



WEST HANTS REGIONAL MUNICIPALITY REPORT

Information ☒	Recommendation ☐	Decision Request ☐	Councillor Activity ☐
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To: Mayor Zebian and Members of West Hants Regional Municipality Council

Submitted by: _____
Will Hong, Planner

Date: 2024-07-23

Subject: Information Report: CMHC Housing Accelerator Fund Update

LEGISLATIVE AUTHORITY

Part VIII Planning and Development of the Municipal Government Act.

RECOMMENDATION or DECISION REQUEST

This report is provided for information purposes only.

BACKGROUND

Property ☒	Public Opinion ☐	Environment ☐	Social ☐	Economic ☐	Councillor Activity ☐
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In March 2023, the Canadian Mortgage and Housing Corporation (CMHC) announced the launch of the Housing Accelerator Fund (HAF), a \$4 billion fund to support local governments across Canada to accelerate the development of all types of housing, increase housing supply, and promote the development of affordable, inclusive, and diverse communities.

To participate, municipalities were required to develop a HAF Housing Action Plan as part of the application. This Housing Action Plan identified actions Council could take between 2024-2027 to support the development of new housing units by making policy changes that will enable or incentivize new home construction. West Hants Regional Municipality applied to the HAF funding stream and submitted a Housing Action Plan (Attachment A) on August 16, 2023. On January 30, 2024, Council approved the Housing Action Plan as submitted to CMHC and directed staff to implement the action plan.

West Hants Regional Municipality was one of seven municipalities in Nova Scotia that was approved to participate in the HAF program. The Municipality was approved for \$1.08 million from CMHC and received the first disbursement in February 2024.

This plan identifies seven (7) initiatives that could contribute to increasing the housing supply:

1. Allow greater density as-of-right
2. Create affordable housing policy requirements
3. Reduce parking requirements
4. Remove permit fees for accessory dwelling units
5. Promote infill development
6. Promote alternative housing forms
7. Upgrade permitting software

The Municipality was funded to complete Action 1-7. Staff also recognized three (3) additional actions that would support increased density in the serviced areas of the Municipality specifically:

8. Hire a housing support worker
9. Develop an Integrated Resource Plan
10. Develop a Rural Transportation Feasibility Study

DISCUSSION

Housing Action Plan Progress

The Municipality's target is for 40 new housing units to be created over the three-year program period ending in 2027, with 6 of these units to be affordable units and 42 of these units to be missing middle housing units.

As of July 2024, the Municipality has already completed one action item in the Housing Action Plan, action 4 by removing permit fees for accessory dwelling units.

Staff are now prioritizing the first three actions in the Housing Action Plan which are required to be completed by the end of March 2025. The first three action items include changes to the Municipal planning documents. Staff have been conducting research and reviewing best practices related to these actions over the past few months and have held three internal meetings within the Planning and Development Department and one meeting with department Directors to discuss the implementation of these initiatives. Staff anticipate hosting public engagement events in the fall to discuss and receive feedback on these actions. Prior to those meetings, staff wanted to provide this information report to Council to give advance notice of staff direction.

Missing Middle Housing

Missing middle housing refers to housing that is intended to fill the gap between single-unit dwellings and high-density multi-unit apartments. This includes townhomes, two and three-unit dwellings, fourplexes, and small-scale multi-unit apartments. This type of development is also known as gentle density, which has a minimal impact on local neighbourhood character while providing for additional housing options and meeting the needs of all residents.



Figure 1 – Missing Middle Housing Types (Source: [Opticosdesign.com/missing-middle-housing](https://www.opticosdesign.com/missing-middle-housing))

As of the 2021 Census, there were 9136 private dwellings across WHRM, of which 8370 (92%) dwellings were occupied by usual residents (those who live in the Municipality permanently). Table 1 summarizes the distribution of these dwelling by structure type. The greatest share of current supply is held by the single-unit dwelling (80%). The share of missing middle housing type only represents 14% of all dwelling types across the Municipality. Currently, most of these missing middle housing types are permitted in Multi Unit Residential (R-3) zone or Medium Density Residential (R-3) zone in Windsor; however, these zones only cover 5.9% of the Residential designation within WHRM. There is a barrier to the creation of more missing middle dwelling types since any additional missing middle housing types in serviced areas and within residential designation must be considered through development agreement, which is a longer and costly process for housing providers.

