



Staff Report for Budget Committee of the Whole Meeting

Date of Meeting: November 28, 2023

Report Number: SRPBS.23.046

Department: Planning and Building Services

Division: Policy Planning

Subject: **SRPBS.23.046 - Proposal to Hire Contract Staff to Coordinate the City's Affordable Housing Mandate**

Purpose:

To report back on the feasibility of hiring contract staff to help advance and accelerate the building of affordable housing in Richmond Hill.

Recommendation(s):

- a) That Staff Report SRPBS.23.046 be received;
- b) That Council endorse the hiring of contract staff to help advance and accelerate the building of affordable housing in Richmond Hill as outlined in staff report SRPBS.23.046;
- c) That Council approve an operating budget of \$560,000 from the 2023 Operating Surplus to hire contract staff in accordance with staff report SRPBS.23.046.

Contact Person:

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Report Approval:

Submitted by: Kelvin Kwan, Commissioner of Planning and Building Services

Approved by: Darlene Joslin, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner and City Manager. Details of the reports approval are attached.

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Background:

Context and Purpose

The need to accelerate and provide more housing supply, in particular affordable housing, has been top of mind for all levels of government (federal, provincial and municipal) in Ontario. The pace at which planning legislation and processes are being changed and new housing-related data tracking and funding grant requirements are being released is unprecedented. Consequently City staff are under surmounting pressure to keep up with the new requirements, in order to conform to legislation and qualify for funding, while also trying to implement ongoing and new City initiatives to meet our assigned housing targets and implement our Affordable Housing Strategy.

Dedicated staff resources are needed to provide focused knowledge and centralized support to keep up with the demand to coordinate affordable housing-related initiatives and lead the facilitation of affordable housing development in Richmond Hill. In fact, the City's Affordable Housing Strategy recommends one such dedicated staff resource through the establishment of an affordable housing concierge program to help shepherd affordable housing development applications through the development approvals process. Without these resources, the City lacks the support it needs to make affordable housing a priority and to implement initiatives and programs that will contribute to our housing target.

The purpose of this staff report is to report back on the feasibility of hiring contract staff in response to direction that was approved by Council at the September 26, 2023 Budget Committee of the Whole meeting through items 4.1b) and c):

- b) That staff be directed to report back on the advisability and effectiveness of investing a portion of the 2023 Operating Surplus to hire additional contract staff resources to effectively and materially advance and accelerate the building of housing that meets the Region of York's definition of affordable, the purpose of this initiative being within the jurisdiction and power afforded to municipalities, to find ways to see built in the near future, more housing that is affordable to more people for our current and future residents, and to assist Richmond Hill in meeting our Provincial Housing Pledge; and*
- c) That staff report back to Council through the 2024 Operating Budget process.*

Proposed Staffing for an Affordable Housing Coordination Program

To help advance and accelerate the building of affordable housing in Richmond Hill, a two-year Affordable Housing Coordination Program supported by contract staff is proposed. Staffing would include a contract Program Manager of Affordable Housing and a contract intermediate level Planner 2 to carry out the growing number of functions and initiatives required to help fulfill Richmond Hill's affordable housing mandate.

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The contract Program Manager of Affordable Housing would be responsible for leading, coordinating and facilitating the advancement of affordable housing initiatives within the City – a dedicated resource that does not currently exist. As a two-year contract position, funded from the 2023 Operating Surplus and potentially supplemented by a Federal housing grant, the Program Manager is intended to provide the knowledge, technical expertise and guidance needed for the City to jumpstart the development of affordable housing and work with potential partners and stakeholders to get affordable housing in the ground.

Funded by the same sources, the Planner 2 contract is intended to provide additional support to help administer the long list of responsibilities needed to move the affordable housing mandate forward. With a focus on affordable housing trends and information, the contract Planner 2 would help the Program Manager design and coordinate initiatives, undertake research and analysis, prepare and incorporate feedback into reports, respond to inquiries, and prepare and present materials for meetings and consultation.

In addition to helping the City fulfill recommendations from Richmond Hill's Affordable Housing Strategy, these positions would better equip the City to meet its commitments in accordance with Bill 23, *The More Homes, Built Faster Act, 2022* and other Provincial and Federal housing program directives.

