



## Staff Report P2025-05

Committee 2025-02-10

Council 2025-02-24

Amendments ☐

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**Submitted To:** Committee of the Whole

**Submitted By:** Summer Valentine, Director of Planning, Building and Economic Development

**Prepared By:** Nathan Wukasch, Senior Planner

**Subject:** Preliminary Design for County of Simcoe Affordable Housing Project at 29 – 45 Birch Street

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### Recommendation

**THAT Staff Report P2025-05**, “Preliminary Design for County of Simcoe Affordable Housing Project at 29 – 45 Birch Street” dated February 10, 2025, be received;

**AND THAT** Council confirms that the conditions provided through resolution [RES-055-2024](#), relating to the conveyance of 29 - 45 Birch Street, have been satisfied, including:

- The design of the projects shall be compatible with and sensitive to the built form of the surrounding established neighbourhoods, at minimum in accordance with the compatibility policies of the adopted 2023 Town of Collingwood Official Plan;
- The majority of units shall be available at rents affordable to middle income households with earnings falling within the 4-6th income deciles identified in the Town of Collingwood Housing Needs Assessment as updated from time to time; and,
- Confirmation that should consensus between the Town and County not be achieved through the negotiation and project design phases on the above noted

matters or other project details, the Town of Collingwood may withdraw one or both parcels from the Proposal;

**AND THAT** Council endorse in principle the preliminary design for use in the preparation of *Planning Act* applications and detailed site plan and construction drawings by the County of Simcoe, noting that the design endorsement does not fetter Council or the staff appointed officer's discretion to duly consider the required *Planning Act* applications on their merits;

**AND THAT** pending approval of the *Planning Act* applications, Council directs Senior Administration and the Town Solicitor to proceed with executing an agreement and any other relevant documents or processes necessary to transfer the lands to the County of Simcoe.

## **Amendments**

None.

## **1. Executive Summary**

As outlined in the 2024 Community Based Strategic Plan and Affordable Housing Master Plan, enabling the construction of affordable housing projects is an important investment in the Town of Collingwood's sustainability and contributes to creating a complete community. Making surplus public land available to the County of Simcoe Housing Service Manager at no- or low cost is an effective tool as part of a multi-pronged strategy that the Town can use to help subsidize the development of new affordable housing.

Expanding on the information provided in [Staff Report CAO2024-01](#) and responding to the conditions imposed by Council in its decision to submit two Town-owned properties to the County of Simcoe through their Call for Proposals for Municipal Partnerships in Affordable Rental Development, this Report provides an update on the project progress to date with respect to the County's plans to redevelop the Birch Street site, and a

summary of how Council's conditions to be satisfied prior to land conveyance have been met.

Staff remain eager to facilitate an affordable housing build on Town-owned lands and continue to recommend a partnership with the County of Simcoe as the quickest and most financially feasible path to the development of affordable housing on 29 - 45 Birch Street. Staff are confident that Council's conditions relating to the Birch Street redevelopment contained in Resolution RES-055-2024 have been satisfied and that Council should proceed with the next steps of endorsing the preliminary design in principle and directing staff to prepare the agreement and undertake any other necessary processes to transfer the lands to the County of Simcoe, pending approval of the *Planning Act* applications that are required prior to development.

## 2. Analysis

### Background

A full review of the Town of Collingwood's work in affordable housing from inception of the Affordable Housing Task Force (AHTF) in March 2021 to the completion of the [Affordable Housing Master Plan](#) (AHMP) in late 2023 is detailed in the background section of Report [CAO2023-13](#).

The AHMP, prepared by N. Barry Lyon Consultants (NBLC), was presented at a Special Committee of the Whole (COW) meeting on October 30, 2023, and endorsed by Council on November 6, 2023. With respect to Town owned lands identified for the development of affordable housing, the AHMP states: "It is not recommended that the Town either develop the sites on their own or own/operate the affordable units. Rather the Town should leverage the expertise in the private and non-profit sectors, or alternatively Simcoe County as service manager, to select the developer and long-term owner/operator partners through the process described to follow."