Total Unit	Single-unit	Semi-detached	Row house	Duplex	Apt (less than 5 storeys)	Apt (more than 5 storeys)	Movable	Other
8370	6675	220	70	125	755	0	510	20
100%	80%	3%	1%	1%	9%	0%	6%	0%

Table 1 – WHRM Total & Share of Dwellings by Structure Type (Source: 2021 Census)

Statement of Provincial Interest

The Province of Nova Scotia has six (6) Statements of Provincial Interest which are regulations made under the Municipal Government Act and provide municipalities guidance on certain

aspects of development in the Province including: drinking water, flood risk areas, agricultural land, infrastructure, housing, and the development of the Nova Centre. The Municipal Government Act requires that municipal planning documents be “reasonably consistent” with these Statements.

The goal of the Statement of Provincial Interest regarding housing is “to provide housing opportunities to meet the needs of all Nova Scotians”. It states that the basis for this Statement is that “adequate shelter is a fundamental requirement for all Nova Scotians” and “A wide range of housing types is necessary to meet the needs of Nova Scotians”.

The second requirement in the Statement of Provincial Interest regarding housing states:

“Depending upon the community and the housing supply and need, the measures that should be considered in planning documents include: enabling higher densities, smaller lot sizes and reduced yard requirements that encourage a range of housing types.”

Action 1-3 in the Housing Action Plan aim to increase dwelling unit density as-of-right and reduce the lot size, frontage, and yard requirement to promote the development of different types of housing in serviced areas of the Municipality.

Initiative 1: Allow greater density as-of-right

The first action of the Housing Action Plan is to allow greater density as-of-right through amendments to the planning documents. Table 2 provides an overview of the current density information in Single Unit Residential (R-1) and Two Unit Residential (R-2) zones, which already allow up to two and four units, respectively. The proposed change under this initiative may include introducing new residential zones and allowing greater density as-of-right within serviced areas. For example, the Single Unit Residential (R-1) zone may change to the Low Density Residential (R-1) zone and could permit up to four dwelling units as-of-right.

Zone	Maximum Density	Max. # of Units per lot
Single Unit Residential Zone (R-1)	1 unit + 1 ADU	2
Two Unit Residential Zone (R-2)	2 units + 2 ADUs	4

Table 2 – Current Residential Zones Density in WHRM

Staff reviewed best practices from other municipalities in Nova Scotia that have already implemented amendments to their planning documents, including:

- **Town of Antigonish** – allows up to 4 units per lot in Residential Neighbourhood (RN-1) zone
- **Victoria County** – allows up to 6 units per lot in both Residential Centre (R-1) zone and Hamlet Residential (HR) zone

- **Municipality of the County of Richmond** – allows up to 4 units per lot in both Residential Centre (R) zone and Hamlet Residential (HR) zone
- **Town of Yarmouth** – allows up to 2 units per lot in Low Density Residential (R-1) and up to 8 units per lot in Medium Density Residential (R-2) zone

During the internal staff review meetings, staff recognized that the predominant residential dwelling type in serviced areas is single-unit dwellings, despite these areas offering significant opportunities to address housing challenges. Increasing residential density by promoting missing middle housing development and encouraging gentle density in these areas will support more efficient use of existing infrastructure and preservation of agricultural areas of the Municipality.

Initiative 2: Create affordable housing policy requirements

Housing affordability is a measure of the cost of a housing unit compared to a household's income. The current planning documents only require affordable units to be provided if a proposal is requesting bonus height in the Waterfront Development District in Windsor. All other zones in the Municipality do not regulate or encourage affordable housing to be provided within developments. Staff propose to adopt a specific definition of affordable housing, which will be consistent with the definition from CMHC, and consider policies that incentivize affordable units to be provided within new development. Staff are exploring different types incentivization which could include height bonuses, land-use requirement flexibility, reduced permit fees, and/or density bonuses for developments that partner with approved agencies or organizations to provide affordable housing units. This will work in collaboration with Action item 1 as allowing a greater range of dwelling types and greater density will provide more opportunities for affordable housing.