Major Responsibilities and Tasks

Reporting to the Manager of Policy, the Program Manager and the adjunct Planner 2 position would work with members of the Policy section and various other staff groups on the following primary functions:

- 1) **Provide oversight to keep track of new housing/affordable housing legislation, programs, partners and initiatives that could impact and/or potentially benefit the City.**

Since 2019, with the majority of the changes in the last 18 months, the Province has released the equivalent of 4 omnibus bills (Bills 108, 109, 23, 97), several other statute amendments and regulations, and significant Provincial plan and policy changes (Growth Plan and PPS). All of these legislative changes have affected the way municipalities plan for housing and related community amenities, how they process development applications, and how they collect revenue to support needed infrastructure and community assets. Dedicated and centralized resources are needed to keep track of this ever changing landscape and ensure that the corporation stays abreast of new housing legislation, opportunities and requirements.

- 2) **Provide technical input, expertise and coordination support for the City to:**
 - a. **respond to upper-levels of government on proposed planning and housing legislation, policies and programs; and**

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b. work with staff to incorporate applicable housing directives into Official Plan policies, zoning by-laws and the planning approvals process.

Since the Province began its series of legislative changes and announcements in support of housing, staff resources have been continuously diverted to respond and provide comments to proposed amendments. Consequently, numerous changes to City planning policies, processes and practices have been and continue to be made as a result of Bills 109, 23, 97 and other Provincial policies and regulations. In addition, the City was directed by the Province to submit a Council-endorsed housing pledge to undertake initiatives that support Richmond Hill's assigned target of 27,000 new residential housing units to be built by 2031. New housing grant funding programs requiring complex application processes and criteria were also released by the Federal and Provincial governments.

Each of the abovementioned initiatives required extensive weeks, even months, of inter-departmental coordination, meetings, research, analysis and material preparation by staff in the Planning and Building, and Finance departments, and City Manager's Office. Dedicated staff with capacity and expertise to provide guidance to the corporation is essential for responding effectively and in a timely manner under these constantly changing circumstances.

3) Monitor and report on the progress of initiatives identified under Richmond Hill's 2031 Municipal Housing Target Pledge and keep track of assigned targets with respect to Provincial housing grants.

As part of Richmond Hill's Municipal Housing Target Pledge, the City committed to undertaking over 30 initiatives that facilitate housing through complete communities and accelerating the development of housing through streamlining and process improvements. These initiatives span several departments and municipal business functions which directly and indirectly influence how the City grows and pays for that growth.

The Province announced its Build Faster Fund for municipalities that meet or exceed their housing targets over the next three years based on housing starts data from the Canadian Mortgage and Housing Corporation (CMHC). Despite concerns raised by municipalities through the Ontario Big City Mayor's Forum over the validity of this criteria as a measure, the City still needs to keep track of its progress – whether using this criteria and other measures that may be a more accurate reflection of the City's efforts to facilitate housing (since municipalities themselves do not build housing).

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4) Co-lead implementation and reporting on the progress of Affordable Housing Strategy initiatives and provide updates to Richmond Hill's Affordable Housing Strategy Implementation Steering Committee.

In 2021, Council approved Richmond Hill's Affordable Housing Strategy (AHS) which outlines 44 actions. Since 2022, when the AHS Implementation Steering Committee was established, 6 actions were completed with another 20 actions identified as ongoing or making progress. As more of these initiatives get underway, additional resources and staff time are required to lead and coordinate new programs or projects and ensure that they align with other corporate priorities and directives from upper levels of government.

5) Network and liaise with external public agencies, non-profit organizations and the development industry on potential partnerships or collaboration to advance affordable housing in Richmond Hill and ensure alignment with the City's corporate objectives.

Another resource gap that has come to light has been the technical expertise and experience needed to help the City navigate partnerships and collaboration with affordable housing service providers and the development industry. A dedicated staff person to be the key contact and business liaison to work with potential partners and coordinate internal support required to enter negotiations and legal agreements would provide the necessary attention and focus required to make these initiatives work.

6) Design and pilot a 'one window' service to prioritize and expedite development applications that include affordable housing units.

An initiative to establish a Concierge Program for Affordable Housing was identified by the City's Affordable Housing Strategy to help applicants navigate through the affordable housing landscape and help streamline the approvals process. Having dedicated staff through the Affordable Housing Coordination Program provides an opportunity to pilot and fine-tune such an initiative while working alongside those developing housing policies and those implementing housing policies and regulations through the development process. The Program Manager would work with applicants, development planners and/or potential affordable housing service operators to secure long-term provision of affordable housing as well as the identification of applicable grants, loans or other programs to incentivize affordable housing.

