure allocations from any permitted projects where construction has not been initiated within three years of building permits being issued'.

The existing Planning Act and Building Permit framework contain some policy direction on the lapsing of approvals but only specific to subdivisions, site plans and building permits.

The timing of development is not truly within the control of staff or the City and there would be nothing in the municipality's toolbox to prevent someone from rezoning and then the development stalling.

Since the CPPS covers the land use (zoning) and site plan approval concurrently, within a streamlined timeframe of 45 days, a permit will lapse if the development is not started within a specified timeframe. This will potentially eliminate upzoning lands to increase value only.

Market forces are also a consideration. Therefore, the discussion points about approvals driving up land prices is not entirely in the City's control. A 'use it or lose it' approach can also be influenced by establishing servicing connection agreements where plant capacity is limited however that does not appear to be a limiting factor here in the City at this time. This topic has been referred to the Sanitary Master Plan project.

Where the municipality can influence development timelines:

- Lapsing provisions in conditional approvals and agreements; and,
- Servicing allocation redistributed to others that are ready to proceed.

Lapsing provisions for Subdivisions

Current:

Section 51 of the Planning Act requires that draft conditions of approval be in place for a time period of not less than 3 years.

Proposed:

Subject to consultation with the development industry, staff propose to maintain the practice of imposing lapse provisions of not less than 3 years for all plans of subdivision, with discretion to impose a longer lapse provision of up to 5 years on larger, multi-phase subdivisions.

Lapsing provisions for Site Plans

Current:

Section 41 of the Planning Act provides the ability to impose a lapse date on site plan approvals of not less than 3 years, unless otherwise prescribed by the legislation.

Proposed:

Subject to consultation with the development industry, staff propose to implement the practice of imposing lapse provisions of not less than 3 years for all site plan approvals, with discretion to impose a longer lapse provision of up to 5 years on larger, multi-phase developments.

Recommendation 7 – Requiring sidewalks on one side of local streets

Background: In new developments, particularly plans of subdivision, developers are required to construct sidewalks on both sides of all streets in accordance with the City's Sidewalk Strategic Plan and the Official Plan. While sidewalks are a key element of the City's active transportation network and play an important role in achieving the City's transportation mode shift goals and promoting equity in transportation, sidewalks also represent a cost to development that is ultimately reflected in the cost of new housing and in property taxes as they become assets to be maintained by the City. In seeking opportunities to reduce development and housing costs, Task Force members note that requiring sidewalks on only one side of a local street (i.e. streets that are generally narrower, have lower traffic volumes, and serve shorter distances) could help reduce cost to both new homebuyers and taxpayers while still maintaining a safe pedestrian facility on the street. In actioning this recommendation, staff and Council will need to consider the implications of reducing the City's sidewalk requirements on the Sidewalk Strategic Plan, the Official Plan, the Transportation Master Plan, and the City's Engineering Design Standards.

Report Recommendation: Direct staff to review the Sidewalk Policy with the goal of requiring sidewalks on only one side of local streets in subdivisions, and report back with options for Council's consideration in April 2025.

Discussion

Section 6.2.3 n. of the City's Official Plan provides the following policy direction for the provision of sidewalks in new developments:

“Sidewalks shall be required on all public roads as follows:

- i. On both sides of Arterial and Collector Roads;
- ii. On both sides of all Local Roads, including cul-de-sacs with 30 or more residential units, and any cul-de-sac having a through pedestrian connection.

Sidewalks will also be required on at least one side of new condominium private roads and public or private lanes. Where the City determines that physical or practical circumstances would prohibit or not warrant a sidewalk connection, such facilities may not be required.”

The Provision of Sidewalks Policy (Policy # 0002) came into effect January 1, 2013, and the sidewalk policies were included as policy and entrenched in the new Official Plan.

Through a multitude of consultation events over the last five years (in support of the Transit Growth Strategy, Transportation Master Plan, Accessibility Plan and Urban Design Guidelines) staff have heard consistently from the community that a complete sidewalk network is a priority. This priority is reflected in the final versions of the Transportation Master Plan, Transit Growth Strategy and Accessibility Plan.

To follow through on recommendation 7 of the Mayor's Task Force on Housing, staff could include a capital project in next years budget request to conduct a detailed review of several policies and plans, considering Council's direction as well as a review of best practices and implications in other municipalities. Staff resources are currently insufficient to undertake such a review in 2025. The review, if directed by Council, could result in more defined guidelines for where requirements for sidewalks on both sides of a local street could be relaxed, along with revised design guidelines, operational requirements as well as appropriate policy updates.