Initiative 3: Reduce parking requirements

The WHRM planning documents require 1.5 parking spaces for any dwelling containing three (3) or more units. These parking requirements can be a deterrent for missing middle housing development, especially on smaller lots and in areas that have pedestrian infrastructure and are within walking distance to services, amenities and recreation spaces.

In the past, staff have already recommended reducing parking requirements to a ratio of 1:1 for residential uses being considered through development agreement. Staff propose to adopt this standard and reduce the parking requirement to one parking space per dwelling unit for all residential dwellings. It is anticipated that parking requirements for other uses will remain the same.

NEXT STEPS

Staff are prioritizing the first three action items in the Housing Action Plan which include changes to the Municipal planning documents and are to be completed by the end of March 2025. Staff anticipate the following process for these amendments.



FINANCIAL IMPLICATIONS

There are no financial implications in relation to this information report.

ALTERNATIVES

N/A

ATTACHMENTS

Attachment A Housing Action Plan

CHIEF ADMINISTRATIVE OFFICER REVIEW

The information report provides an update for the work carried out to-date. Staff and Council are encouraged to think beyond the current policies in place of the municipality in order to make significant impacts in the number of housing units projected in the future. Increasing the “as of right” ability for development will reduce the level of governance and process associated

with middle housing in West Hants. Is the level of governance associated with the number of DAs we are currently processing truly required for density development if the time and consultation with the public has been invested in this review process which will result in renewed policy.

With respect to affordable housing, as the report and work continues to be carried out, I encourage staff and Council to reflect upon incentives to support affordable housing. This appears to be the true influencer for developers at the current time. There has not been a measurable uptake for affordable housing in the WHRM. A majority of interactions I have with developers results in them commenting , “affordable housing cannot be built affordably resulting in the rental rates desired”. Further incentives may need to be provided by the WHRM in addition to those currently available at provincial levels to stimulate this needed housing stock.

Report Prepared by: _____
Will Hong, Planner

Report Reviewed by: _____
Sara Poirier, Director of Planning and Development

Report Approved by:  _____
Mark Phillips, Chief Administrative Officer



Housing Action Plan

Submitted as part of the requirements for the CMHC Housing
Accelerator Funding Program

1.0 Introduction

West Hants Regional Municipality (WHRM) is a centrally located, thriving, and growing collection of communities. With a travel time of only 35 minutes to the Provincial capital of Halifax, the Stanfield International Airport, and the centre of the Annapolis Valley, it is an ideal location to live, work, and grow. WHRM has a population of 19,500 residents, residing on 1,253.11 square kilometres which is dispersed among the former Towns of Windsor and Hantsport, and the former Municipality of the District of West Hants. This includes growth centres and rural expanses resulting in a population density of 15.56 persons per square kilometre.

In the 2021 Census, Statistics Canada reported that there are 9,136 total private dwellings in WHRM. Approximately 80% of those are single detached dwellings, 9% are apartments under 5 storeys in height, 6% are moveable dwellings, and 3% are semi-detached dwellings. There are also 172 units of public housing in the Municipality.

Over the past few years, WHRM has felt the pressure of the housing crisis. The median price of a home increased 78% from 2019 to 2022. The 2021 census reported 15% of households (10% owner, 34% renter) are living in unaffordable conditions, with 8% of households living in core housing need (4% owner, 22% renter). The 2022 Community Support and Serviced-Based Counts reported approximately 230 individuals experiencing homelessness between West Hants to Digby, Nova Scotia. At least 55 individuals are expected to be experiencing homelessness in WHRM specifically.

