



The Town of the Blue Mountains

Housing Needs Assessment

November 17, 2023

Parcel

SGL
Planning & Design Inc.



PREPARED FOR:

The Corporation of the Town of the Blue Mountains
32 Mill Street, Thornbury, ON, N0H 2P0

PREPARED BY:

Parcel Economics Inc.
250 University Avenue, #221, Toronto, Ontario, M5H 3E5
info@parceleconomics.com
416-869-8264

November 17, 2023

2023-0047

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1.0

Introduction

Introduction

The Town of the Blue Mountains is updating its Official Plan. The Blue Mountains Official Plan is the primary planning document that will direct the actions of the Town and shape growth and development. It establishes a unified vision for the future, land use structure for the Town and policies guiding growth and development.

Over the past years, the Town has been experiencing unprecedented growth which is expected to continue due to demographic changes, technological advances and the physical attraction and amenities of the Town. The Official Plan sets the foundation for where and how growth is to occur while ensuring it is balanced to protect the unique rural, environmental and community characteristics of the Town.

Purpose

The following Housing Needs Assessment Background Paper has been prepared as part of the ongoing Official Plan Review. The purpose of this Housing Needs Assessment Background Paper is to identify existing and potential future housing “gaps” in the town and recommend policies to improve housing outcomes for current and future residents.

As part of this Housing Needs Assessment, we have reviewed recent and emerging trends in: **demographics** (age groups and migration), **tenure** (owner and renter), **housing type** (single-detached, apartments, etc.) and **affordability** to identify any potential housing gaps that may exist.

Market vs. Affordable vs. Social Housing: What's the Difference?

We refer to various types of housing throughout this report, including market-based housing, affordable housing, and social housing. While this terminology is typically used to describe the spectrum of housing that is available to residents in a municipality, it can often be confusing, as the housing types do not fit into the discrete categories identified in Figure 1.1, and there is often overlap between housing types.

For example, though often used interchangeably, affordable housing is not the same as **social housing**, which is housing that receives government subsidies to support deeper affordability, typically by offering below-market rents in government-owned and/or managed buildings (it can also be referred to as community housing). Therefore, while social housing by its very nature is designed to be affordable, not all affordable housing is social housing.

Market housing is a term used to describe housing that is for sale or rent on the open market and does not take into consideration purchase prices or monthly rent of a unit. **Affordable housing** is both an umbrella term that encompasses *any housing* that meets the definition of “affordable” (See Section 4.2), including market housing, and can also refer to housing that is specifically designed to achieve affordable rents/prices per the definition of affordable. Throughout this report, we have attempted to differentiate between the types of housing we are referring to when summarizing housing needs.

Figure 1.1
Housing Spectrum



Source: City of Toronto, HousingTO 2020-2030 Action Plan Background.

Structure of Report

We have structured this Housing Needs Assessment as a series of questions aimed at identifying gaps in the need for housing in the town and how these gaps can be addressed.

- 1. How are Demographic Trends Impacting Housing Needs?**
- 2. What is the Current State of the Housing Market?**
- 3. How Do We Define Affordable Housing?**
- 4. What Affordable Housing Gaps Exist in The Blue Mountains?**
- 5. What Housing Gaps Exist in The Blue Mountains?**
- 6. What Policy Tools Are Available to Fill These Housing / Affordability Gaps?**

A Note On Data Sources

This report uses data from the following sources:

- Statistics Canada
- Province of Ontario
- Grey County
- The Town of the Blue Mountains
- Lakelands Association of Realtors
- Third party real estate sites (realtor.com, livabl.com, rentals.ca)

Canada Mortgage Housing Corporation (CMHC) - typically the source for information on housing starts, rents, vacancies, rental stock - does not collect data for The Blue Mountains. In some instances, CMHC data for neighbouring municipalities has been used.

2.0

How are Demographic Trends Impacting Housing Needs?

Key Findings

- Population growth in The Blue Mountains (+26%) between the 2016 and 2021 census outpaced growth in Grey County (+7.5%) and Ontario (+5.8%).
- **Almost 50% of The Blue Mountains residents are over the age of 60.** This will drive the need for seniors-friendly housing (smaller, accessible units, dedicated seniors housing, and long-term care facilities) to allow these residents to age in place.
- Migration to Grey County (including The Blue Mountains) is largely from municipalities with higher average household incomes and house prices.
- The Blue Mountains has a greater share of high-income households (>\$150,000 per year) and lower share of lower-income households (<\$100,000 per year) than Grey County and Ontario. The lower share of lower-income households is due, in part, to a lack of affordable housing options in the town.
- Most people working in The Blue Mountains (64%) do not live in The Blue Mountains. **There is a large employment “gap” in the accommodation and food services sector** whereby many jobs held by residents living in other municipalities, likely due to housing costs in the town being unaffordable for sector wages.

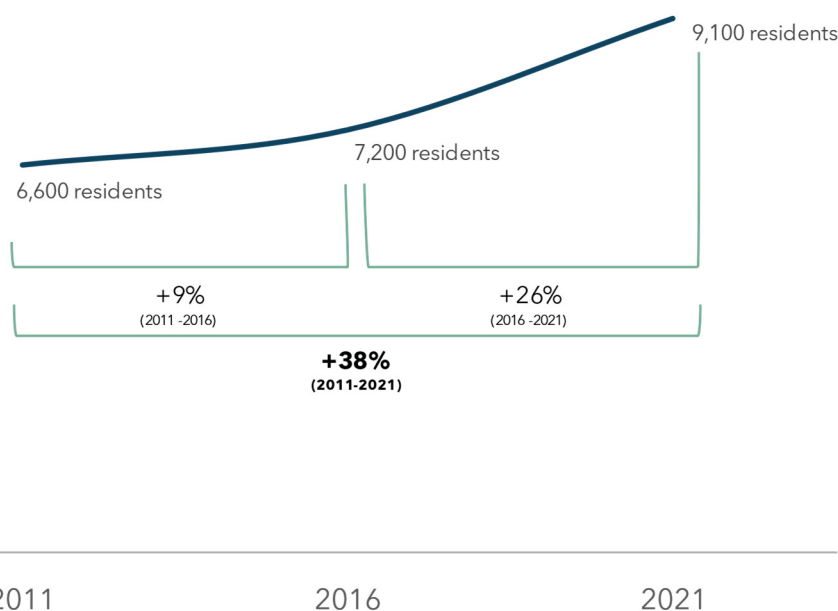
To better understand the current state of the housing market in The Blue Mountains and any “gaps” that may exist, we have reviewed demographic and migration trends, as well as the income and commuting profile of residents to determine how these factors could impact housing needs in the municipality.

Population & Age

The population in the Town of the Blue Mountains grew by approximately **26% (1,900 persons) between the 2016 and 2021 census period**, much higher than both Grey County (+7.6%) and the province (+6.7%). This growth is likely related, in part, to an increasing number of seasonal residents moving to the town on a permanent or semi-permanent basis during onset of the COVID-19 pandemic (See Seasonal Dwellings).

Figure 2.1

The Blue Mountains Historic & Current Population

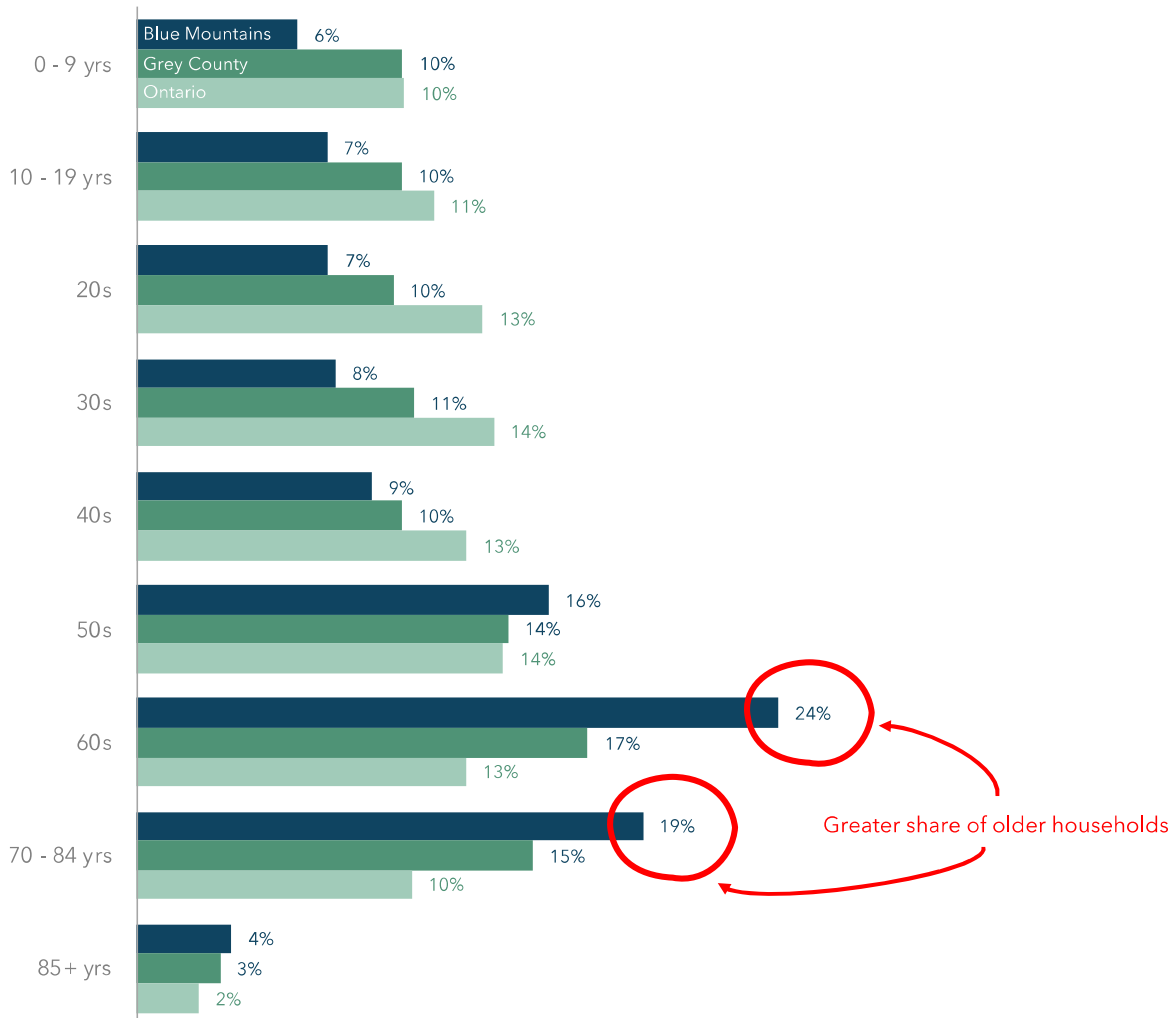


Source: Parcel, based on 2011 and 2016 Census data, 2022 Population Estimates

The town has a higher proportion of residents over 60 years of age, relative to Grey County and the province (Figure 2.2). As the population in the town continues to age, it will likely result in the need for alternative types of housing, such as **smaller and accessible apartment units, seniors housing and long-term care facilities** to meet the needs of these residents. There is a very predictable pattern when it comes to housing type and the age of residents, whereby people move into apartment units and seniors housing as they age. Therefore, it is important to

ensure there are a variety of housing options available in the town to meet the diverse needs of these residents and allow them to age in place within the community.

