

GROWTH COMMITTEE REPORT

Report Date	November 14, 2024
Meeting Date	November 19, 2024
Service Area	Growth and Community Services

Chair MacKenzie and Members of the Growth Committee

SUBJECT: Affordable Housing Action Plan – 2024 Progress Report

OPEN OR CLOSED SESSION

This matter is to be discussed in Growth Committee Open Session.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	Chief Administrative Officer
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RECOMMENDATION

That Growth Committee receive and file the attached Affordable Housing Action Plan - 2024 Progress Report.

EXECUTIVE SUMMARY

Since the adoption of the Affordable Housing Action Plan (Action Plan) in October 2022, considerable work has been accomplished, with the majority of actions underway or completed.

- The City has created and staffed a new service area, Housing, and successfully leveraged federal and provincial resources to support improved housing outcomes in the community. Nine months after adoption of the strategy, the City was awarded \$4.5m in Rapid Housing funding from CMHC. Six months later, the City was awarded \$9.18m in Housing Accelerator Funding (HAF) from CMHC.
- As expected, there has been modest progress to date in 2024 in expanding the supply of affordable housing with permits issued for the creation of 56 new affordable housing units. However, there are 310 additional affordable housing units known to be in the pipeline, representative of 30% of the housing supply growth target of 1,124 new permits issued before the end of 2026.
- Changes within the local housing system continue to occur at all levels of government in attempts to respond to worsening affordability issues, in particular for those most vulnerable.
- The City continues to take a pragmatic, opportunistic approach to fulfilling the Action Plan by driving transformational changes to local

regulations, provision of incentives, and leveraging municipal land through the HAF project, in addition to an array of other actions.

- Given the City does not directly develop or maintain housing, coordination within the local housing system is key to creating improved outcomes for all areas along the housing continuum.
- A governance reform review is currently underway to ensure the City’s role aligns its goals related to housing affordability and fiscal sustainability.

PREVIOUS RESOLUTION

On October 3, 2022, Council adopted the Affordable Housing Action Plan.

STRATEGIC ALIGNMENT

Common Council has established five priorities for their 2021-2026 term. Affordable Housing aligns with the following Council Priorities.

Grow:

- Population Growth
 - Grow our population at a rate of 2% annually by the end of Council’s term.

Belong:

- Liveable Neighbourhoods
 - Facilitate a mix of affordable housing in all of our neighbourhoods.

REPORT

Progress on Action Plan – Implementation Strategy, Total 39 Action Items

	Actions Complete	Actions Underway	Actions Not started
Objective 1 - Improve System Awareness and Coordination	2	4	2
Objective 2 – Support and Invest in Non-Market Housing Solutions	1	4	3
Objective 3 – Preserve and Improve Existing Housing Stock	2	3	0
Objective 4 – Expand the Supply and Range of Affordable Housing Options	0	5	1
Objective 5 – Cultivate a More Responsive Housing System	0	5	1
Objective 6 – Leverage Partnerships and Resources	2	2	2
	7	23	9

Monitoring of Plan Targets

The Action Plan sets targets as a tangible means to measure progress toward the addition of new housing stock that meets the community's needs.

Figure 1 – Housing Targets Affordable Housing Action Plan (2022)

Category Type: <ul style="list-style-type: none">• Dwelling Type:<ul style="list-style-type: none">○ Low Density: 35%○ Medium Density: 15%○ High Density: 50%• Household Tenure:<ul style="list-style-type: none">○ Owner Household: 45%○ Renter Household: 55%• Affordability:<ul style="list-style-type: none">○ Affordable Housing: 30%

These benchmarks are best evaluated on a longer-term 5-year basis with the addition of new census level information. Staff have drawn out several trends in monitoring 2023-2024 activity:

Affordability

Creation of new affordable housing units is set to increase over the next three years. In 2024, 56 affordable housing units were issued, representing 14% of residential units issued by building permits. Staff are tracking approximately 310 additional affordable housing units in the pipeline over the next two years. This new affordable housing stock will be in the form of community or public housing and “deeply affordable” for a minimum 20-year period, meaning tenants pay no more than 30% of their pre-tax income. Currently, non-profit and public owned housing comprise approximately 5% of the city's overall housing stock.

Affordability and Supply

Housing starts are on the increase and due to surpass the Plan's expectations. There were 514 housing starts between 2023 to August 2024 (Figure 2). The Plan expected no more than 900 new units over a 5-year period, based on historical development activity. A greater than expected increase in new housing supply is anticipated to make housing more affordable over the longer term through “filtering,” where houses gradually shift from higher to lower-income households.

Considering the City's Housing Accelerator Fund target of 1,124 new residential units issued before the end of 2026, the City is currently on track to see 30% of these units be affordable. Through the HAF Agreement, the City is only obliged to reach a target of 9% (101 affordable units).

Dwelling Type and Tenure

Housing starts are increasingly in favour of apartments types (Figure 2). To provide greater diversity of options, additional medium density options are needed such as semi-detached and row-house and other “missing middle” forms to provide potential entry-level homeownership opportunities, or opportunities for oversized households to move into. The table below captures the shift in dwelling types over the past two decades. Attachment 1 - presentation also gives a snapshot of 2024 building permit data in terms of dwelling types.

Figure 2 – City of Saint John Housing Starts

Saint John (City) Total Starts Per Period 2003-2012					
	Single	Semi	Row	Apartment	All
2003-2012	983	284	249	1072	2588
Housing Type % of Total	38%	11%	10%	41%	
Per Year Average	98	28	25	107	259

Saint John (City) Total Starts Per Period 2013-2022					
	Single	Semi	Row	Apartment	All
2013-2022	350	59	49	1045	1503
Housing Type % of Total	23%	4%	3%	70%	
Per Year Average	35	6	5	105	150

Saint John (City) Total Starts Per Period 2023-Present					
	Single	Semi	Row	Apartment	All
2023 to Aug 2024	87	0	24	403	514
Housing Type % of Total	17%	0%	5%	78%	
Per Year Average (Sept-Dec 2024 projected)	53	0	17	258	328

Source: [CMHC Starts and Completions Survey](#)

Focus Areas in 2025

A breakdown of focus areas within the Plan’s key themes for 2025 are outlined below.

Objective 1 - Improve System Awareness and Coordination

- Development of monitoring framework, public education, Municipal Plan policy review
- Implement governance reform findings

Objective 2 – Support and Invest in Non-Market Housing Solutions

- Ongoing intake, monitoring, and disbursement of grants
- Pursue additional funding opportunities and other streams to support non-market/community housing stock

Objective 3 – Preserve and Improve Existing Housing Stock

- Completion and implementation of findings of Urban Development Incentives Program Review

Objective 4 – Expand the Supply and Range of Affordable Housing Options

- Ongoing promotion of missing middle housing forms
- Launch of Housing Concierge service

Objective 5 – Cultivate a More Responsive Housing System

- Ongoing coordination with Planning on Zoning By-law review
- Ongoing coordination with Planning on Municipal Plan Review

Objective 6 – Leverage Partnerships and Resources

- Coordination of policy efforts within regional context
- Collaboration on housing efforts with other proponents (e.g. PSE, seniors housing)

SERVICE AND FINANCIAL OUTCOMES

N/A

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

Implementation of the Action Plan relies heavily on coordination with other service areas, including but not limited to Planning, General Counsel, Finance, and Real Estate.

ATTACHMENTS

Attachment 1 – Presentation

Appendix 1 – Action Plan Implementation Status Report 2024