To combat some of this housing pressure, WHRM has undertaken amendments to its planning documents including permitting secondary suites accessory to any single- or two-unit dwelling, amending definitions to permit small options homes in residential areas, and reducing lot size requirements in certain serviced areas. WHRM has also created a Fees Policy that ensures fees will not be collected from non-profit organizations registered under the Societies Act for any permits required under the Building Code Act By-law, Land Use By-laws, Subdivision By-laws, Hantsport Swimming Pool By-law, and for amendments to the planning documents.

There is still a long way for WHRM to go to increase housing, and specifically affordable housing, in the Municipality. The purpose of the action plan is to outline a housing supply growth target and the specific initiatives that WHRM will undertake to grow housing supply with support of the Housing Accelerator Funding.

2.0 Housing Supply Growth Target

According to the 2021 Census, there are 9,136 total private dwellings in WHRM. In addition, 159 new units have been issued occupancy between January 2022 and July 31, 2023.

It is estimated that WHRM will need 560 new units by 2027 and 1,115 by 2032 to keep up with population increases in the area. Based on historic construction trends it is anticipated that 110 new units could be completed annually. This equates to 330 new units being permitted over a three-year period without support of the Housing Accelerator Funding. If this pace continues, it will leave a remaining gap of 10 units by 2027 and 15 units by 2032.

With the support of Housing Accelerator Funding, the number of permits issued over a three-year period could increase to 370. The additional 40 units have an annual growth rate of 1.33% and annual growth rate percentage change of 12.12%.

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
8	18	14	0	6	40

Anticipated Budget

Total Budget	\$600,000	Plus \$550,000 for action items 8-9
HAF Revenue	\$1,082,000	

3.0 Action Items

WHRM staff recognize the following seven (7) actions to increase housing, and specifically affordable housing units, in the Municipality:

- Allow greater density as-of-right
- Create affordable housing policy requirements
- Reduce parking requirements
- Remove permit fees for accessory dwelling units
- Promote infill development
- Promote alternative housing forms
- Upgrade permitting software

Staff also recognize three (3) additional actions that would support increased density in the serviced areas of the Municipality specifically:

- Hire a housing support worker
- Develop an Integrated Resource Plan
- Develop a Rural Transportation Feasibility Study

Action #1: Allow greater density as-of-right

All the areas of the Municipality are planned. The Town of Hantsport dissolved into the Municipality of West Hants in 2015, but the community of Hantsport still has its own planning documents. The Town of Windsor consolidated with the Municipality of West Hants in 2020, but the community of Windsor and the former Municipality of West Hants still have their own planning documents. Growth centres and the former Towns are served by municipal water and/or sewer and where residential and commercial growth is concentrated.

On June 27, 2023, Council approved planning staff to engage with a consultant to assist with the consolidation and review of the Municipal planning documents. During this review the following amendments will be prioritized to increase housing stock:

- Increase density through rezoning all Single Unit Residential (R-1) zoned properties in serviced areas to Two Unit Residential (R-2)
- Allow an increased number of units and number of storeys as-of-right in serviced areas instead of through a rezoning or development agreement process
- Update the minimum zone requirements to permit development on smaller lots with smaller required setbacks

The Housing Accelerator Funding would speed up the process to ensure the documents are amended to allow greater density as-of-right prior to the full planning document review being completed.

Timeframe

It is anticipated that any amendments to the planning documents would take approximately 6-8 months to be approved by Council. The dwelling units associated with this action are anticipated to be completed within the second year of the Housing Accelerator Funding program (September 2024-September 2025).

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
0	8	2	0	0	10

Anticipated Budget

Total Budget	\$250,000	For planning document review associated with action items 1-3.
HAF Revenue	\$390,000	Combination of impact from items 1-3.

Action #2: Create affordable housing policy requirements

The current WHRM planning documents do not have any requirements for developers to provide affordable housing units within multiple unit apartment buildings. On June 27, 2023, Council approved staff to investigate ways to require and regulate affordable housing within developments. The Nova Scotia Municipal Government Act allows municipalities to require and regulate the provision of affordable housing within developments and provide for incentive or bonus zoning in a land use by-law, or accept money instead of any required provision of affordable housing in a municipal planning strategy. The Housing Accelerator Funding would assist WHRM with amendments to the planning documents to ensure affordable housing provisions are added prior to the full planning document review being completed.

