Town of Whitby Staff Report

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Report Title: Proposed Amendment to Policy F 190 – Acquisition, Sale, or Other Disposition of Land Policy to Expedite Housing Projects

Report to: Comm	nittee of t	the Whole
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Date of meeting: December 2, 2024

Report Number: FS 47-24

Department(s) Responsible:

Financial Services Department

Submitted by: Fuwing Wong, Commissioner, Financial Services and Treasurer

Acknowledged by M. Gaskell, Chief Administrative Officer

For additional information, contact: Fuwing Wong, 905.430.4314

1. Recommendation:

1. That the amendment to Town Policy F 190 related to the sale or other disposition of land, as outlined in Staff Report FS 47-24, be approved.

2. Highlights:

- The Town received \$24.9 million of grant funding allocation from the Federal Housing Accelerator Fund ("**HAF**") in support of nine (9) Whitby projects;
- This report recommends a systemic change to the process of disposing of Townowned land that is intended to streamline and accelerate the timing of disposing Town-owned land for residential development (i.e. Creation of more housing units);
- Specifically, this report recommends an amendment to Town Policy F 190 related to the sale or other disposition of land whereby obtaining written objections and reporting on objections received does not apply if the proposed use at the time of the surplus declaration is known and if the future use is a residential development or mixed use that is mainly residential development.

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- The requirement to declare the property surplus and provide notice to the public for a period of 10 days will remain unchanged.
- The recommended changes are in support of Project #4 of Whitby's nine HAF Projects, the Surplus Land Inventory & Disposition Strategy project.

3. Background:

There is a known housing shortage in Canada. Durham Region is one of the fastest growing areas in the country and all levels of government have been working towards increasing housing supply. In 2023, Whitby signed onto the Province of Ontario's Housing Pledge to increase Whitby's housing supply by 18,000 units by 2031. Following the first year of the pledge, Whitby received \$5.4 million from the Province of Ontario's Building Faster Fund for meeting 88% of the Town's 2023 Provincially set housing target.

The Federal government also established a Housing Accelerator Fund, a \$4 billion incentive funding program operated by the Government of Canada, targeting municipalities across the nation to create 100,000 new residential units. The goal is to encourage local initiatives that remove barriers to housing supply, accelerate growth of supply and support the development of complete communities.

The Town of Whitby has been allotted \$24.9 million in funding from the Federal Housing Accelerator Fund in support of the National Housing Strategy administered by the Canadian Mortgage and Housing Corporation. The Town's \$24.9 million HAF grant is in support of nine (9) Whitby projects:

- 1. Increase Height & Density
- 2. Inclusionary Zoning
- 3. Urban Area Expansion
- 4. Surplus Land Inventory & Disposition Strategy
- 5. E-permitting Expansion
- 6. Legal Additional Dwelling Unit Program
- 7. Building Innovative Greatness
- 8. Low-Carbon & Climate-Resilient Whitby; and
- 9. Community Improvement Plan

The recommendations in this report relate to HAF Project #4: Surplus Land Inventory & Disposition Strategy. This report recommends adopting a more streamlined process for the Town's disposition of municipally-owned land for residential development, enabling potential housing projects on Town-owned properties to advance more efficiently.

Current Policy

Town Policy <u>F 190 entitled the "Acquisition, Sale or Other Disposition of Land Policy</u>" currently requires the following process to be followed prior to the sale or other disposition of Town-owned land:

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- 1. Lands to be declared surplus by Council or Staff (in specific cases, such as nonviable land) following a circulation to internal departments to outline any current use or planned/future use.
- 2. Following a declaration of surplus, the Notice Requirements (Section 7) of Policy F 190 further requires public notice for a period of 10 days as follows:
 - a) Posting a sign on the Property for not less than ten days;
 - b) An advertisement in a newspaper having general circulation within the Town; and
 - c) Posting notice on the Town's website.
- 3. Further, **Sub-Section 7.4** of Policy F 190 provides for an opportunity for the public to submit objections (to the declaration of surplus/future land sale) as follows:
 - a. Any person may submit an objection, in writing, to the Clerk 20 days after notice is provided;
 - b. The objection shall include the person's name, address and reason(s) for objecting.
- 4. If any written objections are received, Sub-Section 7.5 of Policy F 190 requires Staff to prepare a further report to Council outlining the objection(s) received and provide a recommendation to Council regarding the subject land. If no objections are received, Council's decision to declare the Lands surplus will be final (for upto 10 years).