Figure 2.2
Age Cohorts (2021)



Source: Parcel, based on Statistics Canada 2021 Census

Migration

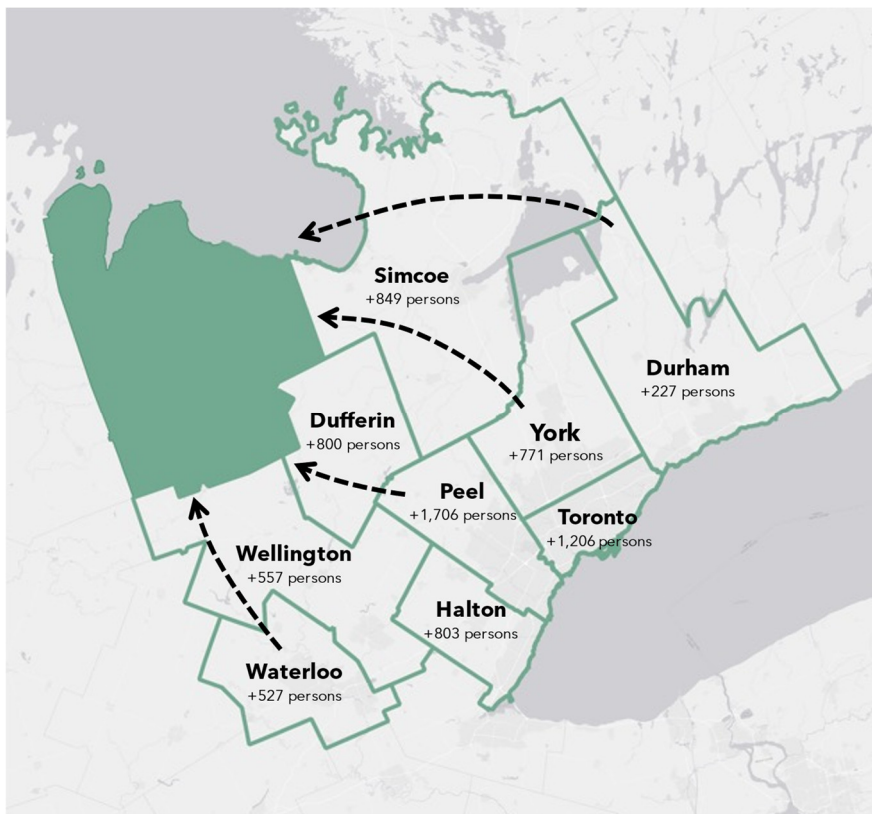
Migration has accounted for the majority of population growth in both Grey County and the Blue Mountains in recent years. Between 2015 and 2020, Grey County experienced positive net migration of approximately **1,430**

new residents each year.¹ The majority of migration has been from other municipalities in Ontario (intraprovincial migration), most notably the Greater Golden Horseshoe (“GGH”). Peel Region (Mississauga, Brampton, Caledon) and Toronto accounted for the largest shares of migrants to Grey County, among Ontario municipalities, as shown in Figure 2.3.

Where migrants are coming from will have impact on demand for housing by unit type and price. As shown in Figure 2.3, **household incomes and existing home prices in these GGH municipalities are higher than those in Grey County.** Therefore, continued migration from GGH municipalities could increase housing prices in the town, as many of these migrants have the ability to absorb higher-priced housing units.

Figure 2.3

Net Migration to Grey County (2015 to 2020)

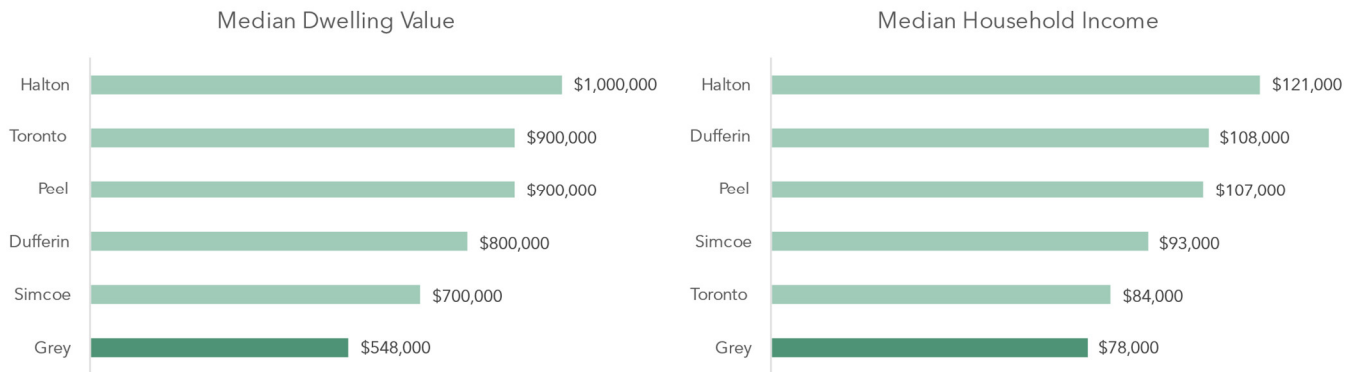


Source: Parcel, based on Statistics Canada Tax Filer Migration Data, 2015 to 2020

¹ Tax filer migration data is not available for the Town of the Blue Mountains. Therefore, this section focuses on Grey County.

Figure 2.4

Median Dwelling Value & Income in Migration Origins Compared to Grey County



Source: Parcel, based on Statistics Canada 2021 Census data.

Household Income

Average household incomes in The Blue Mountains are the **highest of Grey County municipalities** and above the provincial average. Income growth has also significantly outpaced growth at the county and provincial level, increasing 74% from 2011 to 2021. As previously mentioned in the Migration section of this report, income growth in The Blue Mountains may be the result of an influx of residents from GGH municipalities, where household incomes tend to be higher than the provincial average.

Figure 2.5

Average Household Incomes and Growth in Average Household Incomes

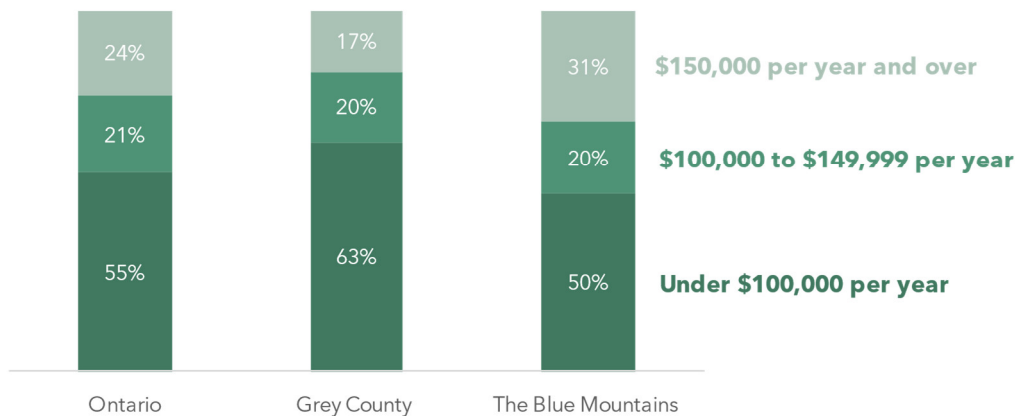


Source: Parcel, based on 2011, 2016, and 2021 Census data.

Growth in the number of high-income households in the town is evident in Figure 2.6. As shown, there is a “gap” in the number of households earning less than \$100,000 per year, in comparison to both the county and provincial average. As will be examined later in this Housing Needs Assessment, the relatively low share of households making less than \$100,000 per year is due, in part, to a lack of affordable housing options in the town. This has resulted in some lower-wage workers in the Blue Mountains commuting from municipalities with more affordable housing options are available.

Figure 2.6

Annual Household Income (2020 Dollars)



Source: Parcel based on 2021 Census of Canada.

Employment / Commuting to Work

Approximately 36% of The Blue Mountains workforce live in The Blue Mountains, with the remaining 64% commuting from elsewhere. Put another way, **most people working in The Blue Mountains do not live in The Blue Mountains**. Ideally, employment and housing should be balanced such that housing stock in a community is affordable based on local wages/salaries. While it is possible workers may choose to commute to The Blue Mountains for a variety of reasons (e.g., family commitments, personal preference), a large number of commuters suggests there may not be adequate or appropriate housing in the community for the workforce.

Figure 2.7

Workforce in The Blue Mountains by Place of Residence

Place of Residence	% of Blue Mountains Workforce
The Blue Mountains	36%
Collingwood	23%
Meaford	15%
Other Grey County	10%
Other Simcoe County	10%
Other	5%

Source: Parcel, based on Statistics Canada Table 98-10-0459-01.

Comparing the jobs of Blue Mountains residents to jobs in The Blue Mountains, there is a large “gap” in the **accommodation and food services sector** whereby there are 610 jobs in the town, but only 220 Blue Mountains residents working in the sector, representing a “gap” of nearly 400 workers. Given the relatively low compensation associated with the sector (approximately \$31,000 per year), this gap could be related to a lack of housing that is affordable for people in these lower wage jobs. Other employment sectors achieve a better balance between jobs and residents. While steps have recently been taken to address this gap, including a discussion of a staff housing project at the Blue Mountains Resort, it is clear that more needs to be done to provide housing for employees in the town.

GAP: Workforce Housing, Notably for Accommodation and Food Services Sector

Figure 2.8

Jobs in The Blue Mountains Compared to Jobs of The Blue Mountains Residents

NAICS Category	Jobs in The Blue Mountains (A)	Jobs of Blue Mountains Residents (B)	Delta (C = B - A)	Compensation²
Accommodation and food services	610	220	-390	\$30,916
Arts, entertainment and recreation	235	160	-75	\$48,991
Manufacturing	235	185	-50	\$93,063
Agriculture, forestry, fishing and hunting	245	210	-35	\$40,859
Administrative and support, waste management and remediation services	205	190	-15	\$51,426
Public administration	180	170	-10	\$115,352
Utilities	25	20	-5	\$141,067
Management of companies and enterprises	10	10	0	n/a
Mining, quarrying, and oil and gas extraction	10	15	+5	\$135,248
Retail trade	465	470	+5	\$44,537
Information and cultural industries	90	115	+25	\$110,117
Wholesale trade	80	110	+30	\$94,908
Real estate and rental and leasing	210	240	+30	\$67,173
Finance and insurance	180	220	+40	\$105,490
Other services (except public administration)	135	175	+40	\$49,890
Professional, scientific and technical services	645	695	+50	\$94,277
Transportation and warehousing	45	100	+55	\$63,955
Educational services	185	285	+100	\$72,542
Construction	255	375	+120	\$85,892
Health care and social assistance	280	415	+135	\$66,080

Source: Parcel, based on Statistics Canada Table 98-10-0491-01 and 2021 Census data.

² Ontario-wide average compensation, 2022

3.0

What is the Current State of the Housing Market?

Key Findings

- **An overwhelming majority of households in The Blue Mountains own their home (87%).** The relatively small share of renter households (13%) is likely due, in part, to the fact there is no purpose-built rental housing in the town.
- A lack of purpose-built rental units in the town as well as surrounding municipalities means renter households are **increasingly relying on the less stable secondary rental market.**
- **Single-detached houses**, typically the largest and most expensive type of housing, **make up the majority of housing stock (80%).** However, higher-density housing (apartments and row housing) has made up an increasing share of units since 2011.
- Housing in the Blue Mountains tends to be large compared to household sizes. **Approximately two out of three households are “overhoused”**, that is, the number of bedrooms exceeds the number of people in the household.
- Non-market (community housing, emergency shelters) and seniors housing (dedicated seniors housing, long-term care facilities) in the town is currently limited, however the recently announced Community Campus of Care will create long-term care beds and a retirement facility in Thornbury.