Recommendation 8 – Reviewing by-laws relating to trees

Background: Several Task Force members noted that financial costs associated with compensating for tree and woodland removals in new developments can add significant cost to a project and ultimately to the cost to new homes. It was also noted that City requirements to assess, quantify and obtain approval for tree removals and their associated compensation can also add significant time delay to a project. In some instances, compensation for tree removals can total into hundreds of thousands of dollars. In reviewing the City's Tree Protection (21-074) and Woodland Conservation By-laws (17-121), the City will need to consider the implications of any By-law amendments on the achievement of the City's Urban Forest Strategic Plan, the tree and woodland policies of the Official Plan, and the City's climate change objectives and policies.

Report Recommendation: Direct City staff to review By-laws 21-074 and 17-121 to reduce the development cost associated with compensating for tree removals, and report back with options for Council's consideration in June 2025.

Discussion:

Staff were directed to review By-laws 21-074 ("Tree Removal By-Law") and 17-121 ("Woodland By-Law") to reduce the development cost associated with compensating for tree removals. Neither the Tree-Removal By-Law (which addresses individual trees outside of woodland) nor the Woodland By-Law apply to developments that are being considered/reviewed under the Planning Act.

Conditions for the replanting of trees or financial compensation in lieu of replanting trees in development applications are generally based on the policies and objectives of the Official Plan and the Urban Forest Strategic Plan.

The Woodland By-Law Schedule B, Table 1, contains a pricing chart for replacement of trees on a per hectare/ equal area basis, which is often used by Urban Forestry Staff as a reference when imposing conditions under a development application.

The Official Plan sets a goal of increasing the City's urban forest canopy to 35% (from 31.9% in 2021). The City's Tree Removal By-Law and Woodland By-Law are intended to help facilitate achieve this goal by minimizing canopy loss on private property. Because, however, development approvals granted under the Planning Act are exempt from these by-laws, an additional tool is required to ensure trees are appropriately regulated in the development approvals process.

The City's current urban forest policies, objectives, by-laws and practices are complex. Accordingly, it is recommended that Staff be directed to provide a further report to:

- 1) Re-assess the City's tree canopy cover target and provide Council with options for such targets; and,
- 2) Streamline processes by which trees are removed and requirements for replanting or compensation in lieu of replanting, including any changes or repeal of existing by-laws and the introduction of a new by-law addressing consistent standards for canopy preservation and enhancement, particularly for development approvals under the Planning Act.

Recommendation 9 – Review of engineering fees and securities

Background: Presently, projects that require a detailed engineering design review such as plans of subdivision are required to pay 6% of the development's total infrastructure cost as a flat fee to cover the cost of that engineering review. For example, if a subdivision's services are estimated to cost \$1,000,000, the engineering review fee would be \$60,000. Some Task Force members note that for any detailed engineering review, there is certain staff effort that will need to be expended no matter the scale of

the development however as a development grows in size, the level of associated engineering review effort does not necessarily grow commensurate with the development; review process efficiencies should be achieved. Any review of engineering fees will need to consider both staff effort for various scales of development as well as best practices from other municipalities to ensure that City engineering fees accurately reflect staff costs. Staff were directed to review engineering fees with the goal of implementing a sliding scale instead of a flat fee to recognize review process efficiencies gained with larger developments, and direct staff to review the City's Development Security Collection and Release procedures to ensure timely release of funds to development proponents, and to report back with options to do the above for Council's consideration by April 2025.

Discussion

Subdivisions – Engineering Design Review Fee

At the final approval stage of a subdivision, the owner of the lands is required to enter into a subdivision agreement with the City.

Among other financial requirements, the City requires a development engineering review fee in the amount of 6% of the development's total construction cost as a flat fee to cover the staff cost for engineering review and construction inspection.

After a review of the practices of other municipalities, there appears to be two common approaches to how detailed design review and inspection fees are calculated. There does not seem to be dominant method.

1. Firstly, is a combined calculation based on a fixed rate percentage of the total works cost estimate – the norm is between 5-6% of overall construction costs – This is the current approach used in Peterborough.
2. Secondly some municipalities such as Whitby, Clarington, Ajax, Grimsby, Milton, Oshawa and Wasaga Beach separate the fees into:
 - a. A design review fee representing the staff time of reviewing the detailed engineering drawings, followed by:
 - b. An inspection fee which is based on a sliding scale approach.