Accordingly, NBLC provided two options for the Town to use public land to support the delivery of new affordable housing by other partners. Based on the level of budget and

staff resources allocated to the affordable housing initiatives, staff recommended that the municipally owned lands at 29 - 45 Birch Street and 7882 - 7888 Poplar Side Road be submitted in response to the County of Simcoe's Call for Proposals for Municipal Partnerships in Affordable Rental Development. After the endorsement of the AHMP, Council referred the recommendation regarding Town-owned lands back to staff and additional details can be found in Report [CAO2024-01](#). Ultimately, Council provided direction to submit proposals for the two Town-owned landholdings noted above.

In accordance with Council direction, staff submitted proposals prior to the County's submission deadline of March 1, 2024. The County subsequently evaluated all municipal proposals received using key considerations identified in the County's prioritization framework included in their Call for Proposals (CFP).

In May 2024, through Simcoe County [Staff Report HCB 2024-121](#), the County placed 7882 – 7888 Poplar Side Road on the low-priority list for development due to constraints around servicing and access. The lands may still be considered by the County for the development of affordable housing in the future, or per Council Resolution RES-055-2024, these lands could be provided to the new non-profit housing corporation that received the Town's seed funding. 29 – 45 Birch Street was placed on the high priority list for redevelopment and was ranked third out of a total of twenty (20) projects for affordable housing developments across the County of Simcoe. The fourteen projects placed on the high priority list will be developed in a phased approach over ten years, however since Birch Street was ranked within the top three, the redevelopment is targeted for completion within two years. Since the selection of the Birch Street site by the County, Town staff have been working on supporting the steps necessary to move to construction, including satisfying the conditions imposed by Council on the land conveyance.

## **Analysis**

29 – 45 Birch Street currently contains two apartment buildings, comprising a total of 9 rental units. These units are offered at affordable rents and are currently managed by a

third-party property management group, hired by the Town. The apartments on the property are aging and deteriorating in condition, despite some recent renovations. The property is located within an existing residential neighbourhood in transition (i.e. within an area designated as the First Street mixed-use corridor), near the downtown core and close to services and amenities on First Street, making it an appropriate site for the development of affordable housing.

The County plans to demolish the existing buildings on the site and redevelop the site with one apartment building of modular construction, containing 30 affordable rental housing units, including associated parking and landscaping components.

The County would be responsible for appropriately relocating the current tenants within Collingwood, or as coordinated with each tenant, for the period during and after renovations are completed. The County has also confirmed that the residents will be afforded the first right of refusal for the new renovated units, at approximately the same rent they were previously paying, with the assistance of rent supplements, as required. Once the site was selected, the current tenants were notified of the County's decision via letter and were provided with contact information to follow up with any questions or concerns. The Simcoe County Housing Corporation met with the tenants on site in November 2024 to explain the rehousing process and responded to questions and concerns. The County of Simcoe will cover the moving costs for each tenant, up to a specified amount, to assist tenants moving out of the units and moving back in if they choose to do so.

While inconvenience and stress may impact some tenants, staff remain confident that the redevelopment of the site is a positive outcome for the current tenants and community at large. The proposed development will add 21 additional units to the Town's affordable rental housing stock. The County is pursuing a modular build, which means the units will be constructed off-site and assembled on-site faster and more efficiently than traditional construction, ensuring the current tenants can return to the property as soon as possible and allowing the County to meet funding timelines. The

redeveloped property would also enhance resident experience and safety over the existing situation.