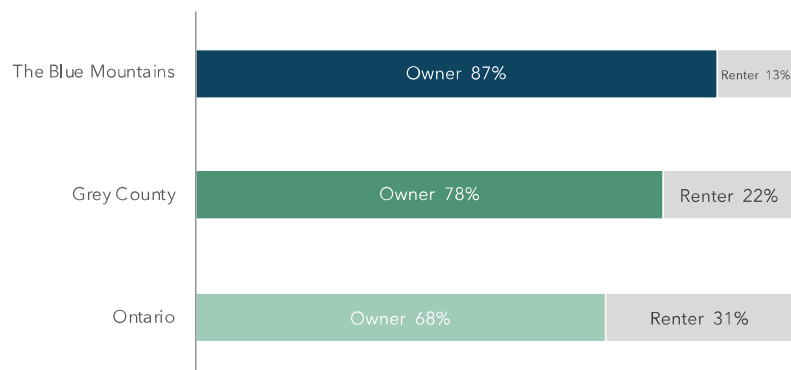
The following section examines the current stock of housing in the town, as well as proposed units in the development pipeline, to identify potential housing “gaps” by unit type (single-detached, apartment, etc.), unit size (number of bedrooms) and tenure (ownership/rental).

Housing Tenure

There is a clear tendency towards ownership housing in The Blue Mountains. **Almost 90% of households own their home** in comparison to approximately 70% of households province wide. It is also important to note that the data from the Census under-represents the number of owned housing units in the town, as it only reports on households that occupy their unit on a permanent basis. Therefore, seasonal dwelling units (i.e., cottage and ski chalets) and short-term rental accommodations (i.e., units listed on Airbnb and Vrbo) that are owned, but not occupied on a permanent basis are not reported as “owner households” in the Census. **The lack of rental housing, both purpose-built and in the secondary market, is a clear “gap”** in the Town of the Blue Mountains housing market.

Figure 3.1

Household Tenure (2021)



Source: Parcel, based on Statistics Canada 2021 Census

Purpose-Built Rental Housing

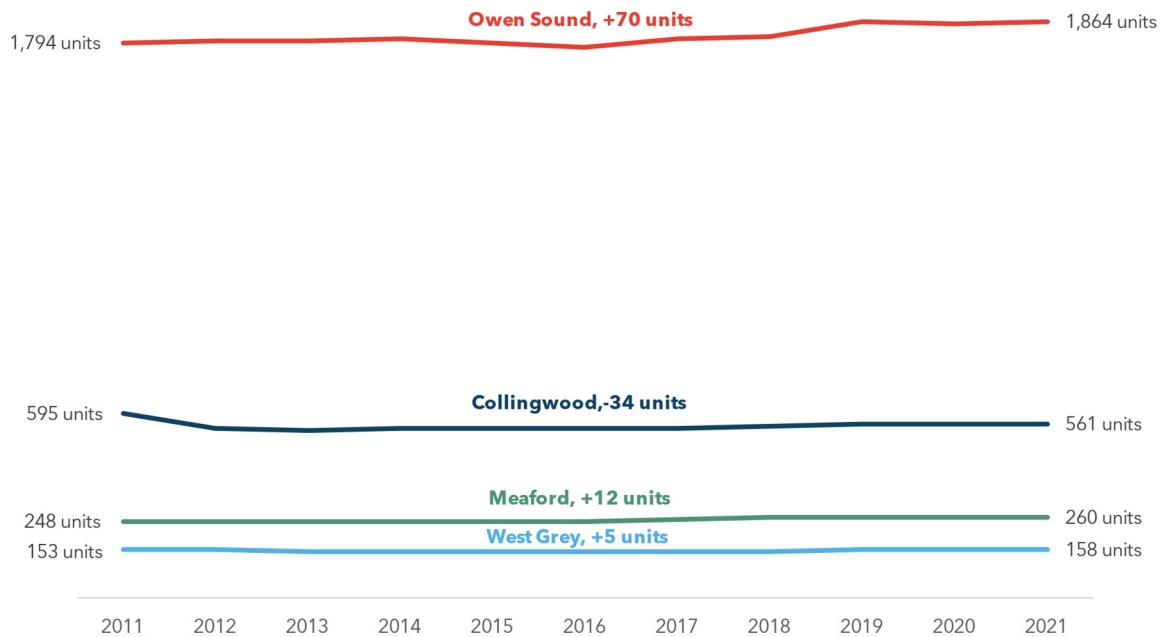
Purpose-Built Rental housing (also referred to as “Primary Rental”) consists of units that were built with the intention of being used as rental units. It is desirable because it is typically the most stable form of rental housing. Purpose-built rental units typically remain rental units in perpetuity and tenants have security of tenure. In contrast, **Secondary Rental** consists of units that were built for purchase (i.e., condominiums) and are now being rented by

their owners. The Secondary Rental market is a less stable form of rental as owners can move back into or sell their units at any time.

There is currently no purpose-built rental housing in The Blue Mountains. More broadly, purpose-built rental construction has not kept pace with growth in rental households in the region. Between 2011 and 2021, a total of 129 purpose-built rental units were created in neighbouring municipalities (Owen Sound, Meaford, West Grey, Collingwood) while the number of renter households in Grey County alone grew by 1,155 households. Additionally, purpose-built rental vacancy rates in these municipalities are below the 3% threshold that is generally considered a “healthy” match between supply and demand. Average market rents for these units are also well below asking rents for secondary market units in The Blue Mountains (See Section 4.1). However, this may be due to many of these units in the primary rental market being under rent control. The result of this - limited stock and low vacancy - is that renter households increasingly rely on the less stable and more expensive secondary rental market for their housing.

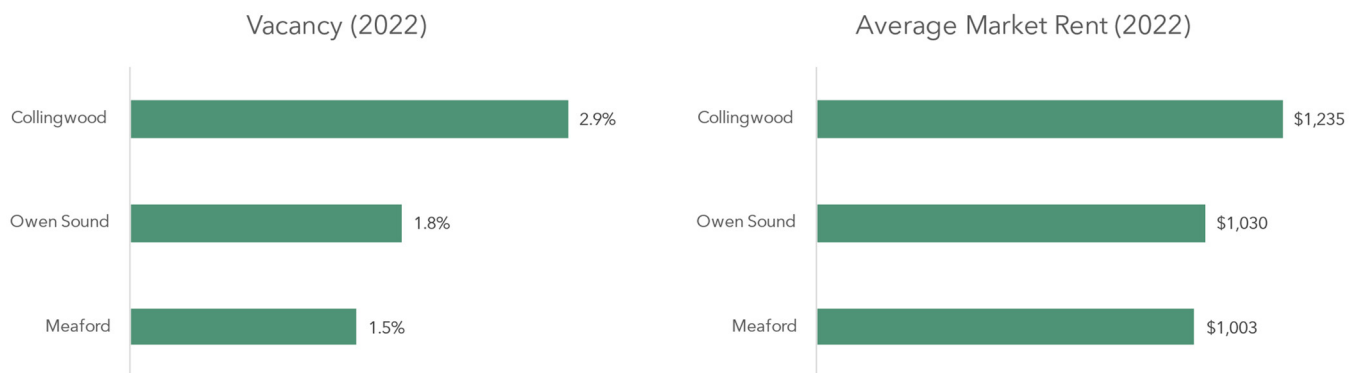
GAP: Purpose-Built Rental Housing

Figure 3.2
Purpose-Built Rental Units in Neighbouring Municipalities



Source: Parcel, based on CMHC Rental Survey data.

Figure 3.3
Average Market Rents and Purpose-Built Rental Vacancy Rates



NOTE: Average market rent and vacancy rate unavailable for West Grey due to data suppression.

Source: Parcel, based on CMHC Rental Survey data.

Housing Type & Size

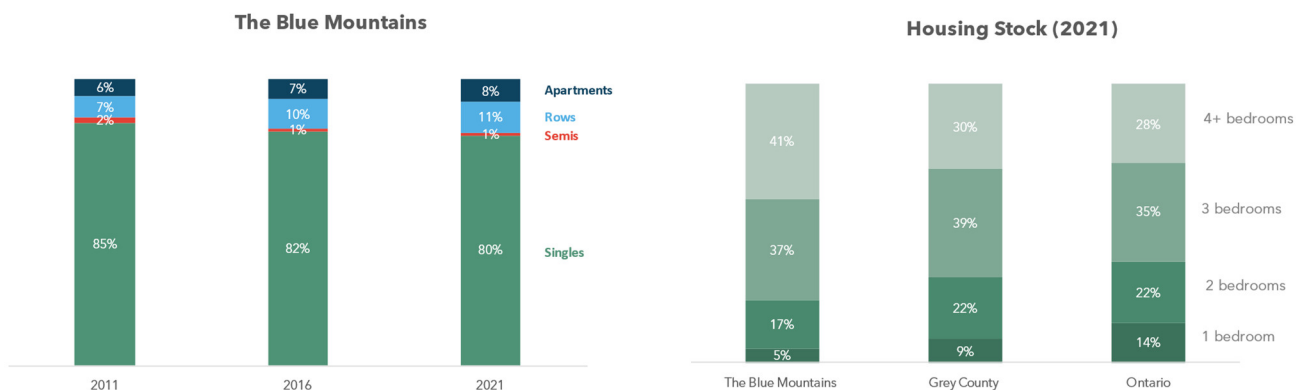
Most households in The Blue Mountains live in **single-detached** units (80%). While single-detached units comprise the majority of housing in the town, **higher-density housing (apartments and rows) has made up an increasing share of units since 2011**. This trend is supportive of housing forecasts projecting a greater share of higher-density housing in the town to 2046 and consistent with recent development patterns, as will be discussed later in this report.

Additionally, households in the town tend to live in relatively large units, with almost four out of every five dwellings (78%) having three or more bedrooms. The supply of large dwelling units, most of which are single-detached, may also explain affordability challenges in the town, as both larger housing and single-detached housing is typically the most expensive type of housing available.

The lack of smaller housing units (two bedrooms and less) is a “gap” in the housing market, as it may be inhibiting households currently in larger dwelling units from moving into housing that is more appropriately sized.

GAP: Smaller Housing Units

Figure 3.4
Housing Stock by Typology and Unit Size



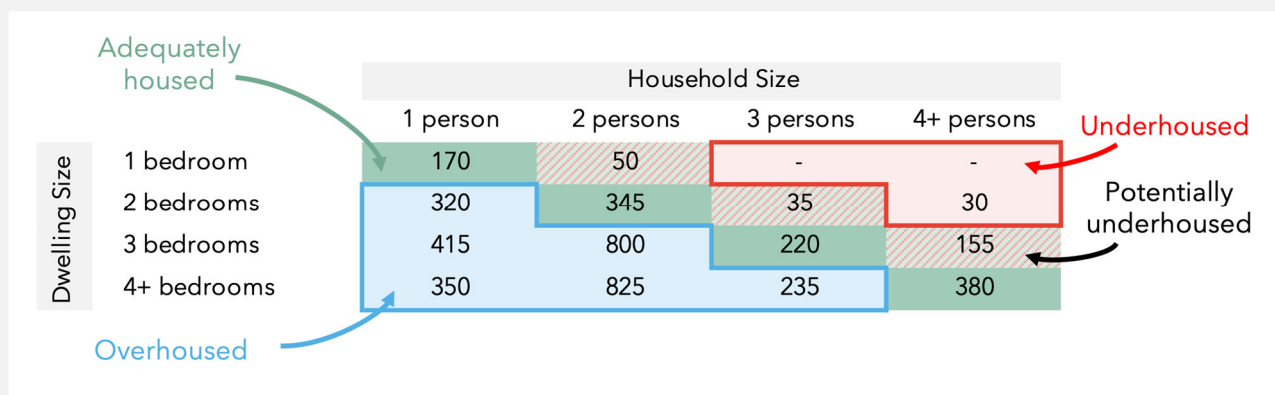
Source: Parcel, based on Statistics Canada Census data 2011 to 2021

Housing Suitability (Household Size vs. Dwelling Size)

Figure 3.5 considers **housing suitability**, defined as having enough bedrooms for the size and composition of the household, by comparing household sizes to their dwelling sizes. **Green** cells denote a match between household size and dwelling size, that is, there is one bedroom for every one person. However, given household size does not account for household type (i.e., single, couple, couple with child, etc.) we have also identified households that are underhoused mathematically but may not be underhoused functionally. For example, a couple living in a one-bedroom dwelling would be adequately housed even though their household consists of two persons. Similarly, a couple with a child (three persons) would be adequately housed in a two-bedroom dwelling. These households have been denoted as “potentially underhoused” in the figure below.