4. Discussion:

To streamline the process of disposing surplus Town-owned land for (future) residential development (i.e. the construction of more homes), it is recommended that the public objection period/process and reporting back of public objections of Policy F 190, i.e. Sub-Sections 7.4 and 7.5, be amended so that these requirements do not apply if the Town-owned land is to be sold for residential development purposes. Specifically, the proposes amendment is as follows:

New Sub-Section 7.7 to be added to Policy F 190:

That Sub-Section 7.4 and Sub-Section 7.5 not apply if the proposed use at the time of the surplus declaration is known and is for future residential development or mixed use that is mainly residential development.

While public input is important in the disposition of property process, the proposed amendment is being recommended to streamline and reduce the timeline to sell/dispose Town-owned land for residential development purposes and, thus, support the development of more homes, faster. Despite the proposed amendments, the public may still have an opportunity to provide input when:

- 1) the report, declaring the property as surplus, is discussed at Committee and/or Council;
- 2) the proposed development requires a successful Official Plan Amendment, Draft Plan of Subdivision, zoning, land severance, or minor variance application.

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The proposed amendment to Policy F 190 is expected to reduce timelines related to the declaration of Town-owned land as surplus to the municipality by approximately three (3) to six (6) months as:

- The written objection period ends 10 days after the public notice period;
- Following the written objection period, time is required to consolidate all objections, research responses (if applicable), and to draft a report outlining the objections, Town responses, and a recommendation;
- The follow-up report may be delayed if staff are working on other priority projects (such as the Town's budget) or due to timing of Committee/Council meetings (including the Council summer recess period);
- Often the written objections relate to the proposed development rather than declaration of surplus and proposed land disposition. These objections often can be more efficiently addressed in the subsequent public meetings related to the proposed development as part of the Planning process.

The most recent land surplus declaration related to a portion of Town-owned land located at 150 Winchester Road West, which was declared surplus for future land disposition (to Elexicon for the construction of an electrical substation). The report to declare this land surplus is dated August 8, 2024. A follow-up report on the objections received is dated October 21, 2024. Although this was not a proposed sale for future residential development, the timeframe to declare the property surplus took approximately 2 ½ months. The process may have taken longer if a Special Council meeting was not called on August 8, 2024, during the Council summer recess.

5. Financial Considerations:

There are no immediate financial implications related to the recommendations of this report. The successful completion of all HAF projects and meeting housing unit targets will allow the Town of Whitby to be eligible to obtain the full \$24.9 million of Federal HAF grant funding. To date, the Town has received 25% of HAF funding, with 25% expected in 2025 and a further 25% expected in 2026. To hold municipalities accountable to HAF targets, the Federal Government will be withholding 25% or approximately \$6.2 million of the Town's \$24.9 million allocation, in 2027, subject to completion of HAF projects/meeting HAF targets.

6. Communication and Public Engagement:

N/A

7. Input from Departments/Sources:

The Strategic Initiatives and Planning departments provided input into this report.

8. Strategic Priorities:

The objectives of the Housing Accelerator Fund align with the following priorities identified by the community in the Community Strategic Plan.

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Pillar 1: Whitby's Neighbourhoods, this supports Action 1.3.4: In collaboration with partners, support the implementation of Durham Region's Housing Plan regarding affordability and diversity of housing.

Pillar 4: Whitby's Government, this supports Action 4.1.1 Advocate for funding from upper levels of government and other partners to support and advance current and anticipated community priorities.

9. Attachments:

N/A