2012

CITY OF PETERBOROUGH RESIDENTIAL MONITORING REPORT

Prepared by:

City of Peterborough

Planning Division

Executive Summary

This Report presents and analyzes residential development trends within the City of Peterborough for the year 2012. It assesses whether the City has been meeting the development targets and requirements outlined in provincial planning legislation.

The 2011 Census recorded the City of Peterborough's population as 78,698. The City is forecast to grow to 88,000 residents by 2031. This represents an average annual growth rate of 0.6% or 465 people from 2011 to 2031.

Residents of the City of Peterborough earn less than both the provincial and national averages. According to the 2011 National Household Survey, the City had a median household income of $52,883, substantially lower than the median of $66,358 for Ontario and $61,072 for Canada. In 2012, building permits were issued for 346 units.

In 2012, Canada Mortgage and Housing Corporation (CMHC) reported the average price of a resale house in the Peterborough CMA as $266,000. This is a 4.5% increase from the 2011 average of $254,605. The average price of a new single-detached home in the CMA was reported to be $325,000. This is slightly lower than the average from 2011. In 2012, a total of 2590 houses were sold in the Peterborough CMA, increasing slightly from 2507 in 2011. Also according to CMHC, the average market rent for the CMA increased to $866 (average across all unit types) in 2012, up from $861 in 2011. The rental apartment vacancy rate for the Peterborough CMA declined to 2.7% in October 2012 from the 3.5% in 2011.

Places to Grow: Growth Plan for the Greater Golden Horseshoe requires the City to direct 40% of new residential development occurring within its Built Boundary (BB) by the year 2015. In 2012, the City met this target with 61% of new residential development taking place within the built boundary. Overall since 2007 the City has exceeded this target with an intensification rate of 43%.

The Growth Plan also requires the Downtown Peterborough Urban Growth Centre (UGC) to accommodate a density target of 150 residents and jobs per hectare. Since its density was estimated to be 116 residents and jobs per hectare in 2006, an additional 3,300 residents and/or jobs will be needed by the year 2031. Further emphasis on residential intensification and redevelopment in the downtown core is required and can be achieved through the implementation of the Central Area Master Plan and the Central Area Community Improvement Plan.

A further requirement of the Growth Plan is for the City's Designated Greenfield Area (DGA) to be planned to achieve a density of 50 residents and jobs combined per hectare. This will require the City's new subdivision developments to have fewer single-detached homes and a greater variety of housing types. The City will adopt new Secondary Plans in the coming years to help ensure that this target is achieved.

The Provincial Policy Statement (PPS) requires the City to maintain a minimum 3-year supply of zoned residential land and a minimum 10-year supply of designated residential land to accommodate its forecast population growth. In 2012, the City was achieving both of these requirements.

The PPS also requires the City to establish an affordable housing target. The City currently establishes a target for at least 10% of its new housing to be constructed as affordable. Based on the PPS definition and formula for calculating 'affordable', in Peterborough, the 2012 maximum affordable house price was $240,000 and the maximum affordable rent was $866. As a whole since 2000, 28% of all new ownership housing in the City has been constructed as 'affordable'.

Overall, the City of Peterborough is planning in accordance with the provincial planning objectives that aim to curb urban sprawl and create more compact, transit-supportive and complete communities. A major challenge will be achieving the intensification and density targets once greater emphasis on the redevelopment of existing under-utilized land and buildings is required, whilst maintaining housing affordability.

Table of Contents

1.0 Introduction

This report has been prepared in the context of the Growth Plan for the Greater Golden Horseshoe (GGH), a provincial planning strategy that came into effect in 2006 to manage the growth of the GGH region. The City of Peterborough, is included in this region. Through its overall vision and policy framework for having growth occur in a more compact and complete way, the Growth Plan makes a strong attempt to control ***where and how*** new residential development should occur. It does this by establishing mandatory development targets for municipalities to plan to achieve while it also requires municipalities to establish affordable housing targets as a way to help ensure that the housing needs of all residents would be met.

The Growth Plan requires municipalities to monitor and report on the implementation and achievement of its policies and targets as a way to help ensure that growth occurs in accordance with its policy directions. This requirement is further reflected in the City of Peterborough Official Plan, which calls for the City to develop an annual residential monitoring report.

The purpose of this Residential Monitoring Report is to present and analyze residential development trends within the City of Peterborough for the year 2012 and to assess whether the City has been meeting the targets and requirements outlined for it in provincial planning legislation. The specific purpose and objectives of this report are to:

- Provide an overview of the major population, household, and economic characteristics that are shaping the local demand for housing;
- Highlight trends in the local housing market; and
- Assess whether the City is achieving its Official Plan policies that specifically pertain to:
    - Meeting the Growth Plan’s mandated development targets;
    - Maintaining an adequate supply of residential land as per the PPS requirement; and
    - Meeting its identified affordable housing targets.

2.0 Population, Household, and Economic Characteristics

This section provides a brief overview of the major population, household, and economic characteristics that help shape the demand for housing in the City of Peterborough. The information presented is largely based on data from the 2011 Census, a detailed survey of the Canadian population undertaken every 5 years by the Government of Canada. It has been supplemented with more current data from Statistics Canada or other sources wherever possible, such as quarterly reports from the Canada Mortgage and Housing Corporation (CMHC).

In 2011, the mandatory long-form Census was replaced with the voluntary 'National Household Survey' (NHS). Sampling measures and response rates between the Census and NHS varied, resulting in the need to exercise caution when drawing comparisons between datasets.

The NHS was distributed to 4.5 million households in Canada. The Census Metropolitan Area of Peterborough had a global non-response rate of 38.1%, the City of Peterborough had a global non-response rate of 32.4%. Therefore, data captured through the NHS may not be the most accurate representation of the broad spectrum of demographics in this community.

Up until this reporting year, this report relied heavily upon the results from the long form Census. Staff and others reading this report should understand that results may not be an accurate snapshot of Peterborough's demographics.

2.1 Population Growth

The City of Peterborough had a population of 78,698 in 2011[1]. This represented an increase of about 10,300 people from 1991. Over the last 20 years, the City has grown at an increasingly higher rate of growth – with each five year span. Peterborough grew by an average of 1.7 % from 1991 to 1996; compared to 5.1% from 2006 to 2011.

The Growth Plan contains population forecasts that municipalities in the GGH must adopt into their Official Plans and use when planning for future growth. The Growth Plan forecasts the City of Peterborough to have a total population of 88,000 people by 2031. From 2011 to 2031, this represents an average annual growth rate of about 0.6% or 465 people, which is slightly lower than the average annual growth rate of 0.7% or 515 people from 1991 to 2011. Since population growth causes a sustained demand for housing, the challenge for the City will be to ensure that this construction occurs in accordance with the policy of the Growth Plan.

[1] Statistics Canada has since released an undercoverage percentage of 2.9% - resulting in a population of 80, 698. To remain consistent with previous editions of this report, the reported population of 78,698 will be used.

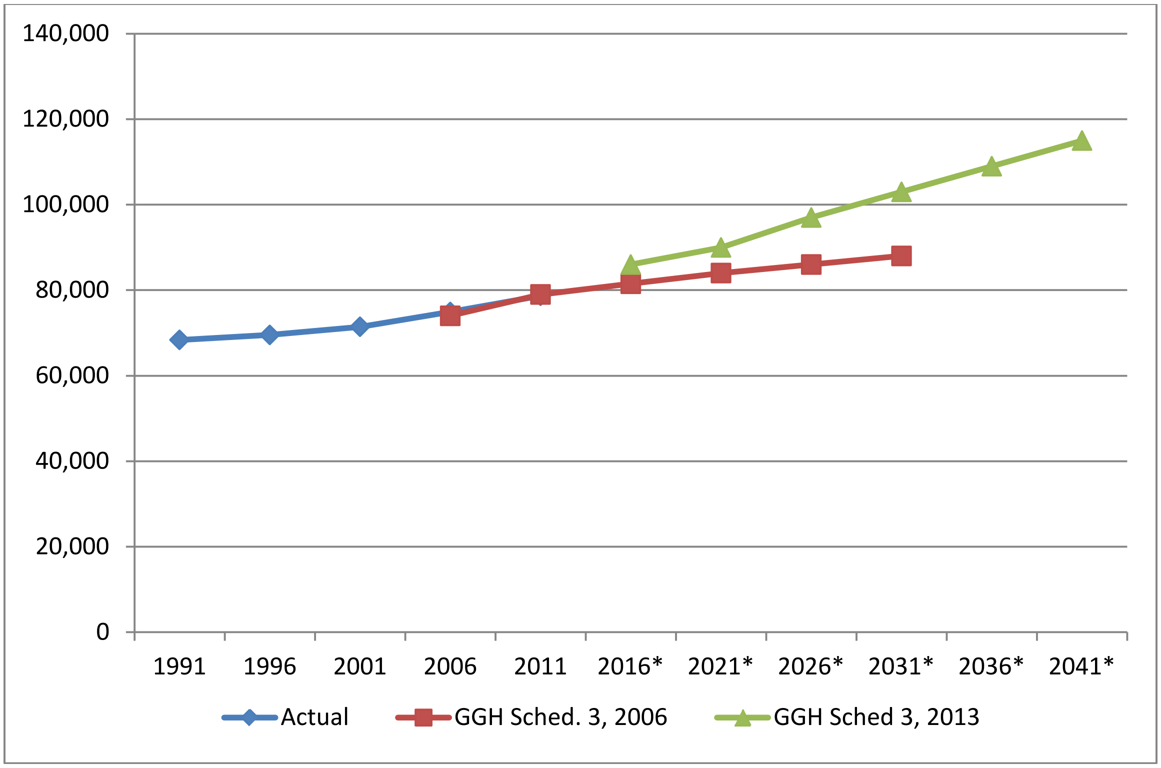


Figure 1 - Population of the City of Peterborough: Actual from 1991 to 2011 and Forecast to 2041. * Represents a growth forecast
(Source: 1991-2011 Censuses, Growth Plan for the GGH 2006 Schedule 3 and Growth Plan for the GGH – 2013 Schedule 3)

At the time of the writing of this report, Schedule 3 of the Growth Plan for the Greater Golden Horseshoe was amended to provide growth forecasts to the year 2041. These forecasts indicate that between 2031 and 2041, the City of Peterborough is expected to grow from 103,000 to 115,000 residents. This forecasted growth represents a 10.4% ten-year growth rate, representing an additional 1200 people per year over a 10 year period. To compare with actual population change observed in the City, between 2001 and 2011, the City grew from 71,446 to 78,698 residents. This represents a growth rate of 9.2% increase over a ten-year period, an average additional 725 residents per year.