Red cells denote households that are **underhoused**, that is, there are fewer bedrooms than persons in the household. As shown, in The Blue Mountains, this represents a very small share of households. Lastly, **blue** cells denote households that are **overhoused**, that is, there are more bedrooms than persons. For example, a couple (two persons) living in a four-bedroom house.

Figure 3.5
Household Size vs. Dwelling Size



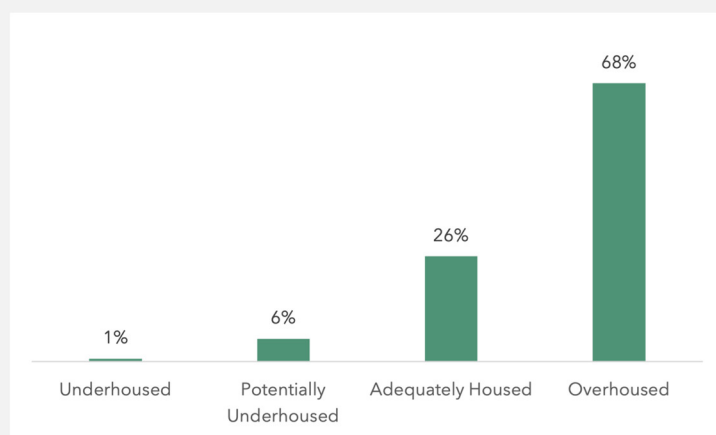
Source: Parcel, based on 2021 Census data.

Overall, it appears The Blue Mountains has an **oversupply of large housing relative to household sizes**. Approximately two out of every three households (68%) could be classified as overhoused. Such a mismatch can negatively affect affordability, particularly for smaller households. For example, **76% of households consist of one or two persons, yet one- and two-bedroom dwellings make up just 22% of dwellings**. This results in smaller households being either forced into larger, typically more expensive

housing or forced to look for housing elsewhere in the region. This mismatch between household size and dwelling size highlights the **need** for smaller units in the town, including one and two-bedroom units.

Figure 3.6

Housing Suitability



Source: Parcel, based on 2021 Census data.

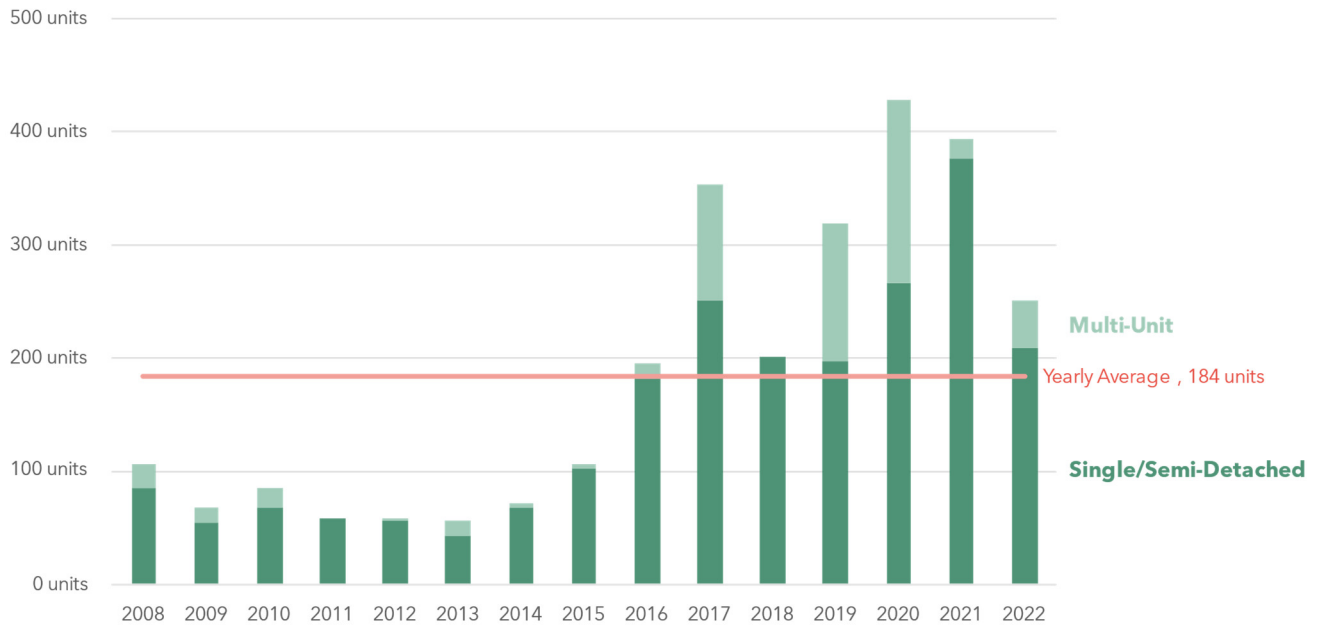
Recent Housing Construction

Consistent with the stock of housing in The Blue Mountains, new housing construction is also heavily skewed towards single and semi-detached units, which represented 80% of residential building permit activity between 2008 and 2022. However, as shown in Figure 3.7 there has recently been a shift away from single and semi-detached units towards multi-family units, which includes townhomes and apartments. This shift could reflect increasing house prices in the town, as well as demand for smaller units, as discussed above.

Housing construction activity has increased substantially in the town since 2016, which is consistent with the population growth experienced between the 2016 and 2021 Census. The town averaged approximately 80 building permits per year between 2008 and 2015. This increased to an average of nearly 310 building permits per year between 2016 and 2022, or a 300% increase. To put this in perspective, based on household growth forecasts contained in Grey County Official Plan Amendment No. 11 ("OPA 11"), the town will need to grow at a rate of approximately 145 new dwelling units per year to meet the 2046 forecasts. This is generally consistent with have construction activity experienced over the past 15 years.

Figure 3.7

Building Permits by Housing Typology (2018 to 2022)

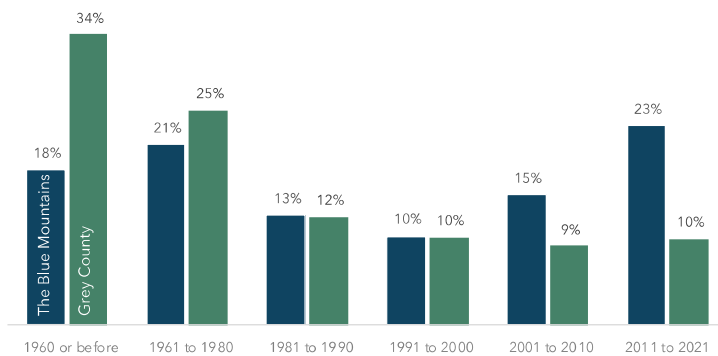


Source: Parcel, based on The Blue Mountains Monthly Building Permit Activity

Housing Age

Approximately half of households in the town live in dwellings constructed after 1990 and almost a quarter have been constructed since 2011. Housing stock is also increasingly newer compared to stock in the rest of Grey County. Overall, this recent construction suggests the housing stock is in good condition.

Figure 3.8
Housing Stock Period of Construction



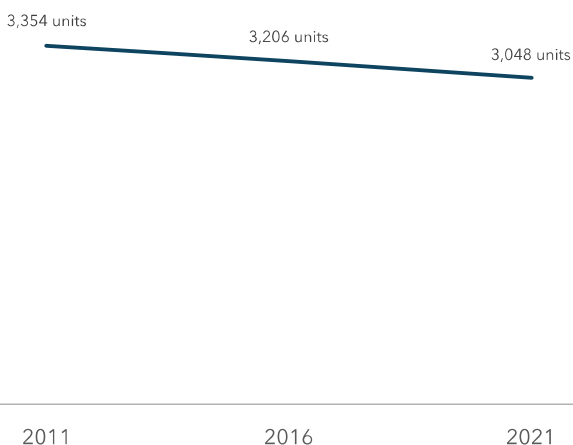
Source: Parcel, based on Statistics Canada 2021 Census

Seasonal Dwellings

The number of seasonal dwellings (i.e., cottages, chalets, etc.) has decreased by approximately 10% since 2011, likely due to seasonal residents moving to the town on a permanent or semi-permanent basis during COVID-19. While the declining number of seasonal dwelling units could be seen as positive in terms of increasing the supply of housing in the town, it is not clear if these are households moving into their seasonal residence on a permanent basis, which does not increase the supply of housing.

Figure 3.9

Seasonal Dwelling Units



Source: Parcel, based on Statistics Canada 2021 Census

Non-Market & Seniors Housing

The economics of housing development are such that it is often difficult for market housing to meet the affordability needs of lower-income households. **Non-market housing** - including emergency shelters, transitional and supportive housing, community housing - is required to fill this affordability gap. Overall, the supply of non-market housing in the town is limited. Community housing (i.e., subsidized) in the town consists of **50 one-bedroom units** targeted to adults and seniors across two sites in Thornbury. There are no family community housing units. There are also no **emergency shelters** in the Blue Mountains. Grey County offers a short-term shelter for individuals and families through its Short-Term Shelter program (launched Fall 2022). The program currently provides support to find stable housing as well as short-term accommodation in Owen Sound and Hanover.

Seniors are another group with specialized housing needs and often live in **dedicated seniors housing** communities or in **long-term care facilities**. Grey County has 316 long-term care beds, however none of these beds are in the Blue Mountains. The recent Provincial announcement regarding the construction of 160 long-term care beds on Town-owned surplus land at 125 Peel Street South in the Community Campus of Care will help address housing gaps. In addition to long-term care beds, the Peel Street site will also include a retirement home and attainable housing for Community Campus of Care staff.