The County-led redevelopment of the Birch Street site is generally intended to proceed through the following activities:

**Table 1:**

Action	Status
Request for Proposal (RFP) for preliminary modular design, including evaluation, designer selection and preparation of draft design	Complete
Meeting with Simcoe County Housing Corporation staff and current tenants to discuss rehousing plan and right of first refusal for new units	Complete
Preliminary draft design to Collingwood Council for consideration	Subject of this Report
Finalize design and provide to County Council for approval	Pending
Prepare detailed design used to inform planning process and production of construction drawings	Pending
Submit <i>Planning Act</i> applications	Pending
Resident relocation	Pending
Submit for Demolition and Building Permits	Pending
Existing structures demolished	Pending
Building modules on site and mobilization	Pending
On site construction	Pending
Final inspection and occupancy	Target Spring 2026

### **Council Conditions on Land Transfer**

Through Resolution RES-055-2024, Council introduced several conditions that must be satisfied prior to the Town conveying the Birch Street lands to the County of Simcoe. Staff have worked closely with the County to ensure Council's conditions, as well as the

Town's policy and regulatory documents are taken into consideration early in the project. The applicable conditions are as follows:

- The design of the projects shall be compatible with and sensitive to the built form of the surrounding established neighbourhoods, at minimum in accordance with the compatibility policies of the adopted 2023 Town of Collingwood Official Plan;
- The majority of units shall be available at rents affordable to middle income households with earnings falling within the 4-6th income deciles identified in the Town of Collingwood Housing Needs Assessment as updated from time to time; and
- Confirmation that should consensus between the Town and County not be achieved through the negotiation and project design phases on the above noted matters or other project details, the Town of Collingwood may withdraw one or both parcels from the Proposal.

The following subsections outline staff's professional opinion regarding how the conditions have been satisfied.

### *Design and Compatibility*

County staff approached the Town in November 2024 to participate in the preparation of the Request for Proposals (RFP) for the Supply and Installation of the Modular Affordable Housing Development on Birch Street, which is attached as Appendix A. The RFP referenced all applicable Town documents, including, the [2004](#) and [2024 Official Plan](#), [Zoning By-law 2010-040](#), [Urban Design Manual](#), and [Affordable Housing Master Plan](#). Town staff provided input on the content of the RFP, including the evaluation criteria, and two staff members from the Planning and Building Services Divisions sat on the evaluation committee and participated in selecting the successful bidder based on preliminary designs submitted with the proposals. The recommended preliminary design has consideration for the Mixed-Use Corridor II, Compatibility, and Affordable Housing policies of the 2024 Official Plan and these components were further considered by the evaluation committee during the evaluation of the submissions. Further, the selected preliminary design generally appears to comply with the Town's Zoning By-law, with the

exception of parking requirements. A comprehensive zoning review will be conducted once the required *Planning Act* applications are submitted to the Town and the potential parking deficiency may be remedied by reduced site landscaping. The preliminary building concept contemplates design elements such as rooflines, materials, and an articulated 'house-form' building façade to address compatibility with the surrounding built-form context. The County of Simcoe will be presenting the preliminary design in greater detail in conjunction with this Report. Design and compatibility with the existing neighbourhood will be further assessed through the development approval process.

Although the County's proposal represents an intensification of the existing use on the property, it will lead to the creation of 21 additional affordable rental housing units, which is critical in achieving the Town's housing goals and facilitates the creation of a range of housing, which supports the creation of a complete community. The property is located within a transition neighbourhood between First Street and Second Street, where a mix of uses, including residential apartment buildings, is contemplated in the 2024 Official Plan. Compatibility is defined in the Official Plan and is not equated with the "same" built form, but rather built form that is sympathetic to the surrounding context through the deployment of a variety of measures that can mitigate adverse impacts.

#### *Level of Affordability*

Council stipulated that the majority of the units in the Birch Street redevelopment shall be available at rents affordable to middle income households with earnings falling within the 4-6th income deciles identified in the Town of Collingwood Housing Needs Assessment as updated from time to time.