The City of Peterborough will need to adjust policies in the Official Plan to conform to the projections in the amended Schedule 3 of the Growth Plan. For the purposes of this report, the 2006 numbers will continue to be used until the Official Plan is updated.

2.2 Demographics

The City of Peterborough is characterized by a population that is considerably older than the provincial average. According to the 2011 Census, the City's median age of 42.7, is higher than the provincial median age of 40.4 (Table 1). Seniors comprised a considerably larger proportion of the City's population (20%) than they did for the province as a whole (15%) (Figure 2).

Overall, the Peterborough Census Metropolitan Area (CMA) - which includes the City of Peterborough as well as the 4 neighbouring Townships of Cavan-Monaghan, Otonabee, Douro-Dummer, and Selwyn – continues to have the highest median age amongst CMA's in Ontario, closely following Trois-Rivieres and Saguenay in Quebec. The Peterborough CMA has the greatest proportion of seniors of all CMA's in Canada. Since it is forecast that seniors will grow to represent 29% of the City's population by 2041 (Figure 3), the City will be challenged in ensuring that its housing production adequately meets the needs of seniors, which include smaller unit sizes and housing with support services that enable them to 'age-in-place.'

Table 1: Median Age
(Source: 2006 & 2011 Census)

	Median Age (2006)	Median Age (2011)
Ontario	39.0	40.4
City of Peterborough	41.7	42.7
Peterborough CMA	42.8	44.6

Table 2: Top 5 CMA's in Canada by Median Age
(Source: 2011 Census)

CMA	Median Age
1. Trois-Rivieres	45.7
2. Saguenay	45.4
3. Peterborough	**44.6**
4. St. Catherines – Niagara	44.4
5. Kelowna	44.2

Table 3: Top 5 CMAs in Canada by Percentage of Population as Seniors
(Source: 2011 Census Catalogue no.98-311-X2011001)

CMA	% of Population as Seniors
Peterborough	**19.5%**
Trois-Rivieres	19.4%
Kelowna	19.2%
St. Catharines-Niagara	19.2%
Victoria	17.5%

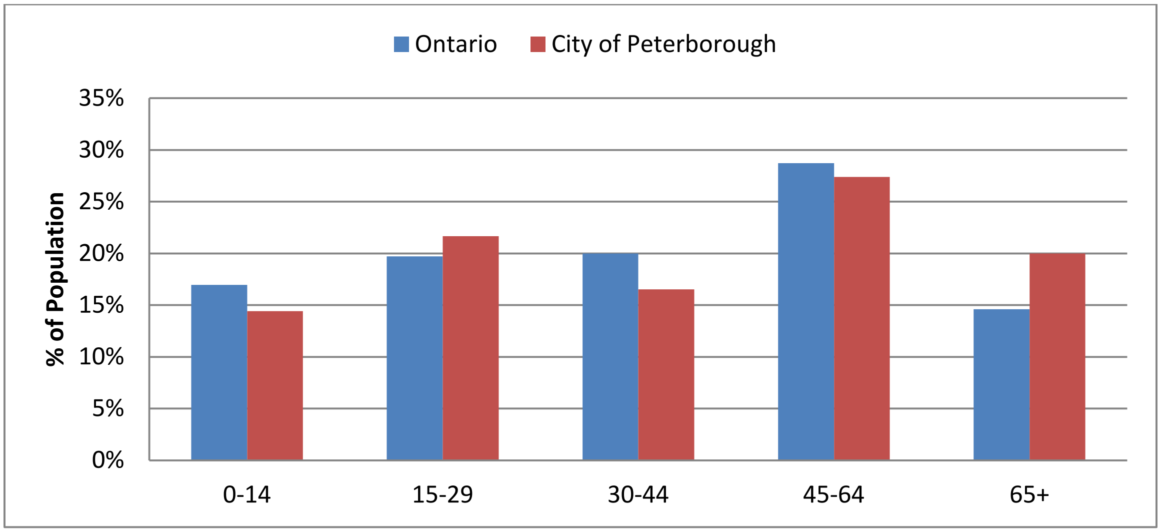


Figure 2 Percentage of 2011 Population by Age Group Ontario and City of Peterborough Comparison (Source: 2011 Census)

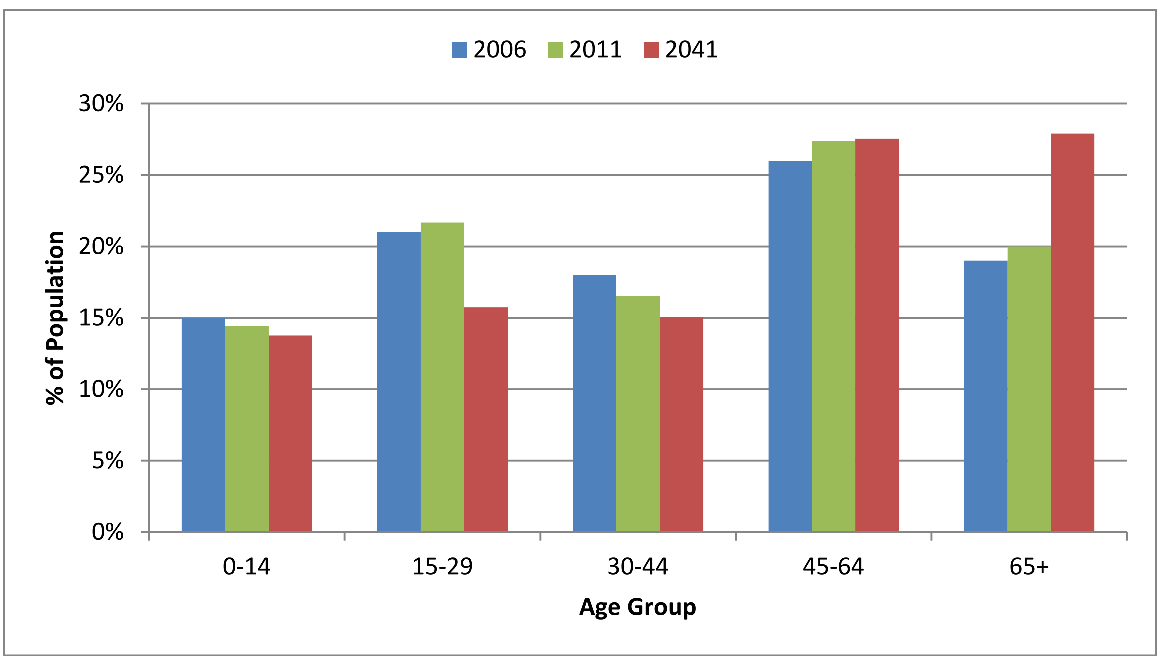


Figure 3 Percentage of City of Peterborough Population by Age Group: 2006, 2011 Censuses and 2031 Forecast (Source: 2006 Census, 2011 Census and The Growth Outlook for the Greater Golden Horseshoe prepared by Hemson Consulting Ltd., 2012)

2.3 Average Household Size

The City of Peterborough has a considerably smaller average household size (2.3) than the provincial average (2.6) (Table 4). This is reflected in the greater proportion of 1-person and 2-person households found in the City (Figure 4).

Although average household size remains unchanged from the 2006 census, the multi-year trend shown in figure five shows continued decrease in household size.

Table 4: Average Household Size: City of Peterborough vs. Provincial Average
(Source: 2006 Census, 2011 Census)

CMA	Average Household Size 2006	Average Household Size 2011
Ontario	2.6	2.6
Peterborough	2.3	2.3

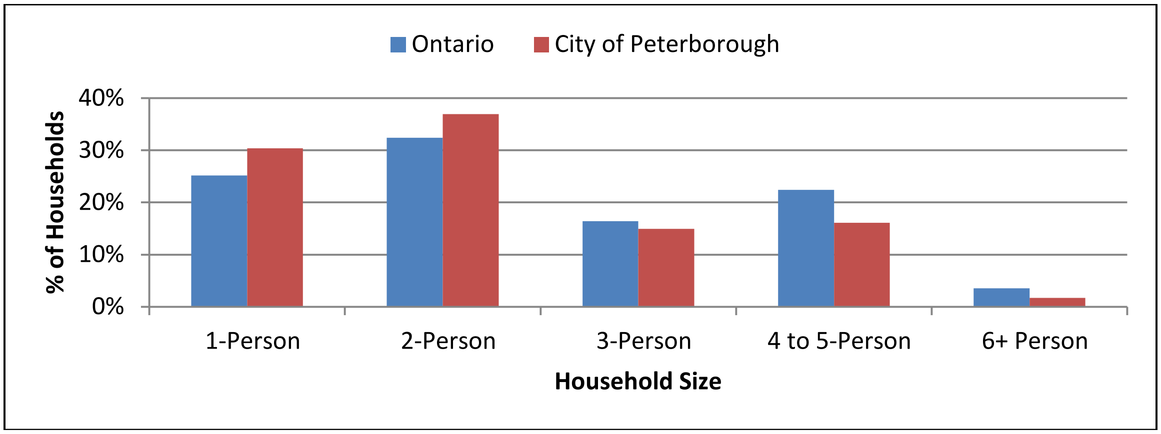


Figure 4 Percentage of Households By Size: 2011 (Source: 2011 Census)

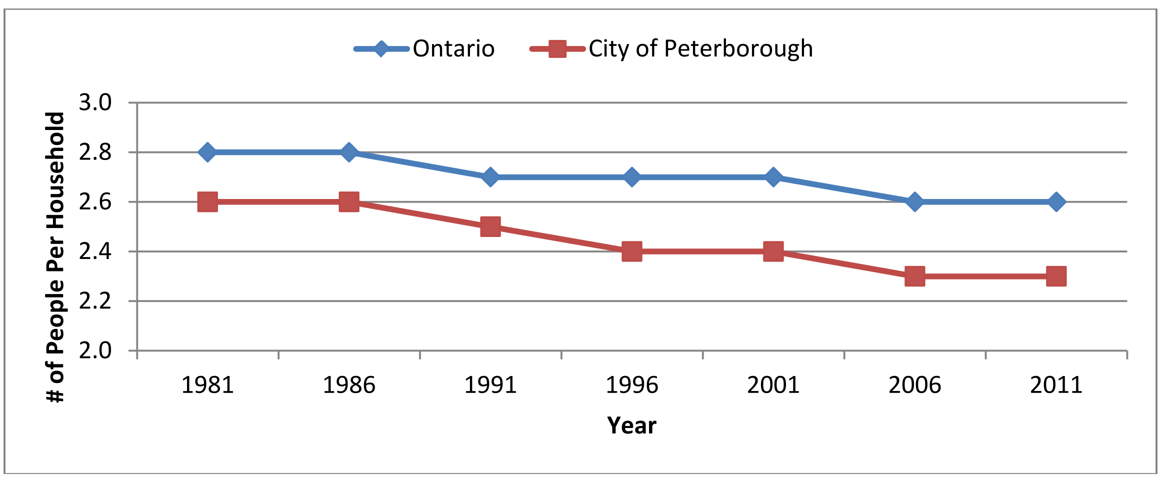


Figure 5 Average Household Size: 1981 to 2011 (Source: 2006 Census, 2011 Census)

2.4 Post-Secondary Students

The combined total full-time enrollment at the Peterborough campuses of both Trent University and Sir Sandford Fleming College is about 12,520 students. It has been estimated that this creates an off-campus demand for approximately

4,000 rental housing units.[2] This creates a highly competitive rental market in Peterborough that attempts to meet the needs of both temporary post-secondary students as well as permanent residents.