GAP: Seniors Housing and Long-Term Care

Figure 3.10

Non-Market Housing in The Blue Mountains & Grey County

Housing Type	Name	Location	# of Units / Beds
Community Housing	Lemon Court Housing	Thornbury	24
	Maple Villa Apartments	Thornbury	26
Long-Term Care	Grey Gables	Markdale	66
	Lee Manor	Owen Sound	150
	Rockwood Terrace	Durham	100
	Community Campus of Care (forthcoming)	Thornbury	160
Seniors Housing	Community Campus of Care (forthcoming)	Thornbury	TBD

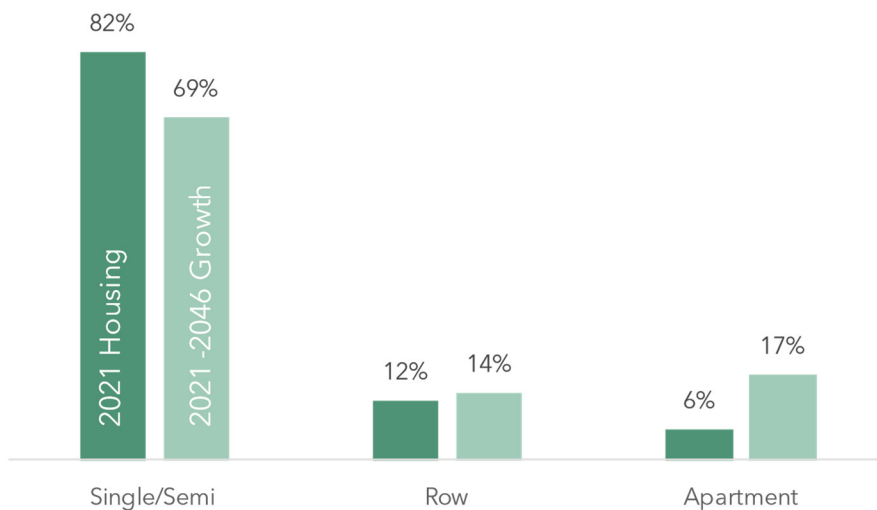
Source: Parcel, based on Grey County Community Services website (<https://www.grey.ca/resident-services/community-services/housing-programs-and-services/affordable-housing-locations>)

Future Supply of Housing

Based on forecasts contained in OPA 11, as well as units in the development pipeline, it is anticipated that the housing stock in the town will shift away from single-detached units and towards row and apartment units.

As shown in Figure 3.11, while 82% of households lived in single/semi-detached units in 2021, only 69% of growth is anticipated to be in this form of housing. At the same time, while only 6% of households lived in apartment units in 2021, the share of household growth in apartment units is anticipated to increase to 17%. Therefore, while single and semi-detached units are projected to remain the primary form of housing in the town, a shift towards higher density forms of housing is anticipated.

Figure 3.11
Existing and Projected Housing Mix



Source: Parcel, based on County of Grey Growth Management Strategy - Update 2021

There are some indications that this shift to higher-density housing is already underway in The Blue Mountains and could be more significant than anticipated in the OPA 11 forecasts. Among dwelling units approved, awaiting application and under review, **38% are single-/semi-detached, 22% are apartments, and 20% are row housing.** The relatively large share of row and apartment units in the development application process would help address the need for smaller units and apartment units to accommodate both existing and future residents.

Figure 3.12

Active Units Under Development in The Blue Mountains

	Number of Units	Percentage of Total Units
Single-Detached	1,256	30%
Semi-Detached	335	8%
Row	842	20%
Apartment	907	22%
Unspecified Unit Type	834	20%
Total	4,174	100%

Source: Parcel, based on Town of the Blue Mountains Interactive Project Map (accessed August 21, 2023)

4.0

Housing Affordability in The Blue Mountains

Key Findings

- Per affordability definitions, the **affordable rent is \$1,160 per month or less** and the **affordable house price is \$483,900 or less**. There is effectively no housing available in The Blue Mountains at these rents/prices.
- **One in every five households in The Blue Mountains is cost burdened** (i.e., spending more than 30% of its income on housing) and **six percent are in core housing need**. Renter households are more likely to be cost burdened and in core housing need than ownership households.
- Based on the HART methodology (described later in this section), **215 affordable housing units are required to fill the current deficit of affordable units in the Town**. These units must have a maximum monthly rent of \$1,287 and primarily targeted to one- and two-person households.
- The Town is projected to grow to 16,300 residents by 2046, representing a total increase of approximately 79% or 3% annually. **Approximately 1,500 additional units of affordable housing could be required to accommodate this growth.**

In this section, we have examined existing home prices and monthly rent in the town. We have also defined what is considered *affordable* housing in The Blue Mountains context and how these affordable prices and rents compare to the existing housing stock in the town as a method to determine “gaps” in affordability.

4.1 Average Monthly Rent and House Prices

As noted earlier in this report, there are currently no purpose-built rental apartment buildings in the town. All rental units are available through the secondary market including the rental of entire houses, basement apartments and condominium apartment units.

To determine average monthly rent in the town, we have reviewed units listed on rentals.ca. In August 2023, there were a total of 20 units listed on this website. A summary of the listings is shown in Figure 4.1.

Figure 4.1

Asking Rents (August 2023)

Rental Type	# of Bedrooms	# of Units	Average Rent
Annual	2	1	\$2,750
	3	4	\$4,124
	4	2	\$5,550
	<i>Sub-Total</i>	7	\$4,335
Seasonal	2	3	\$2,667
	3	3	\$4,200
	4+	7	\$4,857
	<i>Sub-Total</i>	13	\$4,200
Total		20	\$4,247

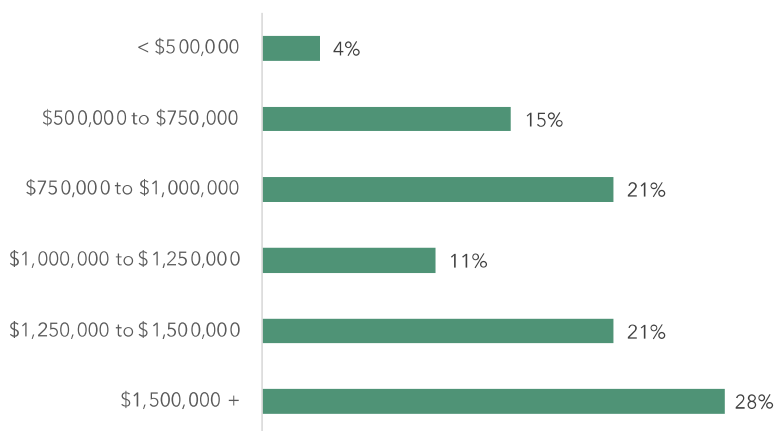
Source: Parcel, based on Rentals.ca listings (accessed August 21, 2023). Detailed contained in Appendix A.

As shown, the average asking rent for these units was over \$4,200 per month. These rents are in part driven by large unit sizes (typically full house rentals). Many are seasonal rentals only (i.e., not a permanent part of the rental stock and targeted at seasonal as opposed to permanent residents). These factors – high rents, large units, seasonal tenure, low inventory – are particularly challenging for local renter households.

In determining house prices, we have considered both the resale of existing homes and new home prices in the town. Based on active resale listings in the town, approximately 60% of ownership units have an asking price of \$1 million or more. Houses listed for more than \$1.5 million make up the single greatest share of ownership units on the market (28%). These active listings are consistent with information from the Lakelands Association of Realtors, which reported an average resale price of approximately \$1.6 million for a single-family unit in the first half of 2023, as shown in Figure 4.3. While condominium townhouses and apartment units were less expensive, \$833,000 and \$507,000, respectively, these prices are still not affordable to many households in the town.

Figure 4.2

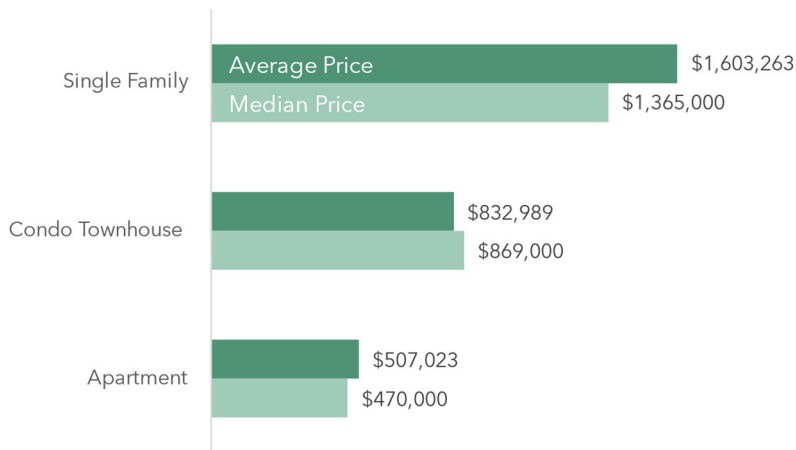
Asking Ownership Prices Distribution



Source: Parcel, based on Realtor.ca listings (accessed August 30, 2023)

Figure 4.3

Average and Median Ownership Sales Prices (Year-to-Date, May 2023)








Source: Parcel, based on Lakelands CREA data, May 2023

In addition to prices of existing housing units in the town, we have also summarized the prices of units in new housing developments. As shown, in August 2023, there were no projects in the town marketing condominium apartment units. House prices in these developments ranged from a low of \$1.3 million to a high of \$2.2 million for an average price of over \$1.7 million. This price was slightly higher than resale house prices in the town and are not affordable for many households. Overall, smaller housing typologies are typically less expensive and offer better opportunities for affordability.

Figure 4.4

Asking Prices for New Construction Units

Name	Unit Type	Average Price
Windfall 	Detached, Semis/Towns	\$1,393,225
BLU Thornbury 	Semis	\$1,366,000
Blue Vista 	Detached, Semis/Towns	\$1,659,817
The Baysides 	Towns	\$1,795,990
Masters at Lora Bay 	Detached, Semis/Towns	\$1,815,671

The Summit



Detached

\$2,240,428

Average Price

\$1,717,262

Source: Parcel, based on livabl.com listings (accessed August 31, 2023)

4.2 How Do We Define Housing Affordability?

One of the primary housing gaps across many Ontario municipalities is the availability of housing that is affordable to residents. However, various definitions of affordable housing across different levels of government can make pinpointing what qualifies as “affordable” housing confusing.

The **PPS** defines affordable housing as **the least expensive of housing that does not exceed 30% of gross annual household income for low- and moderate-income households OR housing that is 10% below average prices or rents**. Low- and moderate-income households are households in the lowest 60% of the income distribution for the regional market area.

The definition of *affordable* in the PPS includes **both** an **income-based** measure of affordability (i.e., tied to what specific households can afford) and a **market-based** measure of affordability (i.e., a benchmark against current market conditions and pricing). The **Grey County Official Plan** uses a similar definition to the PPS, however it does not explicitly apply to low- and moderate-income households. **The Town of the Blue Mountains** does not currently define **affordable housing** in any of its policies. It does, however, define **attainable housing** in its Housing Within

Reach Community Improvement Plan (CIP) as ownership housing whereby the purchase price results in annual accommodation costs which do not exceed 30% of the gross annual income for households within the income range of 50% to 130% of the median income for the Town of the Blue Mountains. Attainable rents are defined as rental housing whereby rents are at least 20% below the area median rent.

Figure 4.5

Provincial Policy Statement Affordable Definition

	Ownership Housing	Rental Housing
	<i>The least expensive of:</i>	<i>The least expensive of:</i>
Income-Based	Purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low- and moderate-income households*	Rent does not exceed 30% of gross annual household income for low- and moderate-income households*
	OR	OR
Market-Based	The purchase price is at least 10% below the average purchase price of a resale unit in the regional market area	Rent is at or below the average market rent (AMR) of a unit in the regional market area
	<i>*Households with incomes in the lowest 60% of the income distribution for the regional market area</i>	<i>*Households with incomes in the lowest 60% of the income distribution for renter households in the regional market area</i>

Source: Parcel, based on Provincial Policy Statement (2021)

Figure 4.6

Town of the Blue Mountains Attainable Definition

	Ownership Housing	Rental Housing
	Purchase price results in annual accommodation costs which do not exceed 30% of the gross annual income for households within the income range of 50% to 130% of the median income.	Rent is at least 20% below the area median rent.

Source: Parcel, based on Town of the Blue Mountains Housing Within Reach CIP (2021)

Affordable/Attainable Definitions in Other Provincial Legislation

In addition to the PPS, three new pieces of Provincial legislation offer definitions of affordable that may have implications for defining affordability in the future.