Staff have included a table of comparisons using both methods (Appendix B). While the current 6% represents an average for all development sizes, from the comparison examples construction value between \$650,000 to \$1,300,000 would remain at a combined fee of 6% while smaller developments would be higher than 6% and larger developments would see a savings with a combined total under 6% to account for the economies of scale.

The engineering inspection stage spans from initial infrastructure construction to housing construction, until the subdivision assumption.

Staff recommend that the sliding scale approach be implemented and reflected in the 2026 budget preparation exercise.

Site Plans and Subdivisions - Development Security Collection and Release Procedures

For Subdivisions

Engineering Works:

The current Subdivision Agreement includes provisions for Financial and Performance Securities that includes Base Civil, Surface Civil, Street Trees and Landscaping Works.

Lot Grading:

Per unit lot grading security is currently required to be held by the City.

Reductions:

The agreement includes provisions regarding releases, including maintaining minimum balances until completion or assumption to address deficiencies.

The City requires documentation to substantiate security release milestones, including proof of payment. The agreement establishes a review and approval timeline. as shown below.

Submission for Reduction	Time Period for City Review
Initial	Within 15 business days
Second	Within 30 business days of re-submission
Third	Within 45 business days of subsequent re-submission

Site Plan Securities

For typical Site Plan applications, 100% of the on-site landscaping works and 50% of the on-site civil engineering works is collected as a performance security, up to a combined maximum of \$250,000. For any works in the City's road right-of-way (ROW), a performance security in the amount of 100% of the work's estimated cost is held. More complex site plans may require additional securities as determined on a case-by-case basis depending on the nature of the project.

Once the site has been developed in accordance with the Site Plan Agreement, the owner/developer provides all required closeout documents as outlined in the agreement. These documents typically include as-built drawings, engineer verification letters, and other information as determined by the conditions specific to the development. A desktop review of the close out materials as well as a site review is conducted by staff to determine if the documents required and the site works are in accordance with the Site Plan Agreement. Once all deficiencies are addressed the performance securities are release back to the owner/developer.

Next Steps:

Developing and finalizing a **Development Security Collection and Release Procedures** forms part of the Planning, Development and Urban Design division workplan. This procedure is intended to address both site plans and subdivisions and is anticipated to be completed in 2026.

Recommendation 10 – Amend City Engineering Standards to permit 2-stage curbs in new development.

Background: In new developments, particularly plans of subdivision, developers are required to construct roadway curbs and gutters altogether in one stage at the outset of development, placing curb drops at pre-determined locations for anticipated future driveway entrances. While this method of construction is believed to produce a better curb with fewer structural defects that maximizes both the curb and the roadbed's lifespan, it also exposes the curb to potential damage from heavy and light construction vehicles as house construction progresses. Such damage can force developers to remove and replace sections of damaged curb prior to the infrastructure being assumed by the City adding cost and delay to the overall project. Some Task Force members note that options exist to pour gutters and curbs in two stages to minimize any potential damage to the facility during the house construction process. Such techniques have been used previously in the City and are used widely elsewhere. To help reduce development costs, best practices for curb design will be reviewed to inform potential changes to the City's Engineering Design Standards. Staff were directed to amend City Engineering Design Standards to permit 2-stage curbs in new development, and report back by April 2025.

Discussion:

A 2-stage curb construction is a common practice in peer municipalities for all of the reasons identified through the Task Force process. Staff support the recommendation.

Staff are implementing the 2-stage curb construction during the detailed design stage of subdivisions, including the western-most subdivision in Lily Lake, known as Nature's Edge.

Staff are also in the process of finalizing the typical design detail so that it may be included in the City's Engineering Design Standard that consultants can refer to when preparing the final engineering design drawings for subdivisions.

Recommendations 11 & 12 – Expansion of Community Improvement Plan Incentives and Incentivize multi-unit residential development

Task Force Recommendation 11: Expand Community Improvement Plan (CIP) incentives (funding to defray or cover the cost of Development Charges, Cash in Lieu of Parking, etc.) to all Strategic Growth Areas, and convert these incentives from refunds to waivers where applicable.