2.5 Median Household Income

Residents of the City of Peterborough earn less than both the provincial and national averages. This trend is demonstrated in both the 2006 Census and the 2011 National Household Survey. Specifically, according to the 2011 National Household Survey, the City had a median household income of $52,883, which was lower than the median of $66,358 for Ontario and $61,702 for Canada (Figure 6).

In the past Censuses, Peterborough CMA has observed a high percentage of renter households spending more than 30% of their income on rent, often ranking in the top three. According to the 2011 National Household Survey, 48.1% of renter households spent 30% or more on their shelter costs. It should be noted, that although Peterborough did not rank within the top 5 unaffordable CMAs, there was a high non-response rate to the voluntary national household survey, therefore it is possible that applicable households were not represented in the data. Regardless of placement nationally, Peterborough continues to require additional affordable units, with almost half of renter households spending 30% or more of their income on shelter costs.

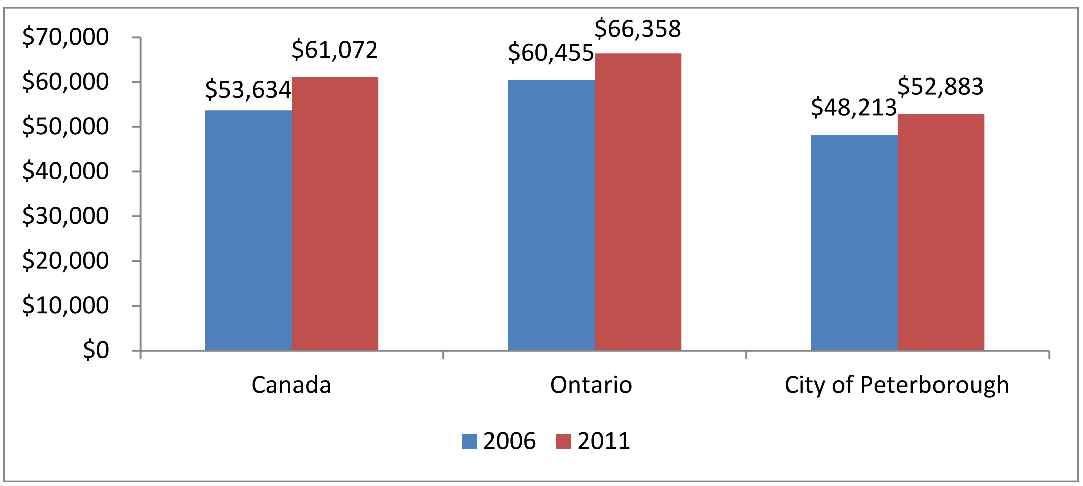


Figure 6: Median Household Income 2006 and 2011
(Source: 2006 Census, 2011 National Household Survey)

2.6 Unemployment Rate

The changing economic conditions of a community influence its level of demand for housing. In 2012, the City of Peterborough had an unemployment rate of 8.2%.. Figure 7 shows the trend in unemployment rates for the Peterborough CMA as well as Ontario.

[2] Tim Welch Consulting, Greg Suttor Consulting and Deb Ballak. 2013. Housing and Homelessness Needs Assessment: Peterborough City and County. P. 45.

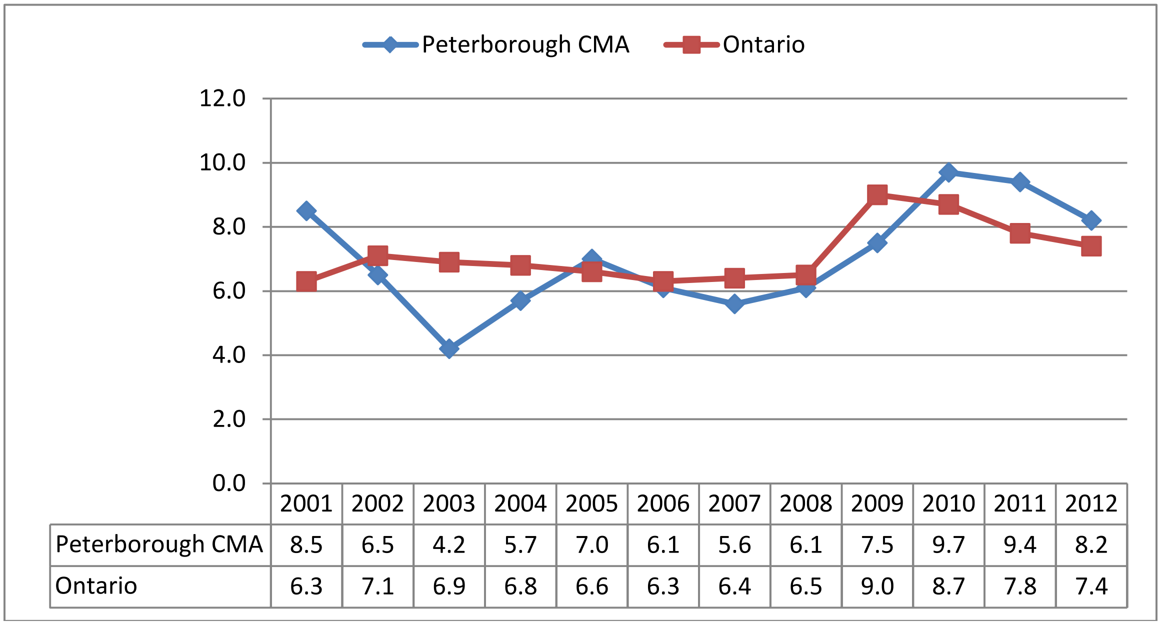


Figure 7 Unemployment Rate Trend Comparison for Peterborough CMA and Ontario
(Source: Labour Force Survey, Statistics Canada, Housing Market Outlook – Peterborough CMA)

2.7 Commuting Patterns

In some communities there is a strong demand for housing for those who live in the community but commute elsewhere for work. This does not appear to be the case in Peterborough where according to the 2011 National Household Survey, 83% of all City residents with a 'usual place of work' worked in the City (Table 5). This means that about 4,995 residents commute out of the City for work. This indicates that the City generally does not function as a 'bedroom community' to the extent that some other communities may.

Table 5: Place of Work Status of City of Peterborough Residents
(Source: 2011 National Household Survey Statistics Canada Catalogue no. 99-012-X2011032, 2006 Census)

	2011		2006	
	#	%	#	%
Worked in City	24,090	83%	23,990	80%
Worked in County	2,400	8%	2,295	8%
Worked outside City/County	2,595	9%	3,505	12%

Table 6 further shows that more than twice as many people enter into the City of Peterborough for work than leave. Specifically, 4,995 people commute out of the City for work whereas 13,050 people enter into the City for employment. These numbers suggest that although there will continue to be a demand for housing for those commuting out of the City for work, this demand is not as strong as some might think since the majority of the City's residents actually work within the City.

Table 6: Commuters Entering and Leaving City of Peterborough
(Source: 2011 National Household Survey Statistics Canada Catalogue no. 99-012-X2011032, 2006 Census Commuting Flow Data)

	2011	2006
Commuters Leaving City	4,995	5,800
Commuters Entering City	13,050	14,775

3.0 Growth Plan for The Greater Golden Horseshoe

3.1 Overview

The Growth Plan for the Greater Golden Horseshoe (GGH) is a provincial plan that came into effect in 2006 to guide the growth of the GGH to the year 2031. With a vision to building stronger, more prosperous and complete communities, the Growth Plan guides municipal and provincial decisions on a wide range of issues that include transportation, infrastructure planning, land use planning, urban form, housing, natural heritage, and resource protection. The Growth Plan intends to achieve this overall vision through specific policy directions that aim to:

- Revitalize downtowns to become vibrant and convenient centres;
- Create complete communities that offer more options for living, working, shopping, and playing;
- Provide greater choice in housing to meet the needs of people at all stages in life;
- Curb urban sprawl and protect farmlands and greenspaces; and
- Reduce traffic gridlock by improving access to a greater range of transportation choices.

The Growth Plan places considerable emphasis on creating a more 'compact urban form' through the creation of more 'complete communities' and by having a significant amount of growth occur through 'intensification.' These terms are defined as follows:

Compact urban form
A land-use pattern that encourages efficient use of land, walkable neighbourhoods, mixed land uses (residential, retail, workplace and institutional all within one neighbourhood), proximity to transit and reduced need for infrastructure. Compact urban form can include detached and semi-detached houses on small lots as well as townhouses and walk-up apartments, multi-storey commercial developments, and apartments or offices above retail.

Complete communities
Complete communities meet people's needs for daily living throughout an entire lifetime by providing convenient access to an appropriate mix of jobs, local services, a full range of housing, and

community infrastructure including affordable housing, schools, recreation and open space for their residents. Convenient access to public transportation and options for safe, non-motorized travel is also provided.

Intensification
The development of a property, site or area at a higher density than currently exists through:

a) redevelopment, including the reuse of brownfield sites;
b) the development of vacant and/or underutilized lots within previously developed areas;
c) infill development; or
d) the expansion or conversion of existing buildings.

(Source: Growth Plan for the Greater Golden Horseshoe)

As previously mentioned, in 2013, the Province released updated population and employment forecasts for the Greater Golden Horseshoe leading to 2041. The City will have to adjust policies in the Official Plan to ensure that the City is guided towards the forecasts as detailed in the 2013 release. As a result, target monitoring will eventually adjust to reflect these new forecasts and polices.