Proposed Provincial Policy Statement (June 2023)

The current iteration of the Proposed Provincial Planning Statement (June 2023) removes the definition of affordable housing that was included in the PPS. Instead, under Vision, the Proposed Provincial Planning Statement states:

Ontario will increase the supply and mix of housing options and address the full range of housing affordability needs. (page 4)

Where housing affordability is not a defined term. In Section 2.2 Housing, the Proposed Provincial Planning Statement goes on to state:

1. *Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected needs of current and future residents of the regional market area by:

 - a) *coordinating land use planning and planning for housing with Service Managers to address the full range of housing options including housing affordability needs;**

It is still unclear if a definition of affordable, or affordable housing will be added to the final version of the Proposed Provincial Planning Statement.

Bill 23, More Homes Built Faster Act (2022)

The recently passed Bill 23 introduced changes to the Development Charges Act that define an “affordable residential unit” as a unit whose rent or price is **no greater than 80% of average market rent or average purchase price**, depending on whether the unit is rental or ownership. While the previous PPS definition of affordable considered **both** income- and market-based measures of affordability, this new definition is **purely market-based**. The lack of an income-based definition is concerning in The Blue Mountains, as the average purchase price of new and existing homes in town is

relatively high at over \$1.6 million. Therefore, it will be important to also include an income-based definition of affordable to ensure there is adequate housing available for all residents, particularly those employed in the service industries.

Bill 23 also introduces the concept of **attainable housing** that falls between affordable and full market prices. Initial legislation defines attainable as an ownership unit that is not an affordable unit. In other words, attainable housing is ownership housing that costs more than 80% of the average purchase price.

The Development Charges Act states that the average market rent and average purchase price within a jurisdiction will be identified in a bulletin entitled “Affordable Residential Units for the Purposes of the Development Charges Act, 1997, Bulletin”. The Ministry of Municipal Affairs and Housing has not yet released one of these bulletins, so it remains unclear what will be considered an affordable or attainable unit in a development charges context.

Bill 134, Affordable Homes and Good Jobs Act, 2023

On September 28, 2023, the Province proposed legislation that would amend the definition of an “affordable residential unit” that was previously identified in Bill 23 that is included in the Development Charges Act. The new definition would mirror the definition in the PPS, which includes both a market-based and income-based definition of affordable, where the income-based definition results in accommodation costs that do not exceed 30% of gross annual household income for low- and moderate-income households.

4.3 Affordable Housing Prices and Rents in The Blue Mountains

Information that is required to calculate affordable prices and rents per the PPS definition of affordable include:

1. Average house prices and rents; and
2. Income decile data by tenure.

Figure 4.7 shows average existing home prices and average monthly rents in Grey County in 2022 based on information from the Ontario Ministry of Municipal Affairs and Housing³, as well as the market-based definition of “affordable” per the PPS, which is calculated at 90% of the average resale price. We have supplemented this with prices and rents for The Blue Mountains based on available information from the Lakelands Association of Realtors (prices) and CMHC (rents). Figure 4.8 shows household income deciles for ownership and rental households in The Blue Mountains. Low- and moderate-income households (i.e., households in the lowest 60th of income distribution) are outlined in **blue**. Of note, ownership household incomes are almost three times as high as renter household incomes in many deciles.

Figure 4.7

Average Resale Prices and Rents (2022)

	Average Resale Price	90% Average Resale Price	Average Rent
The Blue Mountains	\$1,370,000 ¹	\$1,233,000	\$1,160 ²
Grey County	\$712,200	\$641,000	\$1,019

¹ Based on Lakeland Association of Realtors Average Year-to-Date Price, December 2022

²As CMHC does not report average monthly rent for The Blue Mountains, average rent in the figure above is based on weighted average monthly rent for Meaford and Collingwood, as reported by CMHC.

Source: Parcel, based on PPS Housing Tables 2 and 4, the Lakelands Association of Realtors, CMHC

³ The Ontario Ministry of Municipal Affairs and Housing only provides data at the Census Division level and not at the Census subdivision level, including The Blue Mountains.

Figure 4.8

Income Deciles (2022 Income²) of Blue Mountains Households by Tenure

	Ownership Household Income	Renter Household Income
10th Percentile	\$40,400	\$16,900
20th Percentile	\$56,600	\$23,600
30th Percentile	\$73,400	\$29,800
40th Percentile	\$94,700	\$37,900
50th Percentile	\$118,100	\$45,100
60th Percentile	\$140,500	\$51,100
70th Percentile	\$170,300	\$60,000
80th Percentile	\$234,100	\$88,300
90th Percentile	\$366,100	\$133,000

² Income deciles represent 2020 incomes adjusted by growth in employee wages from 2020 to 2022 per Statistics Canada Table 14-10-0417-01 (approximately 6%)

Source: Parcel, based on Statistics Canada Household Income by Decile Custom Table, Statistics Canada Table 14-10-0417-01

Based on these average prices and income deciles, ownership housing in The Blue Mountains is considered affordable if it costs **\$483,900 or less** (income-based) and rental housing is considered affordable if it costs **\$1,160 per month or less** (market-based).

Figure 4.9

The Blue Mountains Housing Affordability Prices and Rents per PPS

	Ownership Housing	Rental Housing
	<i>The least expensive of:</i>	<i>The least expensive of:</i>
Income-Based	<p>\$483,900 (\$140,500 income required)</p>	<p>\$1,275 (\$51,100 income required)</p>
	OR	OR
Market-Based	<p>\$1,233,000 (\$357,300 income required)</p>	<p>\$1,160 (\$46,400 income required)</p>

Source: Parcel, based on Statistics Canada Household Income by Decile Custom Table, Statistics Canada Table 14-10-0417-01, Lakelands Association of Realtors, CMHC Rental Market Survey

In the case of ownership housing, this is almost \$750,000 lower than the 90% average resale price. As shown in Figure 4.10, the market-based affordable housing price of approximately \$1,233,000 is affordable to households in the upper 80th percentile of income distribution. Rental housing fares slightly better with an average market rent of \$1,160 being affordable to households in the 60th percentile of income distribution and higher. In dollar amounts, a household must earn **\$357,300 or greater per year for the average affordable ownership price to be considered affordable and \$46,400 or greater per year for average rent to be considered affordable.**

It is important to note that average rents and prices in the market-based measure of affordability are calculated using *all* housing stock in The Blue Mountains (and in the case of rental housing, neighbouring municipalities), including older ownership units and rental units under rent control, both of which command lower prices and rents than units currently entering the market. As such, “affordable” often understates current market realities. This is true in The Blue Mountains, where an affordable house price is approximately \$483,900, yet the average price of a new construction house is \$1.72 million. Likewise, affordable rent is calculated at \$1,160 per month, yet average asking rents in the town are \$4,247. **Overall, this points to greater affordability challenges than the definition of “affordable” suggests, particularly for residents looking for housing compared to those who are securely housed.**

Figure 4.10

Housing Affordability in The Blue Mountains by Income Percentile

Percentile	Ownership				Rental		
	Household Income	Affordable House Price	Average Resale Price	90% Average Resale Price	Household Income	Affordable Rent	Average Rent (All Units)
			\$1,370,000	\$1,233,000			\$1,160
10th Percentile	\$40,400	\$139,300	X	X	\$16,900	\$425	X
20th Percentile	\$56,600	\$195,000	X	X	\$23,600	\$590	X
30th Percentile	\$73,400	\$252,900	X	X	\$29,800	\$745	X
40th Percentile	\$94,700	\$326,200	X	X	\$37,900	\$945	X
50th Percentile	\$118,100	\$406,900	X	X	\$45,100	\$1,130	X
60th Percentile	\$140,500	\$483,900	X	X	\$51,100	\$1,275	✓
70th Percentile	\$170,300	\$586,500	X	X	\$60,000	\$1,500	✓
80th Percentile	\$234,100	\$806,400	X	X	\$88,300	\$2,210	✓
90th Percentile	\$366,100	\$1,260,900	X	✓	\$133,000	\$3,325	✓

✓ = Affordable
 X = Unaffordable

Source: Parcel, based on Statistics Canada Household Income by Decile Custom Table, Statistics Canada Table 14-10-0417-01, Lakelands Association of Realtors December 2022 Housing Statistics Report, CMHC Rental Market Survey, PPS Housing Table 1 assumptions; affordable ownership price assumes 30% gross debt service, 0.13% property tax, 4% CMHC mortgage loan insurance, 5% down payment, 5.65% mortgage rate, and a 25-year amortization period

Attainable Housing Price and Income

Based on the current working definition of “attainable” as an ownership unit that costs no greater than 80% of the average purchase price, the current “attainable” house price in The Blue Mountains is **\$1,096,000**. This price is affordable to households earning \$317,600 or more, or those in the upper 80th income percentile.

The figure below compares the average purchase price to the market-based definition of affordable (per the PPS) and the definition of attainable (per Bill 23), which is also market based. An attainable unit costs approximately \$137,000 less than the market-based definition of an affordable unit and requires approximately \$40,000 less in income. While less expensive, it is still unattainable to most households in The Blue Mountains.

Figure 4.11

Affordable vs. Attainable Ownership Prices and Incomes

Average Resale Price	PPS Market-Based Affordable Definition (90% of Average Resale Price)	Bill 23 Attainable Definition (80% of Average Purchase Price)	TBM CIP Attainable Definition (<30% of Gross Household Income)
\$1,370,000 (\$396,900 income req.)	\$1,233,000 (\$357,300 income req.)	\$1,096,000 (\$317,600 income req.)	\$184,400 to \$479,400 (\$50,500 to \$139,200 income req.)

Source: Parcel, based on Statistics Canada 2021 Census, PPS, Bill 23, Lakelands Association of Realtors data, TBM Housing Within Reach CIP. TBM CIP Attainable Definition uses PPS Housing Table 1 assumptions: 30% gross debt service, 0.13% property tax, 4% CMHC mortgage loan insurance, 5% down payment, 5.65% mortgage rate, and a 25-year amortization period; incomes tested for TBM CIP Attainable Definition represent 2020 incomes adjusted by growth in employee wages from 2020 to 2022 per Statistics Canada Table 14-10-0417-01 (approximately 6%).

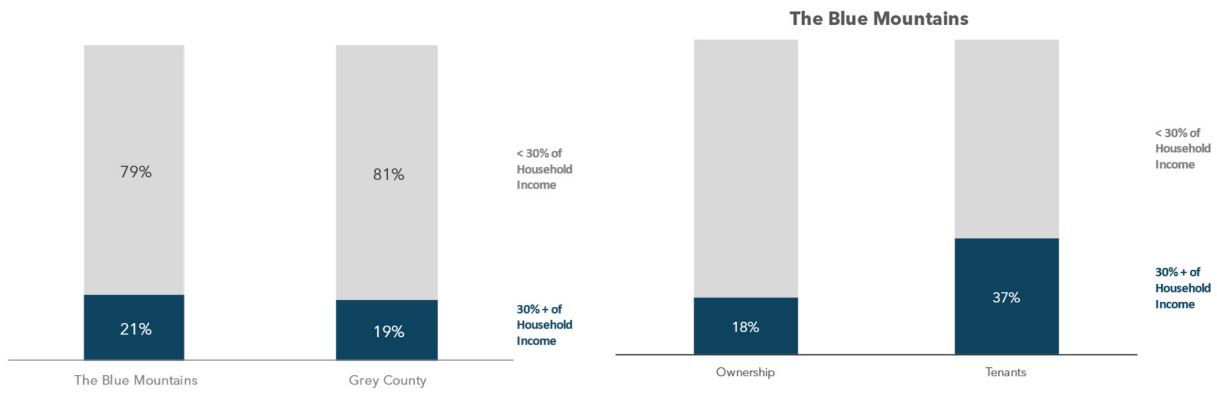
Cost-Burdened Households & Core Housing Need

The relatively high house prices and monthly rent in the town is clearly having an impact on households. Two commonly used indicators used to assess affordability is whether households are **cost burdened** or in **core housing need**. A household is defined as being “cost burdened” when it spends 30% or more of its pre-tax income on housing. A household is in “core housing need” when it lives in housing that is **inadequate** (fewer bedrooms than required), **unsuitable** (major repairs required), and/or **unaffordable** (costs more than 30% of income) AND would have to spend more than 30% of its income to obtain housing in the same area that is acceptable (i.e., adequate, suitable, and affordable).