- And -

Task Force Recommendation 12: Financially incentivize multi-unit residential development projects, with particular emphasis on projects incorporating affordable housing opportunities.

Background: For discussion purposes and given their similar theme of financial incentives, staff are providing discussion on Recommendations 11 & 12 in tandem.

Task Force members highlighted the vital role that City financial incentives play in supporting new development in the Central Area and recommend that the Central Area CIP programs be expanded to the Strategic Growth Areas.

Additionally, some Task Force members noted that some current incentives require development proponents to pay certain fees up front only to be reimbursed for those costs later. For developers, the cost of paying fees up front can be significant and challenging to a project. To help reduce up front development costs and promote project viability, the Task force has recommended that fee refunds be converted to waivers where possible.

Regarding Recommendation 12 of the Task Force, it was stressed that government financial support is essential to providing affordable and non-market housing. To facilitate the creation of more homes faster and to help address housing affordability and low vacancy rates, the Task Force has recommended that financial incentives should also be established to support multi-unit housing and multi-unit projects that include affordable housing. Reviewing the Affordable Housing CIP is a component of this recommendation.

Discussion

Recommendations 11 and 12 from the Mayor's Task Force are linked by topic of financial incentives to support housing. Earlier this year, the City was notified that its Housing Accelerator Fund (HAF2) application for funding under Round 2 of the Federal Housing Accelerator Fund (HAF) was successful with a potential to receive up to \$10.7 million between 2025 and 2027. The City has received 25% of the total funding up front

(\$2,672,589). The second and third payments are contingent on successful implementation of the initiatives (i.e.: the milestones for each of the City's seven HAF initiatives must be achieved on a set schedule, most of which are in 2025, as outlined in Appendix B to Report IPGPL25-012 – Housing Accelerator Fund 2 Program Update Report. The final payment would be released to the City only if 1,410 housing units are issued building permits within the 3-year HAF timeline.

Development Charges Exemptions for Market Units in the Strategic Growth Areas:

To incentivize the creation of additional housing units in the Central Area, the City introduced exemptions into its former Development Charge By-law 18-034 for multi-unit residential developments in the Central Area generally as follows:

- creating a minimum of fifteen apartment dwelling units;
- mixed-used development containing a minimum of 15 apartment units and a minimum of 1,000 square meters of commercial gross floor area.

The City's recently approved Development Charges By-law 24-081 includes similar provisions; however, these exemptions are set to expire on December 31, 2026. A cost/benefit analysis of the continuation of this exemption for multi-unit residential development and mixed-use development within the Central Area was explored through the 2024 Development Charges Study. Reinstating this exemption and potential extension of DC exemptions to a wider area will require re-examination via a new Development Charges Study and changes to the City's Development Charges By-law. Significant funding to address shortfalls in growth related costs to the municipality would be required.

Through changes to the **Development Charges Act**, however, additional residential units, affordable housing, attainable housing and non-profit housing as defined by subsection 4.1(1) of the Act are exempt from paying Development Charges.

Other Financial Incentives:

The Central Area CIP includes a suite of incentives (6 programs) to encourage revitalization and investment in the Central Area as follows:

- Façade Improvement Grant Program;
- Central Area Revitalization (Tax Increment Based) Grant Program;
- Brownfield Tax Assistance Program;
- Municipal Brownfield Rehabilitation Grant Program;
- Municipal Incentive Grant Program; and

- Residential Conversion and Intensification Grant Program.

Funding for the CIP programs could be extended to include the balance of the Strategic Growth Areas via amendments to the CIP and Program Area. Council would need to commit funding for these programs.

Consideration of financial incentives such as new or expanded CIPs is currently underway as part of the Secondary Plan project for all of the Strategic Growth Areas. The project team (via the consulting firm Parcel Economics) is tasked with reviewing options for financial incentives to encourage growth within the Strategic Growth Areas. Recommendations are expected to be circulated as part of the draft Secondary Plan documents in 2025.

Missing Middle Community Improvement Plan

On April 7, 2025, Council amended the Zoning By-law to eliminate exclusionary zoning practices by permitting up to four residential dwelling units on a lot as of right. At the same time, Council also adopted a new CIP referred to as Missing Middle Community Improvement Plan.