3.2 Growth Plan Development Target Monitoring

The Growth Plan contains development targets that municipalities within the GGH must adopt into their Official Plans and plan to achieve. While these targets represent only a portion of the Growth Plan's requirements that municipalities are expected to adopt into their Official Plans, these targets are its central component intending to create a more compact urban form that maximizes the use of our new and existing infrastructure. The Growth Plan specifically requires the City of Peterborough to adopt the following development targets into its Official Plan:

- To direct at least 40% of all annual residential development to its Built Boundary by 2015 and for each year thereafter to 2031;
- To plan to achieve an average density of 150 residents and jobs per hectare in the Downtown Peterborough Urban Growth Centre by 2031; and
- To plan to achieve an average density of 50 residents and jobs per hectare within its Designated Greenfield Area.

In August of 2009, the City of Peterborough adopted Official Plan Amendment (OPA) #142 to satisfy its obligation to the Province of bringing its Official Plan into compliance with the Growth Plan and to set out a strategy for how the City will plan to achieve these development targets. While this OPA adopted the overall Growth Plan philosophy of building more sustainable and complete communities, it recommended the need for the City to undertake future studies and planning strategies (e.g. secondary plans, intensification studies, housing strategy, community improvement plans, etc.) in order to better implement the principles and objectives of the Growth Plan.

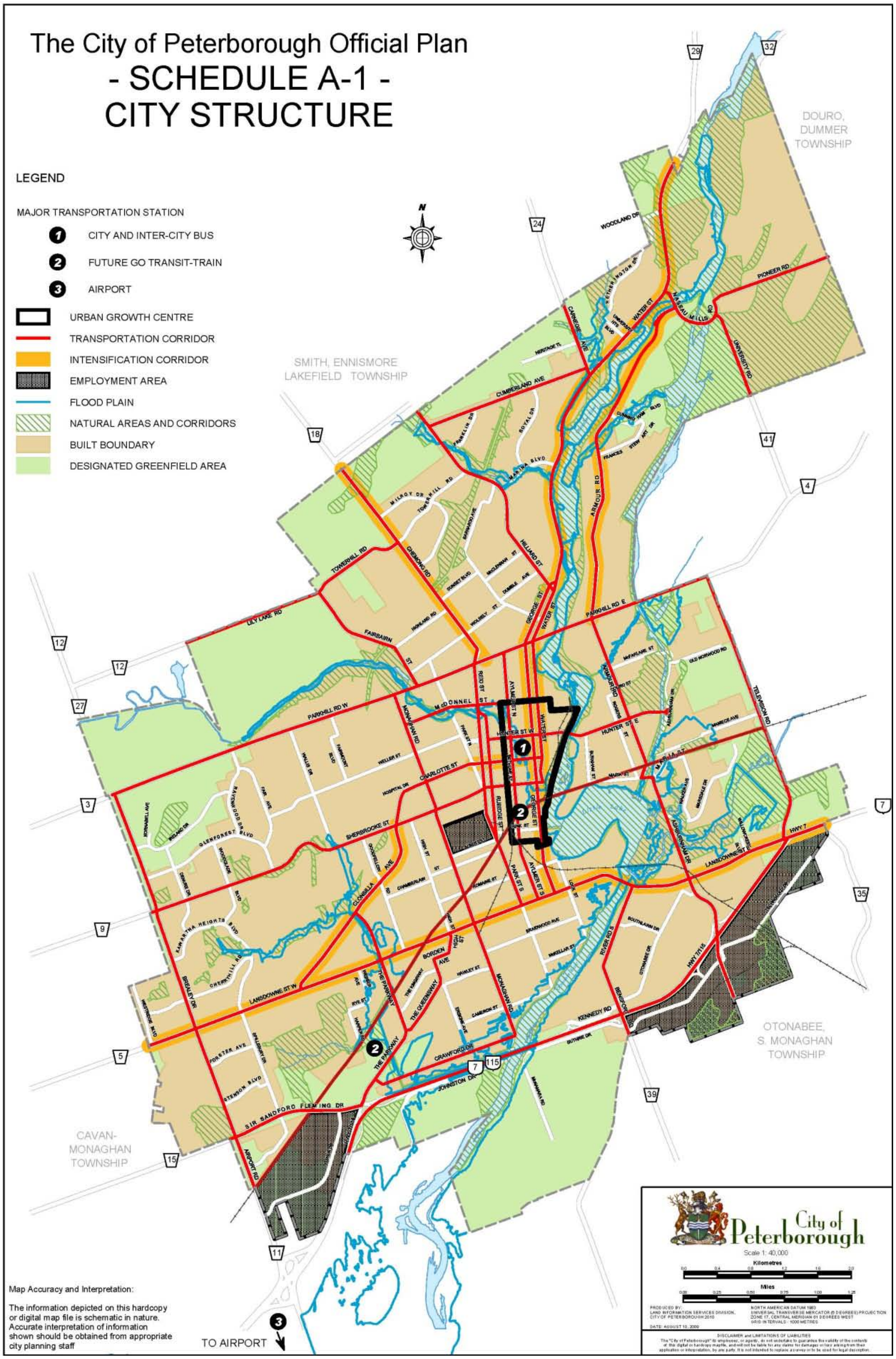


Figure 8 Schedule A-1 City of Peterborough Structure
(Source: City of Peterborough Official Plan)

3.2.1 Built Boundary (BB)

The Built Boundary of the City of Peterborough includes the area of the City that was either developed or approved for development prior to the implementation of the Growth Plan in June 2006. The Growth Plan legislates that 40 percent of all annual residential development within the City must occur within its Built Boundary by the year 2015. This residential development will be measured in terms of all residential units being created annually. Therefore, should the City create 300 residential units in a year, at least 120 must be built within the Built Boundary. This is a strict policy requirement of the Growth Plan that the province mandates all upper and single-tier municipalities within the GGH to achieve. It is intended to reduce the outward growth of urban areas.

The policies contained in OPA #142 state the intention of the City is to direct a large proportion of its intensification to the downtown core as well as to its designated intensification corridors/areas (illustrated on Figure 8, OP Schedule A-1). OPA #142 further directs the City to prepare secondary plans to guide the growth of each of its designated intensification corridors and to utilize annual reports of residential development to monitor and enforce the minimum 40% intensification target.

Though the 40% intensification target is not mandatory until the year 2015, the City met this target in three of the past six years and has achieved an overall intensification rate of 43% since 2007 (Table 7, Figure 9). This rate of intensification has been largely achieved within the Built Boundary during this time because of the construction of a large number of retirement home units, student residence units on Water Street near Trent University, approximately 150 affordable housing units through the Canada-Ontario Affordable Housing Program, a substantial number of condominium units in several large developments such as Westview Village and the Village at Lock 19, as well as an entire subdivision of 108 units being included within the Built Boundary.

Table 7: Intensification Rate in the City of Peterborough: 2007-2012 (Source: City of Peterborough Planning Division, City's building permit database)

Year of Building Permit Issuance	Units	Units Inside Built Boundary	Units Outside Built Boundary	Intensification Rate (% of Units in Built Boundary)
2007	646	441	205	68%
2008	358	147	211	41%
2009	375	107	268	29%
2010	289	66	223	23%
2011	294	102	192	35%
2012	346	211	135	61%
Total	2308	1074	1234	43%
Average	385	179	206	
Percentage		47%	53%	

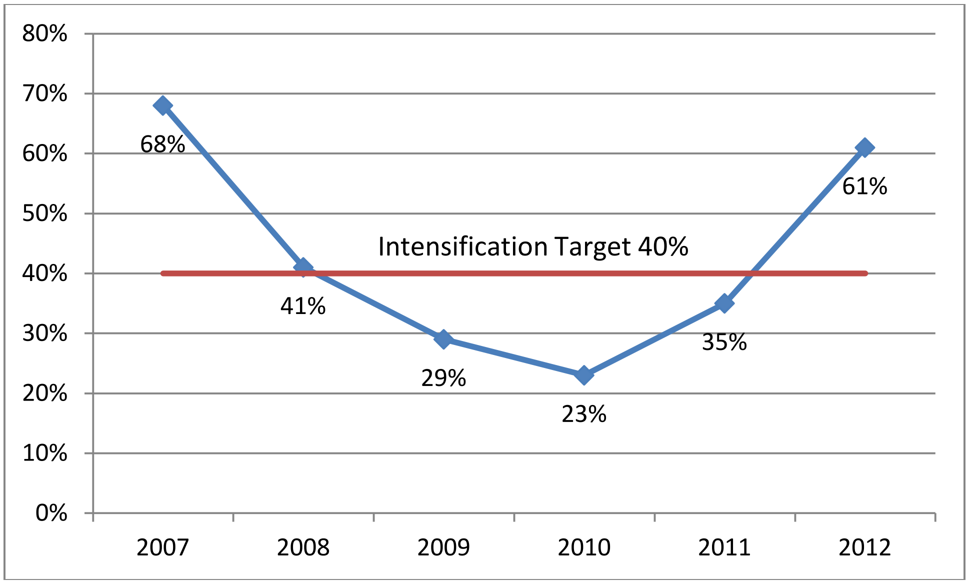


Figure 9 – Percentage (%) of Residential Units Created Within Built Boundary: 2007-2012 compared with Intensification Target 0f 40%

(Source: City of Peterborough Planning Division, City's building permit database)

3.2.2 Urban Growth Centre (UGC)

Downtown Peterborough (the area generally bounded by McDonnel Street to the north, Bethune Street to the west, Perry Street to the south, and the Otonabee River to the east) is one of 25 designated Urban Growth Centres within the Greater Golden Horseshoe. The Growth Plan requires these urban growth centres to be planned to accommodate a signification share of the region's population and employment growth to the year 2031. The Growth Plan requires the Downtown Peterborough UGC to be planned to achieve a density target of 150 residents and jobs combined per hectare by 2031 or earlier. Since the density of the Downtown Peterborough UGC was estimated to be 116 residents and jobs per hectare in 2006, achievement of this target will mean adding about 3,300 residents and jobs within this area. This target is meant to achieve greater densities that make better use of new and existing infrastructure.

In May of 2009, the City adopted the Central Area Master Plan (OPA #140) to guide the growth of its downtown. This Master Plan presents 22 strategies that when implemented, have the potential to focus growth within the downtown on a scale envisioned in the Growth Plan.