The proposed development on Birch Street is planned for affordable housing, not social or rent-geared-to-income (RGI) housing, thereby offering seniors, working families and individuals rental rates at or below market rent. The majority of units will be offered at 80% of Average Market Rent (AMR). AMRs are updated bi-annually and are derived from the CMHC Market Rental Survey Data Tables. The current AMRs were derived from the [CMHC October 2024 Market Rental Survey Data Tables](#) published December

17, 2024. Depending on Federal and Provincial funding opportunities, the balance of the units may be comprised of varying levels of affordability including a select few at 100 – 120% AMR. This would be in keeping with the County’s mixed-income development approach for improved social diversification and operational sustainability. Please note that the AMR figures provided in Table 2 below are subject to change prior to occupancy of the units and are to be used for information purposes only.

**Table 2**

<b>Apartment</b>	<b>Bachelor</b>			<b>1 Bedroom</b>		
<b>AMR</b>	120%	100%	80%	120%	100%	80%
<b>Collingwood</b>	\$1,224	\$1,020	<b>\$816</b>	\$1,570	\$1,309	<b>\$1,047</b>

<b>Apartment</b>	<b>2 Bedroom</b>			<b>3+ Bedroom</b>		
<b>AMR</b>	120%	100%	80%	120%	100%	80%
<b>Collingwood</b>	\$1846	\$1,539	<b>\$1,231.20</b>	\$2,035	\$1,696	<b>\$1,356.80</b>

The ranges provided by the County in Table 2 above generally align with the rent affordable to the Town’s 4<sup>th</sup> – 6<sup>th</sup> income decile households, as provided below from the 2023 Housing Needs Assessment:

**Table 3**

<b>Income Group</b>	<b>Income Decile</b>	<b>Renter Household Income</b>	<b>Affordable Monthly Rent*</b>
<b>Moderate Income</b>	4 <sup>th</sup>	\$47,712	\$1,193
	5 <sup>th</sup>	\$56,990	\$1,425
	6 <sup>th</sup>	\$68,034	\$1,701

The County of Simcoe is the direct owner and manager of the Simcoe County Housing Corporation (SCHC), a local housing corporation regulated by the *Housing Services Act, 2011*. The Simcoe County Housing Corporation, as an experienced municipally owned community housing provider, is able to maintain a diverse housing portfolio and rental affordability levels in perpetuity. This outcome is not necessarily guaranteed when lands or units are offered to the private sector. It is vital to consider the longevity and

sustainability of affordable housing developments, specifically when exploring options for Town-owned lands.

### *Achieving Consensus*

The County has collaborated with Town staff and included touchpoints with Council throughout the process of land selection and redevelopment for affordable rental housing on municipal sites. While Town Council may still withdraw the Birch Street property from the County program and decline conveyance, the Town would be forgoing the community benefits outlined in this Report. Council and the staff appointed delegate continue to retain decisional jurisdiction on the required *Planning Act* applications (see further information below), which will also provide additional opportunities for public participation and project refinement.

### *Summary*

Subject to the foregoing, it is staff's professional opinion that the conditions imposed by Council have been satisfied and it would be appropriate to proceed to the next steps in the site redevelopment process.

### **Planning Act Applications**

In order to facilitate the redevelopment proposal on the Birch Street site, Zoning By-law Amendment and Site Plan Control applications will be required. The property is currently split-zoned approximately half residential and half commercial, and therefore a Zoning By-law Amendment will be required zone the entirety of the property to permit the apartment-style residential uses and to recognize any additional exceptions needed, most likely related to reduced parking.

A Site Plan Control application will also be required to ensure the site design is consistent with the Town's policy and regulatory requirements and Urban Design Manual, including parking lot configuration, landscaping, tree plantings, lighting, waste disposal, street scape, etc. As a reminder, the site plan tool can no longer be used to control exterior design elements, including colour, façade materials, construction

methods, architectural design details, and so on. However, the Town would maintain the ability to influence sustainable design elements on any adjoining highway such as plantings, street furniture, and permeable paving materials, etc. as well as exterior access to any building that will contain affordable units.

Council will have an opportunity to make a decision on the Zoning By-law Amendment following a Public Meeting, which is anticipated to occur in April or May 2025. Due to several appeals received on 2024 Official Plan that impact broad residential policies, depending on when the County submits *Planning Act* applications for the proposal, an Official Plan Amendment also may be required.