This initiative aims to address a housing gap between single detached dwellings and mid-rise apartment buildings by amending the Zoning By-law to eliminate exclusionary zoning (zoning that only permits single and semi-detached dwellings) to also permit duplexes, triplex and fourplexes as-of-right. The initiative also will establish programs to rebate part of the Development Charges applicable to duplexes, triplexes and fourplexes, to rebate building permit fees for 2nd, 3rd and 4th units on a property, and to offer interest-free loans of up to \$10,000 per unit to support construction of 2nd, 3rd and 4th units on properties. The initiative will also create a public-facing registration system for all new rental units.

A portion of the funds allocated to the City under the City's HAF2 application are dedicated to the new Missing Middle Housing Community Improvement Plan (MMCIP) initiative. The first program under this MMCIP provides relief from the payment of Development Charges for second, third and fourth units within certain typologies like two-unit, three-unit and four-unit dwellings that are not otherwise considered 'Additional Residential Units' due to their size or configuration and/or tenure and are encouraged within existing and planned neighbourhoods. Within the Strategic Growth Areas, lands within the Downtown Neighbourhood designation will also be eligible for this program so long as funding is available and eligibility criteria are met. Future programs for grants and interest free loans are also proposed for this program and will be available in Fall, 2025.

Cash in Lieu of Parking Policy

Updated Cash-in-lieu of Parking policies, expanded to all Strategic Growth Areas are underway, as directed by Council. The updated/expanded policy is an important part of

both the City's Streamline Development Fund and HAF2 Fund initiatives supporting the reduction of on-site residential parking requirements. The City undertook a Parking Study with provincial Streamline Development Funding in 2023 and directed a multi-faceted approach to parking for residential and mixed-uses that includes a Zoning Amendment (approved in February, 2025), updating the Cash-in-lieu of Parking policy (by end of Q2, 2025), and On-Street Overnight Parking Permit Pilot program (by end of Q4, 2025).

Financial Incentives for Multi-Unit Developments

Additional study is required to identify opportunities for incentivising multi-unit developments that are not already captured by the City's existing CIPs, the proposed updated Affordable Housing CIP, or any CIP established for the City's Strategic Growth Areas. A CIP established under Section 28 of the Planning Act offers the City a variety of tools for incentivising multi-unit development however Council will need to determine which options are most appropriate given the City's budgetary requirements at the time. With the assistance of research being conducted for the City's Strategic Growth Areas secondary plan and Community Planning Permit initiative, it is recommended that Council direct staff to prepare a report in the third quarter of 2026 to provide options and implementing by-laws to establish a CIP with financial incentives for multi-unit housing that is not already incentivised by other CIPs.

Revising the Affordable Housing CIP

As an initiative under the HAF2 funding and dedicating the majority of the HAF2 funding to encourage the creation of Affordable Housing, the City is expanding and modernizing its Affordable Housing Community Improvement Plan (AHCIP), by extending the Project Area to the entire City and by revising the Municipal Incentive Program, removing outdated programs and incorporating legislative changes related to Development Charge exemptions.

The new AHCIP is being considered by General Committee on April 22, 2025, to provide stronger financial incentives and streamline support for private and not-for-profit developers. To allocate Housing Accelerator Funding and encourage affordable development, the amended Municipal Incentive Program will provide up to \$80,000 per unit to cover a developer's applicable municipal fees and/or eligible project costs.

The amended AHCIP will describe the eligibility process for a 10-year property tax exemption for units dedicated to addressing the housing needs addressed by Council approved priorities.

The program enhancements were designed to align with the Mayor's Housing Task Force recommendations, reinforcing Peterborough's competitiveness in attracting affordable housing development.

Establishing an Affordable Housing Task Force

On December 9, 2024, Council provided direction to create an Affordable Housing Task Force to guide Recommendation 12. Staff support the creation of a Council-led Affordable Housing Task Force which can include members of staff for support. Initial meetings to compose this task force have been held concurrent with the writing of this report. Once the Task Force is officially convened, it will provide advice on approaches to further incentivise affordable housing.

Strategic Plan

Strategic Pillar: Governance & Fiscal Sustainability

Strategic Priority: Plan for mid-density and high-density mixed-use neighbourhoods to make the most efficient use of land and municipal services and provide affordable options for residents.

The approval of the recommendations in this report will further Growth and Economic Development by encouraging the construction of more housing for residents.

Engagement and Consultation

The Mayor established the Task Force for Housing Creation in January 2024. Over the course of six meetings, this group of local housing developers and experts covered a range of topics and offered suggestions for how the City can improve its processes to better facilitate the construction of housing. Their insights led to 15 recommendations to bolster housing construction in Peterborough.