Since 2000, building permits have been issued for the creation of 240 units in the Downtown Peterborough UGC (Table 8). The majority of these units however were created in two larger developments - the conversion of the former post office building on Charlotte Street to 91 apartment units and the conversion of the former Central School on Murray Street to 50 apartment units. Outside of these two developments, residential units have been typically created through smaller-scale conversion projects. However, to achieve the Growth Plan density target, more larger-scale developments will need to occur downtown in the coming decades. The re-zoning for the development of 61 apartment units at Rink/Olive Street's and the proposed redevelopment of the former YMCA building to include 140 residential units are two examples of the types of projects that will be required in order to help the City achieve its 40% intensification requirement and its downtown density target. In 2011, the City adopted a Central Area Community Improvement Plan to provide financial incentives and help stimulate the development of these types of projects.

Table 8: Total Units Created By Building Permits Issued in Downtown Peterborough Urban Growth Centre: 2000-2012 (Source: City of Peterborough Planning Division, City's building permit database)

Year	# of Units
2000	0
2001	0
2002	2
2003	7
2004	7
2005	102
2006	50
2007	4
2008	5
2009	13
2010	9
2011	29
2012	12
Total	240

3.2.3 Designated Greenfield Area (DGA)

Peterborough's DGA is the area of the City that is outside of the Built Boundary. The Growth Plan requires this area of the City to be planned to achieve a density target of 50 residents and jobs combined per hectare. This target intends to create residential subdivisions that offer a greater range and mix of housing that at the same time help reduce urban sprawl. The policies contained in OPA #142 reflect the strategy of the City to utilize Secondary Plans as the primary tool in planning to achieve this density target for its DGA.

The East half of the Chemong Secondary Plan and the north portion of the Coldsprings Secondary Plan have been approved by Council. Council has seen a draft plan for Lilly Lake and will shortly see the Liftlock and Carnegie Secondary Plans. Over the coming years, a Secondary Plan will also be prepared for each the remaining Coldsprings Planning Area. Each Plan will be designed to help the City achieve the density target of 50 residents and jobs per hectare across the DGA.

4.0 Residential Land Supply

Section 1.4.1 of the PPS directs planning authorities to provide an appropriate range of housing types and densities. This includes maintaining at all times the ability to accommodate residential growth for a minimum of 10 years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development. In the short term, the PPS requires that municipalities maintain at all times, land with servicing capacity sufficient to provide at least a 3 year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans. This section measures the City's ability to meet these requirements.

4.1 Short-Term (3-Year) Residential Land Supply

The PPS requires that a municipality maintain at all times a minimum three-year supply of residential land, appropriately zoned to accommodate residential intensification or redevelopment and lands in draft approved and registered plans of subdivision. This can be referred to as "short-term housing supply". Land classified under the short-term housing supply category is readily available to the market to meet new housing demand without any major servicing constraints.

As of the end of 2012, at least 3491 residential units can be accommodated on land that is currently zoned for residential purposes in the City (Table 9). Based on the annual average of 400 residential units being constructed over the past 10 years, this represents an approximate 8.7-year supply of units on zoned residential land, exceeding the 3-year minimum requirement of the PPS.

Table 9: Residential Unit Potential on Zoned Residential Land in the City of Peterborough, 2012 (Source: City of Peterborough Planning Division, City's building permit database, MPAC Data, GIS analysis)

Type	Unbuilt Units (as of Dec. 2012)	Units in BB	Units in DGA
Draft Approved Plans of Subdivision	1474	0	1474
Registered Plans of Subdivision	890	62	828
Condo Developments Under Construction	127	38	89
Zoned Sites*	1000	1000	0
Total	**3491****	**1100**	**2391**

**Based on current zoning provisions of vacant residential land as well as sites that were recently rezoned but have not undegone construction*
***Represents approximately 8.7 years supply of zoned land based on annual average of 400 residential units*

4.2 Long-Term (10-Year) Residential Land Supply

The PPS requires municipalities to maintain at all times a 10-year supply of land that is *designated and available* for new residential development. The term *designated and available* is a defined term in the PPS as:

"for the purposes of policy 1.4.1(a), means lands designated in the official plan for urban residential use. For municipalities where more detailed official plan policies (e.g., secondary plans) are required before development applications can be considered for approval, only lands that have commenced the more detailed planning process are considered to be designated for the purposes of this definition."

The City of Peterborough requires secondary plans to be in place prior to consideration of subdivision approval. The City interprets this definition to include functional planning studies as the commencement of the 'more detailed planning process'. Therefore, those Designated Greenfield Areas that have completed functional planning studies are included in the calculation of residential land supply. This is a different approach than what has been taken in previous editions of this report – whereby a strict interpretation of 'designated' land was taken.

The long-term residential land supply is largely comprised of Designated Greenfield Areas that have been annexed by the city and have undergone functional planning studies. Additional land includes vacant and under-utilized sites that have the potential to accommodate future residential development and new subdivision applications within the built boundary.

As of the end of 2012, 15,000 residential units were designated as defined in the PPS (Table 10). Further analysis indicates that at least 2,751 units can be accommodated on designated land in the City's Built Boundary and at least 12,276 units can be accommodated on designated land in the City's Designated Greenfield Area. This means that based on the Growth Plan's 40% intensification requirement, there is also a 17-year supply of units in the Built Boundary and a nearly 51-year supply of units in the Designated Greenfield Area.

Table 10: Long Term Residential Unit Potential of Designated and Available Residential Land in City of Peterborough, 2012 (Source: City of Peterborough Planning Division, GIS analysis)

Type	Unit Potential	Units in BB	Units in DGA
New Subdivision Applications	51	51	-
Carnegie East	702	-	702
Carnegie West	652	-	652
Chemong West	1,449	-	1,449
Coldsprings	3,771	-	3,771
Jackson	1,066	-	1,066
Liftlock	1,455	-	1,455
Lilly Lake	2,800	-	2,800
Auburn North	483	-	483

Downtown UGC (est.)	1,400	1,400	-
Medium/High Density Land (est.)	1,300	1,300	-
Total	15,129	2,751	12,276

*Represents 38 years of total supply based on an annual average of 400 residential units
** Represents 17 years of total supply in the BB based on 40% (160) of 400
*** Represents 51years of total supply in DGA based on 60% (240) of 400

Connecting back to section 2.1 of this report, the City of Peterborough is predicted to grow to 115,000 residents in 2041. Based on 2.3 persons per household, this increase of 35,000 residents would require an approximately 15,217 residential units to be accommodated. The City is on track to ensuring residential land is available to accommodate this predicted future population.

5.0 Residential Building Activity

Since the year 2000, building permits have been issued for the creation of 5,057 residential units in the City of Peterborough (Table 11, Figure 10). This represents an annual average of 389 units. In 2012, permits were issued for 346 units, which is higher than the 294 units in 2011. This is substantially less than the peak of 663 units issued in 2005. This trend of fewer building permits and resulting lower unit creation is a reflection of the broader global economic slowdown and a weakened housing market.

Table 11: Units Created Through Issued Building Permits, by House Type, in City of Peterborough: 2000-2012
(Source: City of Peterborough building permit database)

	Single/Semi Detached	Row	Apartments	Retirement Home	Student Residence	Total
2000	138	15	90	0	176	419
2001	149	24	29	0	0	202
2002	194	50	33	0	0	277
2003	246	51	63	0	0	360
2004	300	23	44	0	0	367
2005	328	161	174	0	0	663
2006	160	72	229	0	0	461
2007	213	108	173	152	0	646
2008	193	52	113	0	0	358
2009	237	71	45	22	0	375
2010	187	83	19	0	0	289
2011	149	54	64	0	27	294
2012	126	38	158	0	24	346
Total	2620	802	1234	174	227	5057

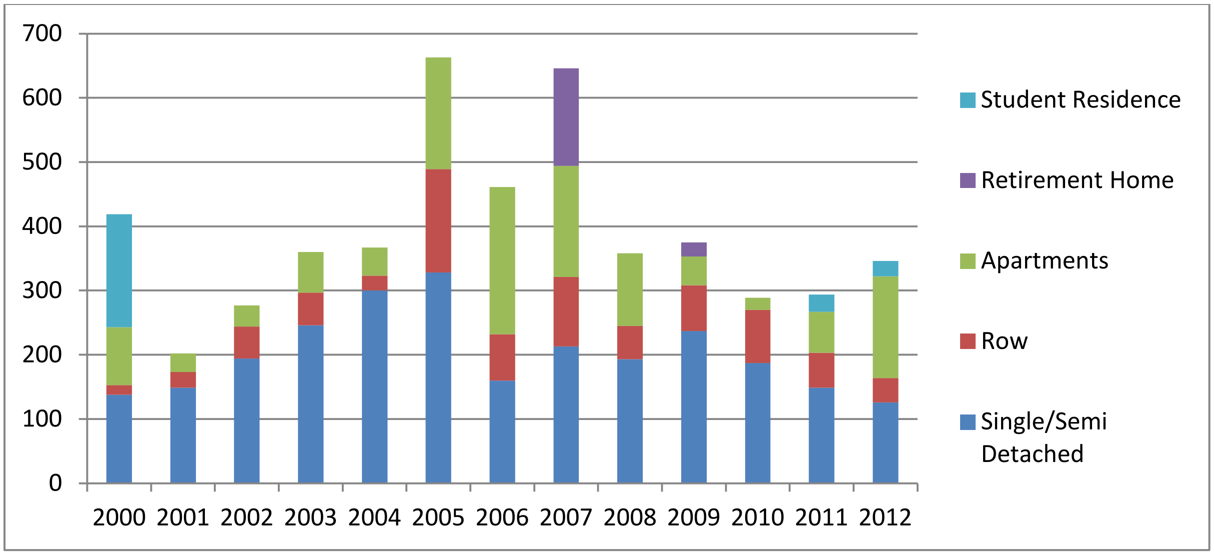


Figure 10 Units Created Through Permits Issued, By House Type in City of Peterborough: 2000-2012 (Source: City of Peterborough building permit database)

6.0 Housing Market Trends

This section provides an analysis of trends in the housing market for the Peterborough Census Metropolitan Area (CMA). The information presented relies on reports prepared by the Canadian Mortgage and Housing Corporation (CMHC).

6.1 Housing Starts

Housing starts are used to reflect the level of population and economic growth in a region. In times of economic growth, there will be a greater demand for housing, while in times of economic slowdown or recession, the demand for housing will generally moderate and/or decline. The CMHC defines a 'housing start' as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage when a basement is not part of the structure.

From 2000 to 2012, there were a total of 5,563 housing starts in the Peterborough CMA (Table 12). A low of 292 housing starts was recorded in 2000, while a high of 619 was recorded in 2005. Single-detached were the dominant housing type built – totaling 76% of all units built since 2000. The percentage of units created in the form of single detached homes has decreased since 2000, with the slight increases of other housing types, particularly apartments and row houses, into the housing market.