7) Co-lead the assembly of information and data tracking on planning data and building permit data to meet Provincial reporting requirements and provide quarterly updates to ELT and Council.

Bill 23 required municipalities to prepare reports with respect to prescribed information on planning matters to the Ministry of Municipal Affairs and Housing

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on a quarterly and annual basis. While the required data comes from all of the divisions in the Planning and Building Services Department, a dedicated staff person to help coordinate and consolidate the information for the quarterly and annual updates would be a more efficient use of resources and provide a more reliable and consistent approach.

- 8) **Educate and train staff on affordable housing-related regulations, policies and programs to increase capacity building within the organization and enable staff to advocate, collaborate and incorporate affordable housing objectives through their own work.**

There has been interest across the organization to learn more about the affordable housing crisis and the role municipalities can play in alleviating this issue. Creating awareness across the municipal corporation will enable staff to apply an affordable housing lens to a variety of City functions. Through their own work, members of Council and staff can better advocate for opportunities to incentivize the provision of affordable housing (e.g. promote or advocate for financial tools such as Community Improvement Plan) as well as connect those in need with information on affordable housing programs and services. As part of the City's whole of government approach to advancing its affordable housing mandate, providing education and training would be a key responsibility of these proposed positions.

- 9) **Project manage consultants and coordinate inter-departmental working groups on the consultation, development and implementation of affordable housing supportive policies directed by Council (e.g. 'missing middle' housing).**

As part of the City's submission to a federal housing grant program, Council passed a motion directing staff to undertake consultation and amend Official Plan policies and zoning by-laws that would permit 4 units as of right under the Additional Residential Unit policy, as well as a minimum 4 storeys within Major Transit Station Areas (MTSAs) along the Regional Corridors. Although consulting services are being explored to carry out these initiatives, there continues to be limited resources to develop the project scope, hire the consultants and project manage their work. Having staff available to oversee and project manage new initiatives directed by Council would further enhance the City's ability to pivot and adapt its current practices to the changing housing landscape.

- 10) **Assist with the anticipated Housing Accelerator Fund data gathering and progress tracking of initiatives**

Strategy and Government Relations (SGR) in the City Manager's Office is responsible for relationship management and reporting for grant funding. However, anticipated requirements for the federal government's Housing Accelerator Funding (HAF) program requires more complex, detailed and

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ongoing project progress tracking that goes beyond current SGR and Planning service levels.

To address the capacity gap in coordinating this information, a lead coordinator in the City Manager's Office is being contemplated to track the progress of HAF initiatives and associated building permit data. For data related to Planning initiatives, the Affordable Housing contract staff in Planning and Building Services would coordinate with the lead HAF Project Coordinator in the City Manager's Office to enable compliance with anticipated agreement requirements. Having the additional roles in Planning would be an efficient approach given other new housing regulatory reporting requirements in the department.

Benchmarking Considerations

The primary responsibilities noted above were based on the need to fill functional and resource gaps within the City and were informed by a comparative analysis of housing and affordable housing related positions posted by other municipalities in the Greater Toronto Area. The City of Toronto, for instance, recently advertised for a Manager of Housing Development and Revitalization as well as a Housing Development Officer to oversee affordable housing policies and programs including the promotion of purpose-built rental housing, affordable ownership housing and missing middle housing. In York Region, a Program Manager of Housing Stability and Homelessness was created in 2021 to interpret legislation and guidelines as well as to develop program policies, procedures and monitoring processes for review. A current posting for a Housing Development Planner at the Region indicated a need for project management activities related to the planning and development approval process for new affordable rental, emergency and transitional housing projects in York Region. More recently, the City of Markham posted a Special Projects Coordinator position in its Planning Department to lead the City's Affordable and Rental Housing Strategy. Each of these positions incorporated a variety of responsibilities ranging from legislation and policy development, program delivery, stakeholder and partner liaison, research and analysis, monitoring or data tracking, and education and engagement. On average, these positions reported to a Manager above them and salaries for the higher positions were equivalent to that of Project/Program Manager in Richmond Hill; salaries for the lower positions tended to be the equivalent of an intermediate or senior planner in Richmond Hill. In all of these instances, positions were advertised as full-time, permanent.