Timeframe

It is anticipated that any amendments to the planning documents would take approximately 6-8 months to be approved by Council. The dwelling units associated with this action are

anticipated to be completed within the second year of the Housing Accelerator Funding program (September 2024-September 2025).

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
0	0	2	0	2	2

Anticipated Budget

Noted in Action 1.

Action #3: Reduce Parking Requirements

The WHRM planning documents require 1.5 parking spaces for any dwelling containing three (3) or more units. These parking requirements can be a deterrent for small to medium scale infill development especially in areas of the Municipality that have pedestrian infrastructure and are within walking distance to services, amenities and recreation spaces. It is expected that staff will review the current parking requirements and amend the planning documents to reduce these in serviced areas. The Housing Accelerator Funding would assist WHRM with amendments to the planning documents to ensure parking requirements are revised prior to the full planning document review being completed.

Timeframe

It is anticipated that any amendments to the planning documents would take approximately 6-8 months to be approved by Council. The dwelling units associated with this action are anticipated to be completed within the second year of the Housing Accelerator Funding program (September 2024-September 2025).

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
0	0	2	0	0	2

Anticipated Budget

Noted in Action 1.

Action #4: Remove permit fees for accessory dwelling units

WHRM planning documents currently allow attached and detached secondary suites accessory to any single or two-unit dwelling. Since 2020, 7 secondary suites have received occupancy. To encourage increased development of secondary suites, staff propose removing the fees associated with the required development and building permits for secondary suites within the time period of the Housing Accelerator Funding program. This would encourage conversion of existing accessory buildings and the construction of new accessory buildings specifically to be used as secondary suites.

Timeframe

It is anticipated that any amendments to the Fees Policy would take approximately 3-6 months to be approved by Council. The dwelling units associated with this action are anticipated to be completed within the first year of the Housing Accelerator Funding program (September 2023-September 2024).

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
0	8	0	0	0	8

Anticipated Budget

Total Budget	\$50,000	Includes engagement with residents.
HAF Revenue	\$160,000	

Action #5: Promote infill development

Infill development in serviced areas can increase housing options in existing communities, while making more efficient use of existing services like central water, sewer and sidewalks. Staff recognize many large properties could be subdivided or vacant properties could be utilized for infill development. Staff anticipate mapping all vacant or underutilized properties in the Municipality to determine what land may be suitable for infill development. Engagement and collaboration with these identified properties would then be required. Staff would connect interested property owners with potential developers to encourage infill development on these properties. The Housing Accelerator Funding would assist WHRM with the cost of mapping these properties and engaging the property owners.

Timeframe

It is anticipated that the mapping exercise would take approximately 6 months to complete. The engagement portion of the project would take an additional 6 months. The dwelling units associated with this action are anticipated to be completed within the third year of the Housing Accelerator Funding program (September 2025-September 2026).

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
0	0	4	0	0	4

Anticipated Budget

Total Budget	\$100,000	
HAF Revenue	\$128,000	

Action #6: Promote Alternative Housing Forms

As noted previously, the 2021 census reported 15% of households (10% owner, 34% renter) living in unaffordable conditions, with 8% of households living in core housing need (4% owner, 22% renter) within WHRM. Additionally, at least 55 individuals are expected to be experiencing homelessness in WHRM specifically. Promoting alternative housing forms such as boarding houses or single room occupancy would help house more individuals that may not be able to afford to rent or own an entire house. It may also reduce the stigma around these sorts of housing forms within WHRM.

Staff would become subject matter experts on alternative housing forms to promote the benefits of these forms of housing and provide examples of these forms of housing experiences elsewhere including from those using home-sharing platforms such as Happipad. Staff would ensure the planning documents do not impede the development of these forms of housing and assist homeowners determine any development and building permits that may be required.