Table 12: Housing Starts by Type and Tenure in Peterborough CMA: 2000-2012
(Source: CMHC)

Year	Total	Single-Detached	Semi-Detached	Row Houses	Apartment	Ownership	Rental
2000	292	264	8	20	0	292	0
2001	294	256	14	24	0	293	1
2002	423	369	0	36	18	405	18
2003	547	470	0	71	6	531	13
2004	514	471	4	18	21	491	23
2005	619	449	8	157	5	517	102
2006	437	283	4	89	61	378	59
2007	540	324	4	107	105	540	0
2008	428	300	0	82	46	378	50
2009	371	286	0	55	30	331	40
2010	404	306	16	78	4	400	4
2011	351	239	6	58	48	303	48
2012	343	197	2	50	94	273	70
Total	**5563**	**4214**	**66**	**845**	**438**	**5132**	**428**
%	**-**	**76%**	**1%**	**15%**	**7%**	**92%**	**8%**

Table 12 also indicates that of all the housing starts in the Peterborough CMA from 2000 to 2012, 92% were built for the ownership market and only 8% were built for the rental market. The percentage of rental market housing starts has increased. Since rental housing satisfies a number of important demands in the community's housing market, particularly for those in need of a flexible living accommodation and for those who cannot afford to become homeowners, a greater emphasis on its construction will be required in the future.

6.2 Residential Sales Activity

Figure's 11 and 12 reflect the total number of annual sales of residential units in the Peterborough CMA from 2000 to 2012 as well as the annual sales-to-new-listings ratio (sales as a percentage of new listings). During the period from 2000 to 2012, sales were at their highest in 2004 when 2,980 homes were sold. The sales-to-new-listings ratio was highest in 2002 when sales represented 75% of all new listings. Both total sales and the sales-to-new-listings ratio have declined and stayed relatively stable in recent years amidst slow economic growth and a weakened housing market.

According to CMHC, a sales-to-new listings ratio of less than 45% is representative of a 'Buyer's Market', a sales-to-new listings ratio greater that 65% is representative of a 'Seller's Market', while ratios between 45% and 65% indicate a Balanced Market. Based on this, the Peterborough CMA has been largely characterized by a Balanced Housing Market, except for the years from 2001 to 2004 when it was characterized by a 'Seller's Market'.

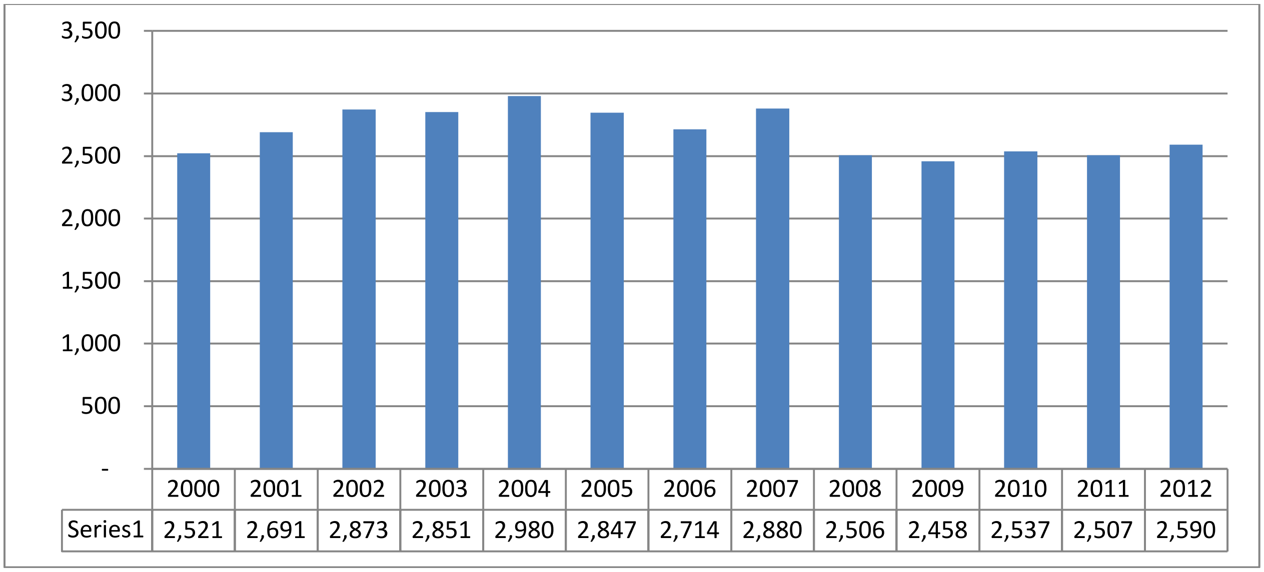


Figure 11 - Total House Sales in Peterborough CMA: 2000-2012 (Source: CMHC)

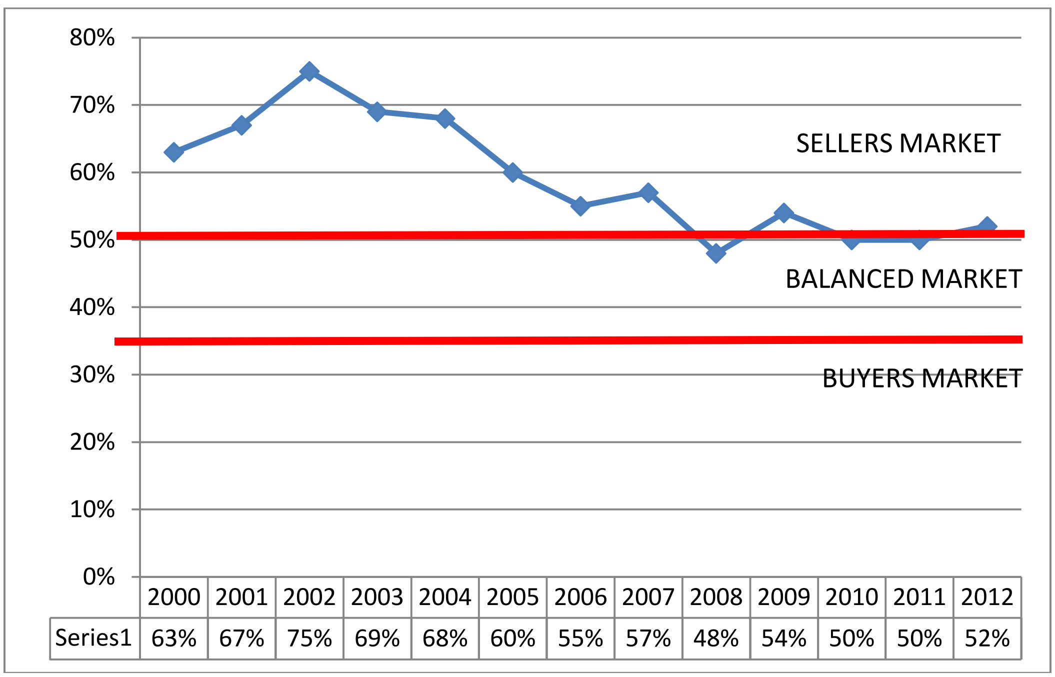


Figure 12 - Sales-To-New-Listings Ratio for Peterborough CMA: 2000-2012 (Source: CMHC)

6.3 Apartment Vacancy Rates

The apartment vacancy rate (the percentage of apartments that are vacant in an area) helps measure the demand for rental housing in a particular area. Generally, during periods of economic growth vacancy rates will decrease, while they will increase in times of economic slowdown. According to CMHC, Peterborough's overall apartment vacancy rate dropped to 2.7%. This continues with the trend of dropping vacancy rates falling from 6% in 2009 to 4.1% in 2010 and 3.5% in 2011 (Figure 13). This was after a period of 7 years (2002 to 2008) when the vacancy rate remained below 3%, the level generally used to indicate a rental housing supply shortage.

The CMHC suggests that a vacancy rate nearing 3% over the last couple years in Peterborough is largely the result of slowing economic conditions and its several related factors such as fewer youth leaving their homes for rental housing due to high youth unemployment; record low mortgage rates helping attract some renters into the homeownership market; and an increase in the rental housing supply due to significant subsidies provided by the federal and provincial governments to the private sector through the Affordable Housing Program (AHP).

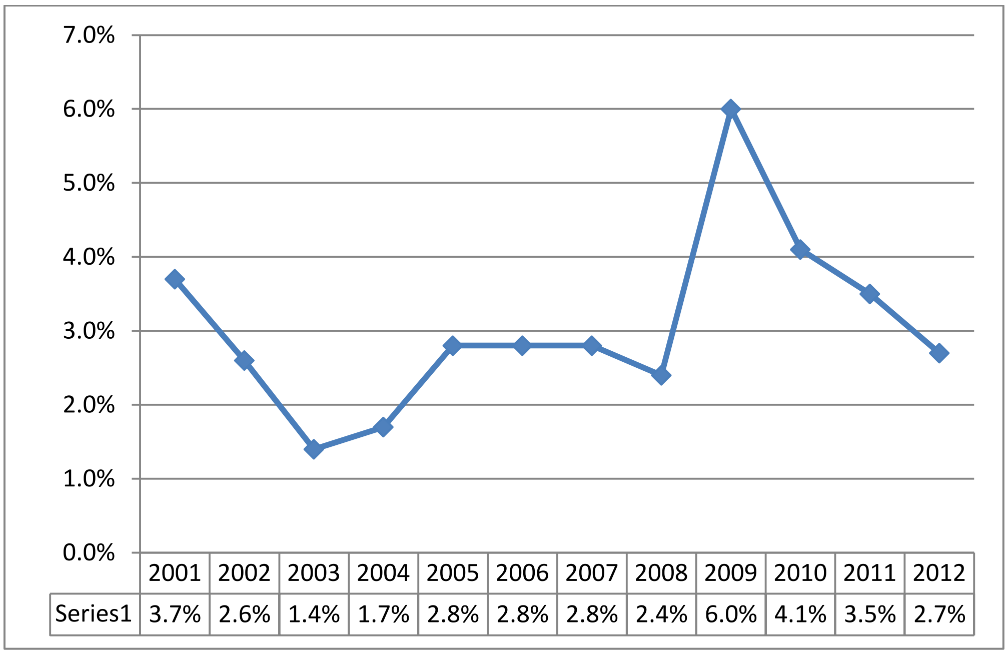
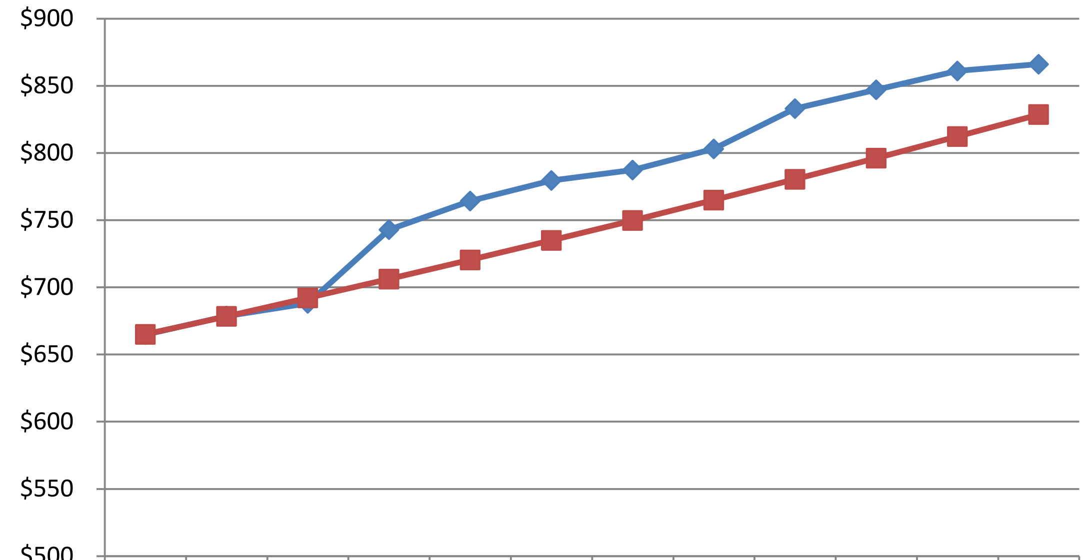