In The Blue Mountains, approximately **one in every five households is cost burdened (19%)** while only **six percent (6%) of households are in core housing need**. This suggests that core housing need is primarily driven by unaffordability, not inadequacy or unsuitability, given the relatively new housing stock and large housing sizes compared to household sizes. However, both indicators show a greater share of renter households are cost burdened and in core housing need compared to ownership households, indicating a **greater need for affordable rental stock**.

Figure 4.12

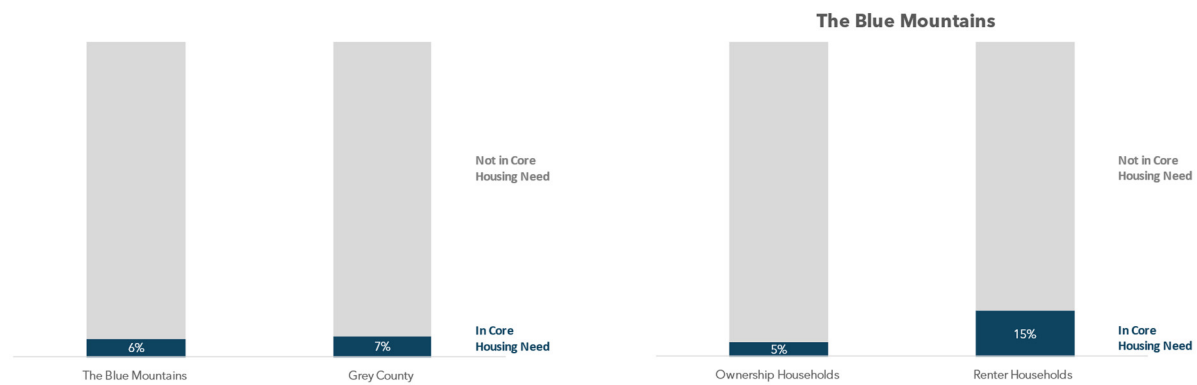
Cost-Burdened Households



Source: Parcel, based on Statistics Canada 2021 Census

Figure 4.13

Households in Core Housing Need



Source: Parcel, based on Statistics Canada 2021 Census

GAP: Affordable Ownership and Rental Housing

4.4 How Much Affordable Housing Does the Blue Mountains Need?

In determining affordable housing needs in The Blue Mountains, both now and in the future, we have relied on estimates and the methodology developed as part of the Housing Assessment Resource Tool (HART), available through the University of British Columbia.

HART Project

The Housing Assessment Resource Tools (HART) project is funded by the Canada Mortgage and Housing Corporation (CMHC) to research data-based solutions to housing challenges in Canada. Specifically, its goal is to “develop standardized, replicable and equity-focused tools, along with associated public information and training, to improve the quality of housing supply decision-making at all levels of government across Canada.”

HART currently offers three tools as part of its suite:

- **Housing Needs Assessment Tool** – measures core housing need and affordable shelter costs by income category, household size, and priority populations;
- **Land Assessment Tool** – assesses suitable public land for non-profit affordable housing, based on proximity to key services and amenities; and,
- **Property Acquisitions Tool** – helps prevent the loss of affordable housing through property acquisition by governments, non-profit housing providers and Community Land Trusts.

In addition to the foregoing affordability analysis, this section will employ the **Housing Needs Assessment Tool** as another way to analyze affordable housing needs in The Blue Mountains.

In determining affordable housing needs, the HART methodology relies on income categories as a percentage of median household income in a jurisdiction, which include:

- Very Low Income (20% or under of area median household income)

- Low Income (21% to 50% of area median household income)
- Moderate Income (51% to 80% of area median household income)
- Median Income (81% to 120% of area median household income)
- High Income (121% and more of area median household income)

While this categorization by income group is slightly different from the income deciles approach in the PPS, it does provide for a consistent and repeatable method for determining affordable housing needs across municipalities.

Existing Affordable Housing Gap

The HART methodology provides estimates of the affordable housing deficit in 2021 based on data from the Census of Canada, where the affordable housing gap is based on the number of households in core housing need. As shown in Figure 4.14, there was estimated to be a deficit of 215 affordable housing units in The Blue Mountains in 2021, which represented approximately 5% of households at the time of the Census.

As shown in Figure 4.14, all of these households were Very Low Income and Low Income, with a maximum monthly shelter cost of \$1,287 (in 2020 dollars). Further, over 80% of the affordable housing gap was for one-person households. **This highlights the need for small, affordable housing units in the town.**

The existing affordable housing deficit in The Blue Mountains is likely higher than identified in Figure 4.14, as it does not account for people who *would* live in The Blue Mountains if appropriate housing was available, and instead commute to The Blue Mountains for work. This is consistent with the findings in Figure 2.8, showing a large number of workers in the Accommodations and Food Services industry commuting to The Blue Mountains for work.

Figure 4.14

HART Methodology Affordable Housing Deficit

Income Category (Max. affordable shelter cost)	1 Person HH	2 Person HH	3 Person HH	4 Person HH	5+ Person HH	Total
Very Low Income	65	0	0	0	0	65
Low Income	110	40	0	0	0	150
Moderate Income	0	0	0	0	0	0
Median Income	0	0	0	0	0	0
High Income	0	0	0	0	0	0
Total	175	40	0	0	0	215

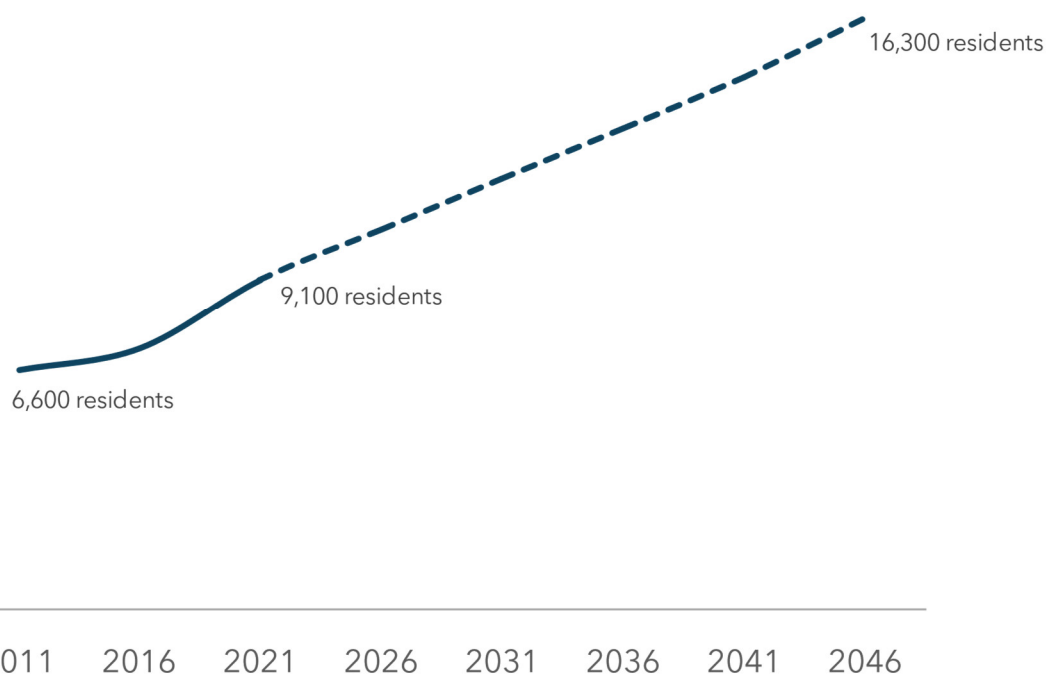
Source: Parcel, based on HART data

Future Need for Affordable Housing

The HART methodology also provides affordable housing needs to 2031, which are based on historical growth rates, rather than household growth forecasts contained in OPA 11. For example, the HART methodology anticipates 568 new households in The Blue Mountains between 2021 and 2031. By comparison, OPA 11 forecasts 1,540 new households in The Blue Mountains over this same period. Therefore, for the purposes of this Housing Needs Assessment, we have modified the HART methodology to take into consideration the household growth forecasts in OPA 11.

Based on the forecasts contained in OPA 11, The Blue Mountains is projected to grow to **16,300 residents by 2046**, representing a total increase of **approximately 79% or 3% annually**. The town is also projected to take on the largest share of County-wide growth of all municipalities during this period, at 28% of overall household growth.

Figure 4.15
 Projected Population 2021- 2046



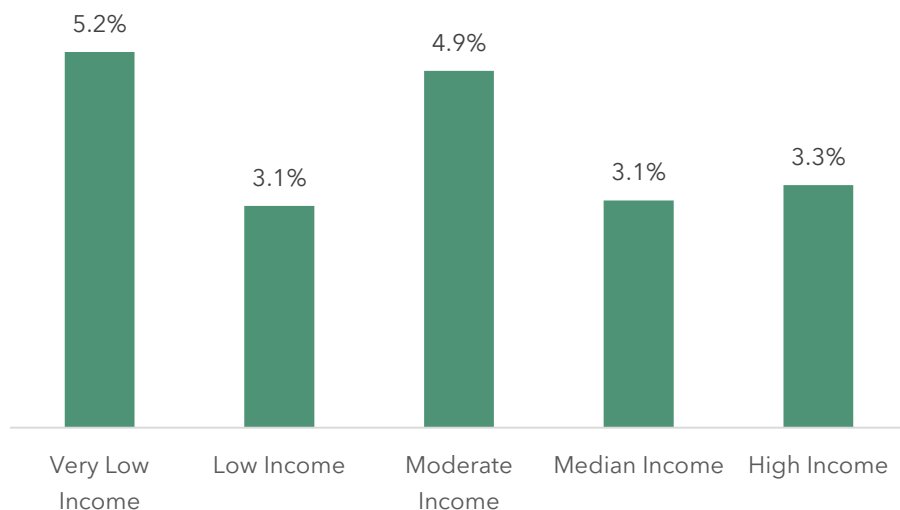
NOTE: Figure assumes linear growth between 2021 and 2046.

Source: Parcel, based on Statistics Canada 2021 Census, County of Grey Growth Management Strategy - Update 2021

Additional housing will be needed to accommodate this growth and a portion of these new units will need to be affordable to provide a range and mix of housing options to current and future residents. Based on information from HART, very low income and moderate-income households experienced the highest growth rates between the 2006 and 2021 Census, as shown in Figure 4.16. If these trends prevail during the forecast period, it will result the need for additional affordable housing to accommodate growth.

Figure 4.16

Blue Mountains Average Annual Household Growth by Income Group, 2006-2021



Source: Parcel based on Census of Canada custom tabulations.

Looking at low- and moderate-income households, these income groups accounted for nearly 40% of household growth in The Blue Mountains between 2006 and 2021. Based on a forecast household growth of 3,770 units between 2021 and 2046, this would result in the need for approximately **1,500 additional affordable housing units** in The Blue Mountains over the next 25 years.

While 40% of household growth as affordable housing may seem insurmountable, there are signs that industry and government are responding to this challenge. Examples include the recent elimination of GST and HST for purpose-built rental apartment construction, both of which could help with housing affordability in the town and deliver much needed purpose-built rental units.