### **Conclusion**

Staff are confident that Council's conditions outlined in Resolution RES-055-2024 have been satisfied and recommend that Council endorse the preliminary design presented by the County of Simcoe in principle and direct staff to proceed with the preparation of the agreement and action any other processes required to convey the lands to the County, pending approval of the *Planning Act* applications.

Partnering with the County of Simcoe and benefitting from their significant financial resources and project-management/housing expertise will achieve more affordable units faster than the Town deploying its own resources. Concurrently, this allows the Town to action the remaining and equally important 25 AHMP recommendations. This project will facilitate the delivery of 30 purpose-built affordable rental housing units in the Town of Collingwood, to be maintained in perpetuity, and will contribute to closing the shortage of over 1,300 affordable housing units in our community.

### **3. Input from Other Sources**

In addition to referring to NBLC's expert opinion and recommendation within the AHMP, staff consulted with representatives from the County of Simcoe for specifics on their CFP for Municipal Lands.

The recommendation to offer the two Town properties to the County of Simcoe was discussed by the Town's internal Housing Steering Committee and the Town's Affordable Housing Task Force in December 2023.

Staff attended the County's CFP virtual information session on December 14, 2023, in which municipalities were provided with information about the success and benefits of previous municipal partnership developments, an overview of the evaluation framework, and a question-and-answer session related to the CFP and submission process.

All staff reports related to the County's CFP and the conveyance of municipal lands have been considered in open session and therefore were available for public comment and input.

Finally, this Report was reviewed by Department Heads on February 4, 2025 and the content responds to the advice received. The County of Simcoe was also circulated a draft of this Report for their information and feedback.

#### 4. Applicable Policy or Legislation

Many policy documents and legislation cover the Town's affordable housing work, with key items listed below:

- *Bill 97: Helping Homebuyers, Protecting Tenants Act, 2023*
- *Bill 109: More Homes for Everyone Act, 2022*
- *Bill 23: More Homes Built Faster Act, 2022*
- *Bill 3: Strong Mayors, Building Homes Act, 2022*
- *Bill 185: Cutting Red Tape to Build More Homes Act, 2024*
- *Planning Act* (1990, as amended)
- *Municipal Act* (2001, as amended)
- Provincial Planning Statement (2024)
- Simcoe County Official Plan (2016)
- Town of Collingwood Official Plan (2004) and Town of Collingwood Official Plan (2024)

- Under Pillar #1 Sustainable of the 2024 Community Based Strategic Plan goal to “Encourage more housing options that meet community needs”, a key action is identified as:

The AHMP 2025 Workplan responds to that action by providing a costed and prioritized plan to implement the recommendations of the AHMP. Making Town lands available for affordable housing is an initiative that is included in the 2025 Workplan.

2024-2028 Community Based Strategic Plan: Advances pillar(s) below:

☐ Services adjusted if any Not Applicable

☐ Climate Change / Sustainability: Not Applicable

☐ Communication / Engagement: Not Applicable

☐ Accessibility / Equity, Diversity, Inclusion: Not Applicable

☒ Registered Lobbyist(s) relating to content: The Town's Lobbyist registry may include individuals, organizations, or businesses that desire to partner with the Town on affordable housing initiatives.

Next steps and future action required following endorsement:

After endorsement of the preliminary design of a modular affordable housing apartment building on for 29 – 45 Birch Street, County staff will finalize the design and seek approval from County Council to proceed with the project and Town staff will process the Planning Act applications once received.

## 6. Appendices and Other Resources

**Appendix A:** County of Simcoe's Request for Proposal for Supply and Installation of a Modular Affordable Housing Development

## 7. Approval

**Prepared By:**

Nathan Wukasch, Senior Planner

**Reviewed By:**

Summer Valentine, Director of Planning, Building and Economic Development

**CAO Comments:** Endorsed on Feb. 5, 2025 to proceed to COW