Budget and Financial Implications

The recommendations contained in this report will have no direct budget or financial implications. The work will be completed using existing staff time and resources.

Conclusion

The purpose of Report IPGPL25-017 is to report back on the balance of the recommendations from the Mayor's Task Force. This report summarizes how progress towards achieving desired outcomes from the Task Force is being prioritized in department workplans in 2025 and beyond. The staff recommendations provided herein will ensure that momentum is maintained on actioning the Mayor's Task Force recommendations.

Attachments

Appendix A: Extract from 7.21.2 of the City's Official Plan

Appendix B: Existing and Proposed Review and Inspection Fees

Submitted by,

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Appendix A – Extract from Section 7.21 of the City's Official Plan

		Driver	
		PPS or Other Fed/Prov Reg	City OP or Other Municipal By-law/Guideline
Common studies/plan where City policies are the driver			
	a.i. Environmental/Natural Heritage/Natural Hazards:		
	- Preliminary Natural Heritage Feature Screening;	x	
	- Environmental Impact Study - including compensation/mitigation - SAR -	x	
*	- Tree Inventory/Preservation/Enhancement Plan, and Arborist Report;		x
	- Flood plain and Erosion Hazard Study;	x	
	- Geotechnical/Slope Stability Study and Cut/Fill Analysis including Erosion Hazards;	x	
	- Hydrogeological Assessment including a WHPA Plan and Geotechnical Study;	x	
*	- Landscaping/Site Rehabilitation Plan;		x
	- Fish Habitat Assessment;	x	
	- Energy Conservation Study;	x	
	- Environmental Site Assessments and/or Record of Site Condition;	x	
	- Shoreline Engineering Report;	x	
	- Floodline Delineation/Hydraulic Study;	x	

	- Fluvial Geomorphology Study/Meander Belt Analysis;	x	
	- Water Balance Analysis;	x	
	- Headwater Drainage Feature Evaluation;	x	
	- A Master Environmental Servicing Plan; (Secondary Plan or Neighbourhood specific)	x	
	- Species At Risk (SAR) Screening/Evaluation;	x	
	- Linkage Assessment;	x	
	- Wildland Fire Assessment;	x	
	- Aggregate Resource Assessment;	x	
	- Aggregate/Mineral Resource Analysis;	x	
	- Restricted Land Use Notice issued by the Risk Management Official for the City;	x	
	ii. Cultural Heritage resources and Archaeological Resources:		
	- Cultural Heritage Impact Assessment;	x	
	- Archaeological Assessment;	x	
	- Cultural Heritage Conservation Plan; and	x	
	- Structural Engineering Report;	x	
	iii. Transportation:		

	- Transportation Study;/Traffic Impact Study;	x	
	- Parking, Pedestrian Route and Sidewalk Analysis;	x	
*	- Parking Analysis and Study; and		x
*	- Swept Path Analysis/Vehicle Turning Template/Auto Turn Study;		x
	- Safety Analysis;	x	
	- Cycling Route Analysis;	x	
	- Transit Assessment;	x	
	- Neighbourhood Traffic Calming Options; and		x
	- Travel Transportation Demand Management Plan;	x	
	iv. Servicing and Infrastructure:		
	- Site Servicing Plan;	x	
	- Site Grading Plan;	x	
	- Stormwater Management Studies/Plan;	x	
	- Hydrogeological and Geotechnical Study;	x	
	- Sediment and Erosion Control Plan;	x	
	- Private Servicing Study;	x	
	- Fire Suppression Analysis;	x	
	- Water and Wastewater Servicing Capacity/Feasibility Study, including downstream capacity analysis;	x	

	- Water Quality Impact Assessment; and	x	
	- Functional Servicing Report;	x	
	v. Development Impacts:		
	- Noise Impact Study/Noise Assessments and Feasibility Studies;	x	
	- Vibration Impact Study;	x	
	- Land Use Compatibility Study;	x	
	- Dust and/or Odour Impact Study;	x	
	- Agricultural Impact Analysis;	x	
*	- Photometric Report and Plan;		x
	- Environmental Site Assessment;	x	
*	- Construction Management Plan;		x
	- Statement of Conformity with Minimum Distance Separation Formulae; and	x	
	- Soil Capability Study;	x	
	vi. Financial and Market Impacts:		
	- Retail Market Analysis;		x
	- Commercial Needs Study;		x
	- Economic Impact Study;	(x) For employment uses	x
	- Municipal Financial Impact Assessment;	x	
	- Infrastructure Cost Assessment;	x	