5.0

What Housing Gaps Exist in The Blue Mountains?

Throughout this Housing Needs Assessment, we have identified various “gaps” in The Blue Mountains housing market. While some of these gaps could be filled in the fullness of time, other gaps will require more targeted intervention. The following section summarizes these gaps in The Blue Mountains housing market, while the final section of this report provides strategies and recommendations to help address these gaps.

Gap 1: Affordable Housing (Ownership and Rental)

- There is a clear need for affordable housing options (both ownership and rental) in the town. Based on the HART methodology, there is currently a need for approximately 215 affordable housing units in the town, while forecasts indicate that as many as 40% of new units could need to be affordable to accommodate population growth.

Gap 2: Purpose-Built Rental Housing

- The stock of rental housing in The Blue Mountains is very limited and there are currently no purpose-built rental units in the town. As a result, renter households are in the secondary rental market and likely renting larger, more expensive housing typologies (singles, semis, rows) than may be desired. The lack of housing stock in the primary rental market could also be contributing to the higher incidence of cost burdened households and households in core housing need.

Gap 3: Smaller Housing Units

- There is a lack of smaller housing units (including townhomes and apartment units) in The Blue Mountains. As a result, nearly 70% of households in the town could be considered “overhoused”, as there are more bedrooms than persons in the dwelling unit (for example, a two-person household living in a four-bedroom house). A portion of these households may consider living in smaller housing units (one and two bedrooms) if they were available. This would provide a better match with household size and will be *more* affordable than larger housing units even if they do not meet the definition of “affordable”.
- The need for smaller housing units is anticipated to increase in the future. There is a very predictable pattern when it comes to housing type and the age of residents, whereby people move out of single-detached housing and into smaller apartment units as they age. This is due to larger dwelling units becoming more difficult to maintain and less need for space. It will be important to ensure there are a variety of housing options available in the town to meet the diverse needs of these residents and allow them to age in place within the community.

Gap 4: Seniors Housing & Long-Term Care

- The town has a higher proportion of residents over 60 years of age, relative to Grey County and the province. Despite the large share of residents in the town over the age of 60, there is no dedicated seniors housing or long-term care homes in the town, limiting opportunities for aging in place. The Community Campus of Care being proposed at 125 Peel Street in The Blue Mountains will help address this gap in the future by providing 160 long-term care beds, in addition to seniors housing options.
- Filling the smaller housing units, purpose-built rental, and affordable ownership and rental housing gaps may also help to meet the needs of seniors in the community.

Gap 5: Workforce Housing

- There is a significant need for workforce housing in the town. A sizable share of the workforce in The Blue Mountains commute to work from neighbouring municipalities. This gap is most noticeable for employees in the accommodations and food services industries, which have relatively low wages. Ideally, employment and housing should be balanced such that housing stock in a community is affordable based on local wages/salaries.
- There are encouraging signs that this workforce housing gap is being addressed. The Community Campus of Care at 125 Peel Street is proposed to include 160 attainable labour force housing beds. Further, there are discussions regarding the potential for a Blue Mountain Resort staff housing project.
- Filling the smaller housing units, purpose-built rental, and affordable ownership and rental housing gaps may also help to meet workforce housing needs.

6.0

What Policy Tools Are Available to Fill These Housing / Affordability Gaps?

Below is a list of preliminary recommendations to fill the housing gaps identified as part of this report. This list will be further refined as part of the final report following collaboration with and input from other members of the Official Plan Review team.

1. Incorporate a **definition of affordable** into the Official Plan. The definition should include both **income-based** and **market-based** definitions to align with the most recent Provincial definition.

Example from Grey County Official Plan

Affordable Home Ownership

Housing ownership affordability is defined by the PPS as the least expensive of the following:

- a) Housing where the purchase price is at least 10 percent below the average purchase price of a resale unit in Grey County or,*
- b) Annual housing expenses do not exceed 30% of gross household income (i.e. before tax household income).*

Affordable Rental Housing

Affordable rental housing means a unit where rent is the least expensive of the following:

a) *At or below the average market rent in Grey County or,*

b) *Rent prices do not exceed 30% of gross household income*

2. Identify and incorporate an **affordable housing target** in the Official Plan. Ideally, this target will align with the Grey County target **of 30% of all housing** - new construction or conversion - being affordable. The Town may also wish to identify a unit distribution within the overall 30% affordable target. For example, the City of Guelph Official Plan (February 2022) targets 25% affordable ownership units, 1% affordable primary rental units, and 4% affordable secondary rental units.

Example from the Guelph Official Plan Section 7.2.1.2

The annual affordable housing target requires that an average of 30% of new residential development constitute affordable housing. The target is to be measured city-wide. The target consists of 25% affordable ownership units, 1% affordable primary rental units and 4% affordable purpose-built secondary rental units (which includes additional residential dwelling units).

3. Incorporate the **definition of attainable used in the Housing Within Reach CIP** into the Official Plan.

Example from Housing Within Reach CIP

Attainable shall mean below or near market housing that is offered and maintained to remain within reach of the following for a set time period, regardless of market pressures:

- a) *In the case of home ownership, housing for which the purchase price results in annual accommodation costs which do not exceed 30% of the gross annual income for households within the income range of 50-130% of median income for the Town of The Blue Mountains*

Annual household income information will be based upon the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.

- b) *In the case of rental housing, housing with is provided defined as at least 20% below area median rent. Area median rent information will be based on the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years*

and may be updated more frequently in consultation with the Blue Mountains Attain Housing Corporation.

4. Incorporate policies in the Official Plan that will allow the Town to utilize incentive programs, Community Improvement Plans, community planning permit systems, supportive zoning by-laws, strategic reductions of development fees, and/or alternative site-development standards (either offered through the County or Town) that **reduce the cost of construction and maintenance of services for affordable housing units**.
5. **Leverage municipally owned lands to achieve housing goals.** Recent examples of this include the Community Campus of Care site at 125 Peel Street South. Recently updated Official Plans for both the City of Guelph (February 2022) and Town of Caledon (August 2023) have a policy regarding the use of surplus lands for affordable/attainable/assisted housing. The Town should also **advocate/partner with upper levels of government** (Regional, Provincial, Federal) to secure affordable/attainable housing on their surplus sites.

Example from the Future Caledon Official Plan Section 9.8.5

Publicly Owned Surplus Land

- c) *The Town will maintain an inventory and consider selling or leasing surplus municipal properties that have been deemed appropriate for the development of affordable housing at or below market value.*

Example from the Guelph Official Plan Section 7.2.6.7

The City will promote and where appropriate establish on-going partnerships with both federal/provincial governments for surplus land and/or buildings

6. **Identify and pre-zone sites** appropriate for affordable housing to accelerate the planning approvals process.

Example from the Future Caledon Official Plan Section 9.8.6

Zoning and Secondary Planning

- a) *The Town will work with the Region to identify and pre-zone sites, including vacant or underutilized sites, for affordable housing.*

b) The Town will work with the Region to prepare a housing assessment report to inform housing policies in new or revised secondary plans or block plans.

7. Include Official Plan policies recognizing the importance of **accessory dwelling units (ADUs)** as an affordable housing option and allow for ADUs in all residential land use designations. Specifically, require all development proposing ground-related housing, including single-detached, semi-detached, and street townhouse dwellings, to include design options that provide purchasers the ability to have two (2) residential units within the main building and/or an additional dwelling unit in an ancillary structure.
8. Review as-of-right Official Plan and zoning permissions for opportunities to **increase permitted uses, heights, and densities** in support of more affordable housing typologies. The Town can consider minimum density targets for greenfield areas to encourage higher density housing typologies. Maximum density targets can also be considered (See SGL Density & Height Background Paper per the Official Plan Review).
9. Require the submission of an **Affordable/Attainable Housing Report** when new development is proposed above a certain size (e.g., more than 40 dwelling units and/or taller than three (3) storeys) that demonstrates how the development aligns with/advances the housing goals of the Official Plan (e.g., increased supply, diversity, affordability, tenure, etc.). Developments that demonstrate this may be given **priority in the approvals process**.

Example from the Guelph Official Plan Section 7.2.2.3 and 7.2.2.8

General Policies

7.2.2.3 The City may require the submission of an Affordable Housing Report as part of a development application, demonstrating to the satisfaction of the City how the application addresses affordable housing needs and the affordable housing target including the provision of a range of affordable housing prices

7.2.2.8 City Council shall consider giving priority, through the Development Priorities Plan, to development applications that provide the type, size and tenure of housing required to meet the social and economic needs of the City's residents.

10. Include Official Plan policies that encourage the development of **mixed-use buildings** and the **redevelopment of existing non-residential buildings** to accommodate residential units in downtown Thornbury and Clarksburg.

11. Encourage affordable housing in areas with existing services and permissions for greater height and density. This will likely be in Thornbury and Clarksburg as they are the primary locations for planned growth and intensification.
12. Encourage the use of **innovative building methods** (e.g., prefabricated housing, modular housing) that can help to reduce the cost of housing. The Town may also consider adopting **pre-approved designs** for certain housing typologies (e.g., singles, semidetached, towns) to accelerate the planning approvals process.

Example from the Future Caledon Official Plan Section 9.8.7

Innovative Methods

a) The Town will support strategies that reduce the cost of affordable housing, such as low-cost housing using innovative techniques like prefabricated and manufactured housing, and tiny houses as additional residential units or as cluster housing.

b) The Town will support developments that propose innovative home-ownership methods including shared equity housing, rent-to-own developments, land leases, community land trusts and co-operatives, among others.

13. **Monitor** the development of new affordable and attainable housing in the Town on an annual basis:
 - The number of affordable/attainable housing units produced through new development;
 - Affordable prices / rents based on Official Plan definitions;
 - Average ownership and rental prices;
 - Rental vacancy rates; and,
 - Progress in achieving affordable/attainable housing targets.

Example from the Guelph Official Plan Section 7.2.6.11

The City will annually monitor:

- i. The number and types of affordable housing produced through new residential development and intensification efforts;*
- ii. The number of and types of affordable housing lost through demolition and condominium conversion;*
- iii. Ownership and rental house prices;*
- iv. Rental vacancy rates; and*
- v. Achievement of the affordable housing targets of this Plan.*



Appendix A:
Rental Apartment Data

Figure A. 1

Rental Apartment Unit Data

Rental Type	Address	# of Bedrooms	Monthly Rent
Annual	189 Peel Street North	3	\$4,000
	117 Dory Row	4	\$3,600
	117 Sunset Boulevard	4	\$7,500
	567343 6th Side Road	3	\$5,999
	Sycamore Street	3	\$3,400
	203 Courtland Street	3	\$3,095
	16 Beckwith Lane	2	\$2,750
Seasonal	54 Louisa Street West	4	\$2,000
	85 Bruce Street South	4	\$4,500
	169 Lakewood Drive	4	\$6,000
	158 Wensley Street	3	\$4,400
	209571 Ontario 26	4	\$6,000
	209840 Highway 26	3	\$4,000
	101 Settlers Way	2	\$3,000
	145 Snowbridge Way	5	\$6,000
	115 Stillwater Crescent	4	\$5,997
	795744 Grey County Road 19	3	\$4,200
	16 Beckwith Lane	2	\$2,500
	10 Beckwith Lane	2	\$2,500
	168 Carmichael Crescent	4	\$3,500
Average Rent			\$4,247

Source: Parcel, based on Rentals.ca listings (accessed August 21, 2023)



Parcel

info@parceleconomics.com

416-869-8264

250 University Avenue, #221, Toronto, Ontario, M5H 3E5