Figure 13 Rental Apartment Vacancy Rate in Peterborough CMA: 2001-2012
(Source: Peterborough CMA Rental Market Report: Fall 2012, CMHC)

6.4 Average Market Rents

Average market rents also measure the level of housing demand in an area. Generally, rent prices will increase as the demand for housing and particularly, rental housing increases. Over the past decade, the average market rent for all apartments in the Peterborough CMA increased by 30% from $665 in 2001 to $866 in 2012 (Figure 14). This increase has outpaced inflation, which over the same period of time, was 24.57% which translates to an annual rate of inflation of 2.02%.

In 2012, the average rent was $641 for a bachelor apartment, $774 for a 1-bedroom apartment, $904 for a 2-bedroom apartment, and $1,093 for an apartment with 3 or more bedrooms (Figure 15).



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Actual	$665	$679	$688	$743	$764	$780	$787	$803	$833	$847	$861	$866
Inflation	$665	$678	$692	$706	$720	$735	$750	$765	$780	$796	$812	$829

Actual Inflation

Figure 14 Average Market Rent in Peterborough CMA: 2001-2012
(Source: Peterborough CMA Rental Market Report: Fall 2012, CMHC)

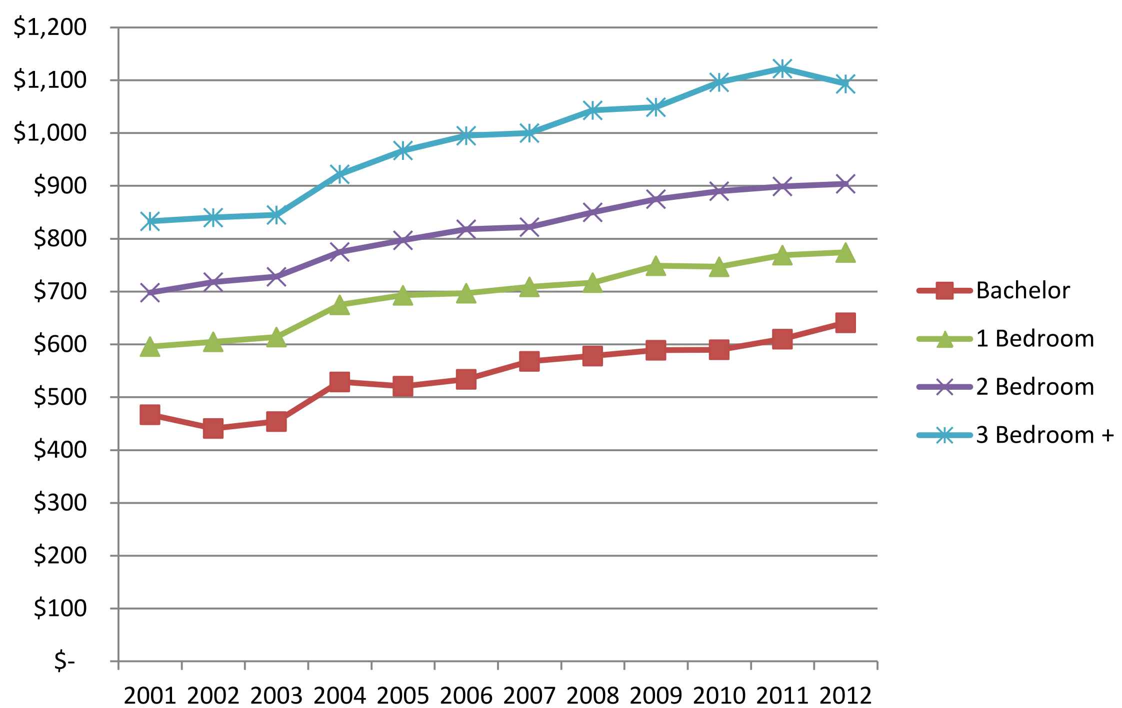
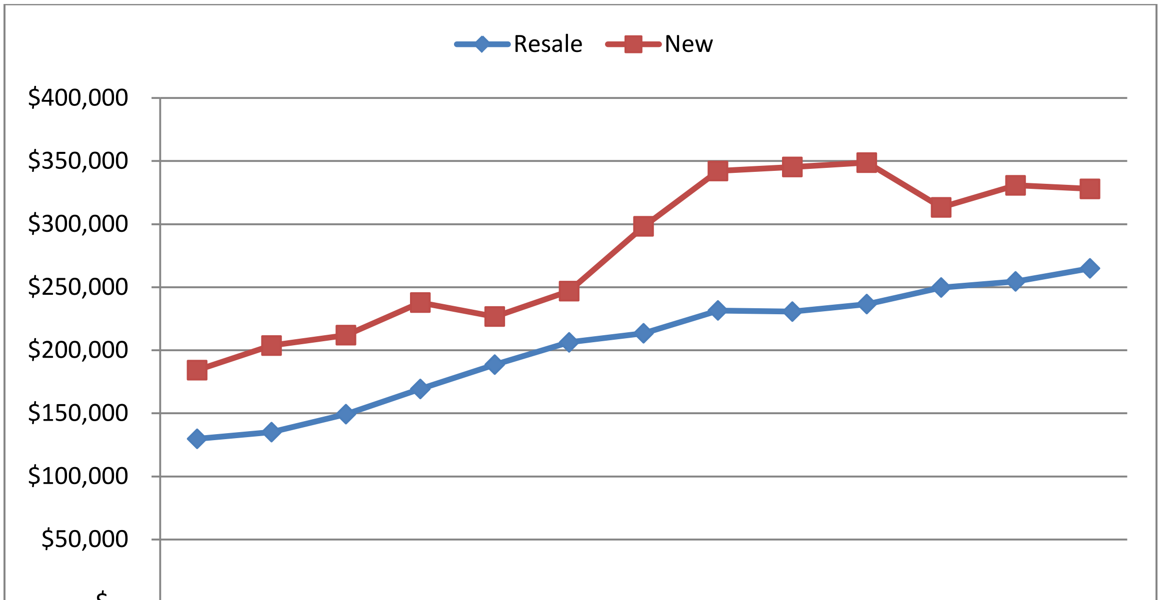


Figure 15 Average Rent by Apartment Type in Peterborough CMA: 2001-2012
(Source: Peterborough CMA Rental Market Report: Fall 2012, CMHC)

6.5 Average New and Resale House Prices

Figure 16 shows the average price of a new single-detached and resale house in the Peterborough CMA from 2000 to 2012. During this period, house prices increased significantly as the average resale house price nearly doubled, increasing to $266,000 in 2012, and the average price of a new single-detached home decreased slightly to $325,000 from $330,749 in 2011. Over the past few years, while the average resale house price has steadily increased, the average price of a new single-detached home has stabilized. This is likely because of the Provincial 'Places to Grow' legislation that has resulted in the construction of smaller, more affordable homes in the City's new subdivisions.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Resale	$129,	$135,	$149,	$169,	$188,	$206,	$213,	$231,	$230,	$236,	$249,	$254,	$264,
New	$184,	$203,	$211,	$237,	$226,	$246,	$298,	$342,	$345,	$348,	$313,	$330,	$327,

Figure 16 Average New and Resale House Price in Peterborough CMA: 2000-2012
(Source: CMHC)

7.0 Affordable Housing And Social Housing

The following section will generally outline ‘affordable housing’ and ‘social housing’ that generally require some form of government subsidy. The City’s ability to achieve its affordable housing target identified in the Official Plan is also assessed.

7.1 Affordable Housing

‘Affordable’ housing is generally defined as housing in which the household should not pay more than 30% of their income on rent. Households that are required to do so are classified as being in ‘core housing need’ and it was earlier identified (in Section 2.5) that the Peterborough CMA has the country’s highest proportion of its renter households that fall into this category.

‘Affordable’ housing is more specifically defined in both the Growth Plan and the Provincial Policy Statement (PPS) as:

a) in the case of ownership housing, the least expensive of:
   1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for *low and moderate income households*; or
   2. housing for which the purchase price is at least 10 per cent below the average purchase price of a resale unit in the *regional market area*;

b) in the case of rental housing, the least expensive of:
   1. a unit for which the rent does not exceed 30 percent of the gross annual household income for *low and moderate income households*; or
   2. a unit for which the rent is at or below the average market rent of a unit in the *regional market area*.

Low and moderate income households means in the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area; or in the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.

The regional market area is defined as “an area, generally broader than the lower-tier municipality, that has a high degree of social and economic interaction. In southern Ontario, the upper or single-tier municipality will normally serve as the regional market area.” Therefore, the regional market area in Peterborough generally includes both the City and County.

Based on this provincial definition and formula for calculating ‘affordable’, in Peterborough, the 2012 maximum affordable house price was $240,000 and the maximum affordable rent was $866 (average).