	- Long Term Maintenance Cost Assessment; and		x
	- Reserve Fund Study (Condominium);		x
	vii. Planning:		
	- Planning Justification Report;	x	
	- Affordable Housing Report;		x
	- Rental Housing Conversion Assessment;		x
*	- Urban Design Report and Streetscape/Public Realm Plan;		x
	- Restricted Land Use Notice issued by the Risk Management Official for the City;	x	
	- Strategy for public consultation and consultation report; and		x
	- Health Assessment; and		x
	- Record of Consultation with Indigenous Communities;	x	
	- Sustainability Report/Summary of Climate Mitigation and Adaptation Plan;	x	
	- Park Concept Plan;		x
	- Recreation Feasibility Study;		x
	- Recreation Needs Assessment;		x
*	- Neighbourhood Character Analysis; and		x
*	- Building Massing Study;		x

	viii. Plans and Drawings:		
	- Site Plan or Concept Plan in accordance with City requirements, including a digital submission;	x	
	- Tertiary, Context, Block Plan;		x
	- Subdivision Plan or Condominium Plan in accordance with City requirements, including a digital submission;	x	
	- Architectural Drawings including Floor Plans and Building Elevation Drawings;	x	x
*	- Angular Plane Analysis;		x
*	- Shadow Impact Study;		x
	- Accessibility Analysis;	x	x
	- Existing Conditions Plan, including Ontario Land Surveyor (OLS) survey drawings;	x	x
	ix. Other:		
	- Appraisal Report; and		x
	- Detailed cost estimate for site works.		x

Appendix B – Existing and Proposed Review and Inspection Fees

Current Peterborough Subdivision Fixed Rate Fee (Part 5, 2025 Budget) – Status Quo

Development Engineering Review – 6% of construction value

Proposed Subdivision Fixed Rate for Design Review and Sliding Scale for Inspection Fees Example

The Engineering Review Fees to be paid shall be 1.25% of the estimated cost of the installation of services with the minimum fee of \$3,250.00.

The Engineering Inspection Fees based upon the following schedule relating to the estimated cost of the services:

<u>ESTIMATED COST OF PUBLIC SERVICES</u>	<u>ENGINEERING INSPECTION FEES</u>
Less than \$260,000.00	6.00% of the estimated cost of the services, minimum fee \$15,600.
\$260,000.01 to \$650,000.00	5.45% of the estimated cost of the services.
\$650,000.01 to \$1,300,000.00	4.75% of the estimated cost of the services.
\$1,300,000.01 to \$2,600,000.00	4.15% of the estimated cost of the services.
\$2,600,000.01 to \$3,900,000.00	3.75% of the estimated cost of the services.
\$3,900,000.01 and over	3.45% of the estimated cost of the services.

Note: above noted fees does not include water distribution system review or inspection efforts.

The Subdivider shall pay the applicable supplemental fees referred to below:

- (a) Review of Fourth Engineering Submission * 33.3% of the total Engineering Review Fee as prescribed above.
- (b) Engineering Review Beyond Fourth Submission * 20.0% of the total Engineering Review Fee as prescribed above, for each additional submission.

* Note: The above noted supplemental fees may be discounted by 50% should less than half of the total number of plans require revision

- (c) Underground Servicing Approval (only) Equal to 10% of the total Engineering Design Review Fee plus 10% of the total Engineering Inspection Fee shall be paid by the Subdivider for underground servicing approval only of the Engineering Design in advance of the Full Engineering Design Approval.
- (d) Delayed Assumption Surcharge One year after placement of top asphalt, a final deficiency list will be issued by the City. One year (12 months) from the issuance of this final deficiency report, and each anniversary date thereafter, the penalty fee of 10% (min. \$5,000) of the initial Engineering Inspection Fee will apply until the Subdivider / Developer has addressed all Subdivider / Agreement requirements.
- (e) Subdivision Assumption Fee This fee is applied to all new subdivisions at the time of assumption. The fee of \$5,000.00 is intended to recover staff time and costs for completing the required tasks associated with assuming a subdivision such as: updating record drawing information, preparation of by-laws and document registration.