Administrative and Financial Considerations

The contract Program Manager and Planner 2 positions would report to the Manager of Policy within the Policy Planning Division of the Planning and Building Services Department. This reporting structure would enable contract staff to work alongside other planners involved in the development of land use and housing policies for the City, and interact with planning staff directly responsible for development approvals and zoning. Over the past year, the provision and acceleration of housing has been a main driver for policy initiatives and process improvements among all divisions within the Planning and Building Services Department. Under this shared mandate, contract staff hired to

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support the Affordable Housing Coordination Program could more readily collaborate with colleagues who are directly involved in the development and implementation of affordable housing-related policies, processes and planning tools.

Since funding for the proposed positions is temporary, a two-year timeframe for the Affordable Housing Coordination Program is proposed. This timeframe is anticipated to provide enough time for dedicated staff to deliver the technical guidance and support needed to help establish affordable housing initiatives and help the City address recent housing directives from the Provincial and Federal governments. Assuming these positions are approved by Council as part of the 2024 Operating Budget, recruitment for these positions would be completed by early spring 2024.

Another consideration for the proposed positions is the temporary nature of these contracts which would require a more competitive salary to attract and retain knowledgeable and experienced staff for the duration of the program. As Provincial and Federal direction on housing impacts all local governments, similar positions and programs are being created in other municipalities –some of which are offering full-time, permanent positions. The cost of a two-year contract for the Program Manager of Affordable Housing in Richmond Hill is estimated to be just over \$323,000 for salary and benefits. The cost of a two-year contract for the Planner 2 is estimated to be \$221,700 for salary and benefits. An additional \$10,600 in minor capital costs would be required to set up workstations, computers and phones for these positions, as well as \$3900 for professional planning membership and training costs. Therefore, the cost of staffing a two-year Affordable Housing Coordination Program is estimated to be approximately \$560,000). As directed by the Council motion, funds to pay for the contract staff would come out of the Tax Rate Stabilization Reserve with potential for some of those costs to be supplemented by a federal housing grant.

Financial/Staffing/Other Implications:

The financial cost of hiring contract staff to help advance and accelerate the building of affordable housing in Richmond Hill as outlined in staff report SRPBS.23.046 is \$560,000. In its motion from September 23, 2023, Council directed staff to consider funding these positions from the 2023 Operating Budget Surplus being entered into the Tax Rate Stabilization Reserve. If approved, an operating budget to hire staff for the Affordable Housing Coordination Program would be created out of this reserve. In the event that the federal Housing Accelerator Fund grant is approved for the City of Richmond Hill, \$280,000 from the HAF grant would be used to supplement 50% of the account which means \$280,000 would be financed out of the Tax Rate Stabilization Reserve account.

Relationship to Council's Strategic Priorities 2020-2022:

The proposal to hire contract staff to coordinate and support Richmond Hill's Affordable Housing mandate aligns with the Council strategic priority to create a Strong Sense of Belonging in the City. This goal speaks to the desire to make everyone feel welcome in

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Richmond Hill and a commitment to community building. Providing a range of housing types and more affordable housing options ensures that people from different age groups and socio-economic means can call Richmond Hill home. Funding this temporary program and staffing from the operating surplus via the Tax Rate Stabilization Reserve, and potentially supplementing it from the anticipated federal housing grant, demonstrates the Council priority for Fiscal Responsibility by not adding further impacts to the municipal tax rate.

Conclusion:

Dedicated staff resources are needed to provide the knowledge, expertise and centralized support to keep up with demand to coordinate affordable housing related initiatives and lead the facilitation of affordable housing development in Richmond Hill. This staff report outlines the feasibility of hiring contract staff in response to Council direction at the September 26, 2023 Budget Committee of the Whole. To help advance and accelerate the building of affordable housing in Richmond Hill, a two-year Affordable Housing Coordination Program supported by contract staff is proposed. Staffing would include a contract Program Manager of Affordable Housing and a contract intermediate level Planner 2 to carry out the growing number of functions and initiatives required to help fulfill Richmond Hill's affordable housing mandate. Should Council approve the recommendations of staff report SRPBS.23.046 as part of the 2024 budget process, it is anticipated that contract staff for the Affordable Housing Coordination Program would be hired and in place by spring 2024.

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Report Approval Details

Document Title:	SRPBS.23.046 - Proposal for Affordable Housing Contract Staff.docx
Attachments:	
Final Approval Date:	Nov 21, 2023

This report and all of its attachments were approved and signed as outlined below:

Maria Flores - Nov 20, 2023 - 11:58 AM

Gigi Li - Nov 20, 2023 - 6:07 PM

Gus Galanis - Nov 20, 2023 - 6:08 PM

Darlene Joslin - Nov 21, 2023 - 9:01 AM