7.1.1 Affordable Housing Target Monitoring

The PPS requires the City of Peterborough to “establish and implement minimum targets for the provision of housing which is affordable to low and moderate income households.” Based on the following Official Plan policy (adopted through OPA #142), the City of Peterborough currently targets for a minimum of 10% of its new housing to be constructed as ‘affordable’:

> ***2.4.3.4*** *The City will strive to provide a minimum of 10 percent of new housing as affordable housing units to accommodate both family and non-family housing suitable to a full range of age groups, within all areas of the City.*

For the past decade, it was assessed whether housing production in the City of Peterborough was achieving this 10% affordable housing target. For each year, the provincial definition of ‘affordable’ was used to determine affordable house prices and rents. The purchase price of all new homes was retrieved from MPAC while the rental costs of apartments were determined with information from the City’s Housing Division and through telephone surveys. Overall, from 2000 to 2012 an average of 25% of new housing in the City was constructed as ‘affordable’ and in only one year (2008) did this production fall below 10% (Table 13).

In large part, this affordable housing production was achieved through the construction of 415 new rental units through the Canada-Ontario Affordable Housing Program (AHP) (Figure 17). However, Figure 17 also reflects how the Growth Plan’s density requirement for new subdivisions has led to the construction of more ownership housing is ‘affordable’ according to the PPS definition. It should be noted that while these new homes may be considered ‘affordable’, they are not in fact ‘affordable’ to the lowest income households in the community, which is where the greatest need for truly affordable housing persists.

In 2011, the City adopted an Affordable Housing Community Improvement Plan to provide financial incentives to affordable housing projects. In 2012, one 40-unit apartment building was built with affordable rents, with more projects in the works.

Table 13: *% of New Ownership Housing Production as 'Affordable' in City of Peterborough: 2000-2012* (Source: City of Peterborough Planning and Housing Division's, MPAC house sales data, City of Peterborough building permit database, telephone interviews)

Year	% of New Housing Production as 'Affordable'
2000	10%
2001	22%
2002	14%
2003	16%
2004	30%
2005	44%
2006	29%
2007	44%
2008	9%
2009	36%
2010	30%
2011	26%
2012	16%
AVERAGE	**25%**

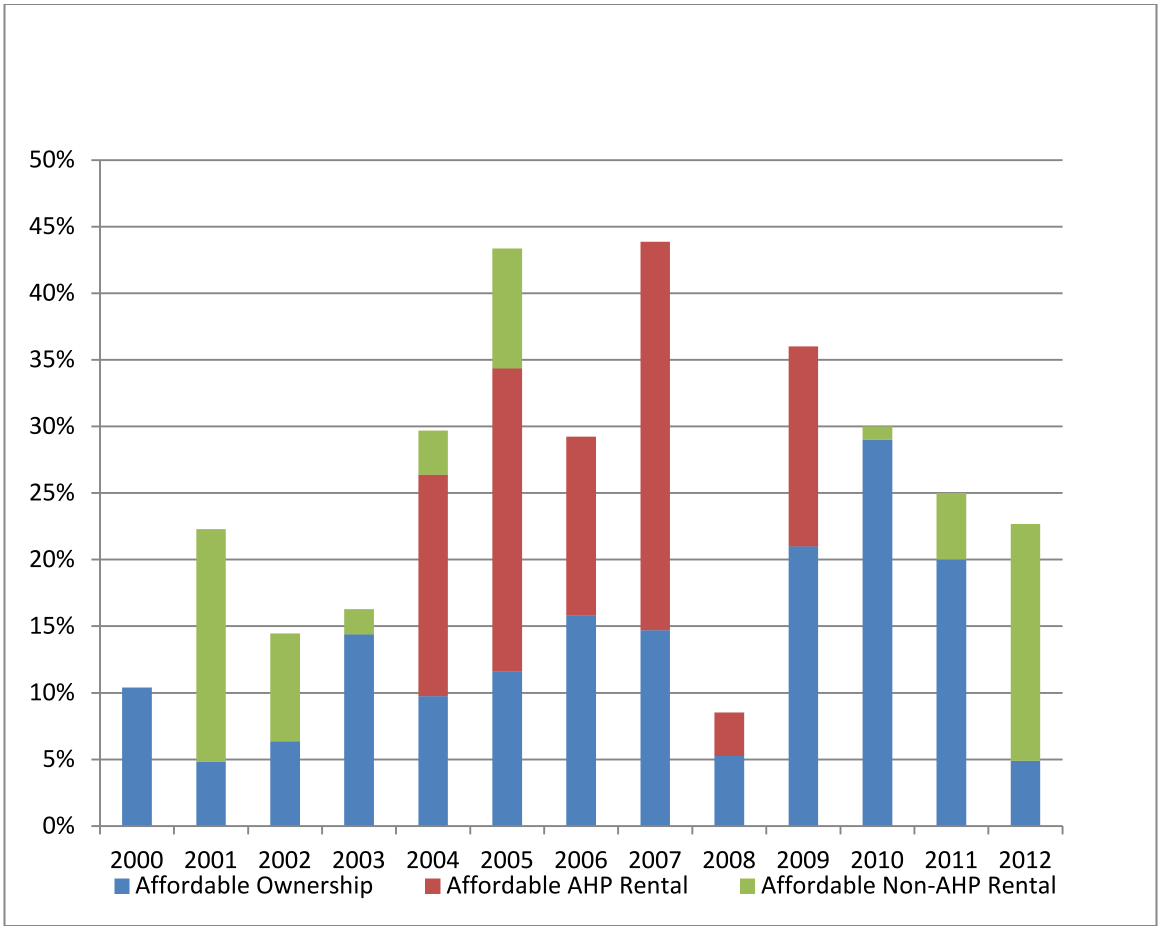


Figure 17: Percentage of All Housing Production as Affordable in City of Peterborough: 2000-2012 (Source: City of Peterborough Planning and Housing Division's, MPAC house sales data, City of Peterborough building permit database)

7.2 Social Housing

The City of Peterborough is the Service Manager responsible for the administration of social housing in both Peterborough City and County. There are currently 1,887 social housing units in the City and County, of which the majority are rent-geared-to-income (RGI) units where the rent is determined by the amount of gross household income. At the end of December 2012, the number of people on the waiting list for social housing was 1,528, down slightly from 1,700 in the previous year.

Since an average of approximately 230 people have been provided with social housing over the past five years, this means that there is an average waiting time of approximately seven years for social housing. It should be further noted that the number of seniors on the waiting list more than doubled between 2003 and 2012. This is reflective of Peterborough's aging population and the lack of affordable housing options to suit their needs.

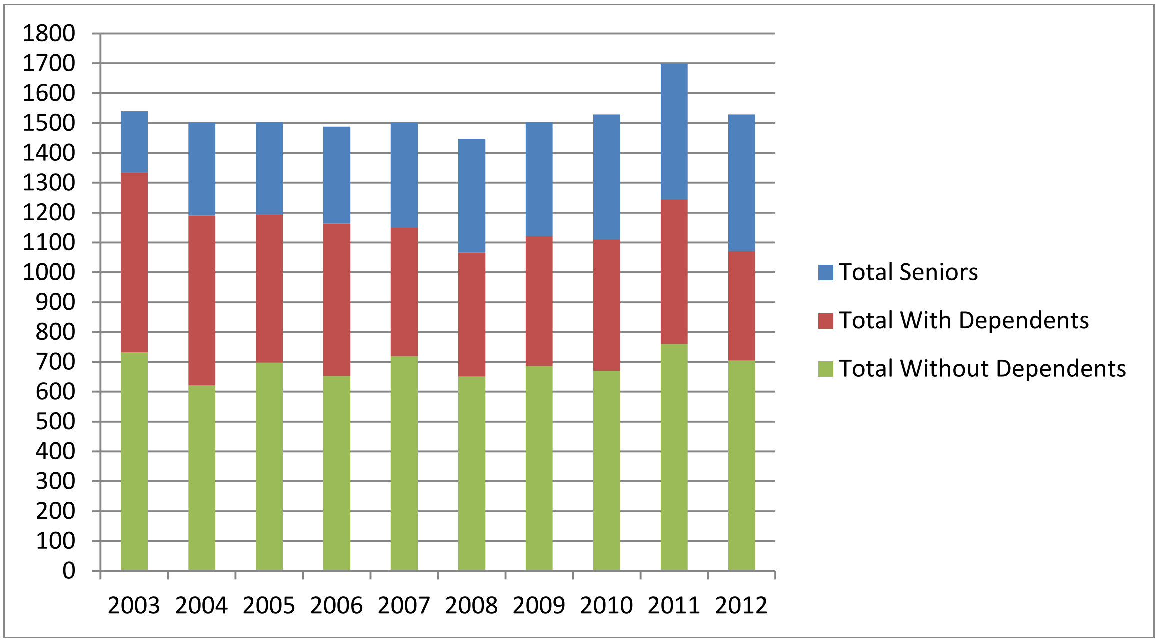


Figure 18 – Total People on the Social Housing Waiting List

(Source: Housing Access Peterborough)

8.0 Conclusion

The findings of this report suggest that Peterborough's local housing market is in generally good health and the City's residential development is being planned for in accordance with provincial planning objectives that aim to curb urban sprawl and create more compact, transit-supportive and complete communities. However, the City faces numerous challenges in achieving these provincial planning objectives and in maintaining a healthy housing market.

Over the next 20 years, Peterborough's population is forecast to grow. During this time, Peterborough's population is also forecast to age considerably with seniors forecast to represent approximately 30% of the total population. The City will be challenged to provide housing that not only meets the demands of this sustained population growth, but also the particular needs of an aging population.

The City will also be challenged in planning for its residential development to achieve certain provincial planning objectives such as the intensification and density targets established for it in the Growth Plan for the Greater Golden Horseshoe. This particularly becomes the case when achievement of the 40% intensification requirement will require an emphasis on the redevelopment of existing under-utilized land and buildings. The adoption of new Official Plan policies and plans such as the Central Area Community Improvement Plan, the Affordable Housing Community Improvement Plan and the Central Area Master Plan will assist the City in achieving these development targets. The City has also recently processed several large subdivision applications and is achieving the provincial residential land supply requirements.

Though the City has been achieving its 10% annual affordable housing target, there are still a number of households in Peterborough that struggle to attain truly affordable housing. The City is therefore challenged in providing greater levels of housing affordability, particularly through the construction of new affordable rental housing. The City has taken measures to address this by adopting an Affordable Housing Community Improvement Plan that will provide financial incentives for affordable housing projects and by taking advantage of available funding from senior government affordable housing programs.