Timeframe

It is anticipated that any amendments to the planning documents would take approximately 6-8 months to be approved by Council. Staff would have to develop an advertising campaign on alternative forms of housing and create promotional materials and attend community meetings to promote alternative forms of housing. The dwelling units associated with this action are

anticipated to be completed within the third year of the Housing Accelerator Funding program (September 2025-September 2026).

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
0	0	4	0	4	4

Anticipated Budget

Total Budget	\$100,000	
HAF Revenue	\$204,000	

Action #7: Upgrade permit software

WHRM currently requires all development and building permit applications to be submitted in person or via mail. There is no opportunity for applicants to submit applications online or make a payment for a permit online. Upgrading the permit software to allow applicants to submit applications and payment online would reduce the time for the applicant and reduce the time for staff to receive a completed application. The Housing Accelerator Funding would assist WHRM in purchasing and implementing this new software.

Timeframe

It is anticipated that the new permitting system would take approximately 1 year to implement and educate developers on. The dwelling units associated with this action are anticipated to be completed within the third year of the Housing Accelerator Funding program (September 2025-September 2026).

Targeted Unit Type

Single detached	Two Unit	Multi-unit (less than 5 storeys in height)	Multi-unit (above 5 storeys in height)	Affordable	Total
8	2	0	0	0	10

Anticipated Budget

Total Budget	\$100,000	
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HAF Revenue	\$200,000	
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Additional Actions

Action #8: Hire a Housing Support Worker

As noted previously, the 2021 census reported 15% of households (10% owner, 34% renter) living in unaffordable conditions, with 8% of households living in core housing need (4% owner, 22% renter) within WHRM. Additionally, at least 55 individuals are expected to be experiencing homelessness in WHRM specifically. A housing support worker would be able to assist developers with applications to CMHC funding opportunities to assist developing affordable housing units and connect those experiencing homelessness or in core housing need to services within the community, including grants for low-income households to upgrade their homes. The Housing Accelerator Funding would assist WHRM developing the position in collaboration with the West Hants Housing Coalition and local non-profits such as POSSE (Peer Outreach Support Services and Education) and the West Hants Family Resource Centre.

Timeframe

It is anticipated that the housing support worker position would be developed and staffed within 1 year of funding approval. The dwelling units associated with this action are anticipated to be completed within the third year of the Housing Accelerator Funding program (September 2025-September 2026).

Anticipated Budget

Total Budget	\$200,000	
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Action #9: Develop an Integrated Resource Master Plan

Growth centres and the former Towns are served by municipal water and/or sewer. This is where residential and commercial growth is concentrated, and infill development is encouraged. Due to the increased concentration of development within these serviced areas, the WHRM Public Works Department would like to develop an Integrated Resource Plan. This plan will produce an optimal servicing strategy for the overall wastewater, treatment / collection and water supply, treatment, fire storage /supply and distribution networks to ensure sufficient service to existing developments and to support future capacity in development. It is anticipated that this plan will identify where efficiencies can be made and where capital additions and or upgrades are necessary within these systems, which will increase the capacity available for future

development. The Housing Accelerator Funding would assist WHRM with development and implementation of this plan.

Timeframe

It is anticipated that the Integrated Resource Management Plan will be completed within 2 years of funding approval. The Plan will be implemented through Council budget cycles once complete.

Anticipated Budget

Total Budget	\$250,000	
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Action #10: Develop a Rural Transit Feasibility Study

WHRM does not currently operate a local transit system for residents. There are small local service providers who provide specialized transportation services where possible. A local transit system would reduce transportation costs and provide another option to residents and visitors.

At the Council meeting on April 25, 2023, Council directed staff to prepare a report on the possibility of creating a local bus service. A Transit Feasibility Study will determine the feasibility of a new transit service and discuss the potential features of a service including routes, size of service, stop locations and frequencies. This would support the development of complete communities and more affordable living situations for residents of WHRM. The Housing Accelerator Funding would assist WHRM with development and implementation of this plan.

Timeframe

It is anticipated that the development of a Transit Feasibility Study would be completed within 2 years of funding approval. The Plan would be implemented through Council budget cycles once complete.

Anticipated Budget

Total Budget	\$100,000	
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