2015 City of Peterborough Residential Monitoring Report

City of Peterborough

Executive Summary

This Report presents and analyzes residential development trends within the City of Peterborough for the year 2015. 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 103,000 residents by 2031. This represents an average annual growth rate of 1.6% or 1,215 people from 2011 to 2031. The Peterborough Census Metropolitan Area (CMA) is characterized by its large and expanding senior population, with a median age of 44.6. The Peterborough CMA is also characterised by having the highest share of seniors among CMAs provincially and nationally at 19.5% of the population being aged 65 plus.[1] This proportion of the population has increased from 18.2% in the 2006 census. Seniors aged 65 and older are forecast to represent 25% of the City's population by 2041[2].

Residents of the City of Peterborough have less income 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. 2013 Taxfiler data reports median family income as $68,930, which was also less than the Ontario ($76,510) and Canadian ($76,550) amounts.

In 2015, Canada Mortgage and Housing Corporation (CMHC) reported the average price of a resale house in the Peterborough CMA as $297,848 increasing from the 2014 average of $280,848. The average price of a new single-detached home in the CMA was reported to be $336,417, up from $318,073 in 2014. In 2015, a total of 3,006 houses were sold in the Peterborough CMA. According to CMHC, the average market rent for the CMA was $666 for bachelor units, $816 for one bedroom units, $959 for 2 bedroom units and $1,172 for 3 or more bedroom units in 2015. The rental apartment vacancy rate for the Peterborough CMA was 3.7% in 2015. In 2015, building permits were issued for 339 residential units. This represents a slight decrease from 2014

Places to Grow: Growth Plan for the Greater Golden Horseshoe requires the City to direct 40% of all new residential units to areas within its Built Boundary (BB) starting in the year 2015 and for each year thereafter. In 2015, the City met this target, with 51% of new residential development taking place within the Built Boundary. Overall since 2007 the City has exceeded this target with an average intensification rate of 47%. Despite this, success, it is anticipated that this target will become much more difficult to achieve

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[1] Ministry of Finance. 2012. 2011 Census Highlights. http://www.fin.gov.on.ca/en/economy/demographics/census/cenhi11-3.pdf <accessed March 27, 2012>.

[2] Hemson Consulting Ltd. 2013. Greater Golden Horseshoe Growth Forecasts to 2041. Technical Report (November 2012) Addendum.

in the future as existing vacant land included within the BB is developed, requiring greater focus on the redevelopment of under-utilized buildings and sites.

The Growth Plan also requires the Downtown Peterborough Urban Growth Centre (UGC) to be planned to accommodate a density of 150 residents and jobs per hectare by 2031. Since its density was estimated to be 105 residents and jobs per hectare in 2011, an additional 4,500 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 is in the process of adopting new Secondary Plans 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 2015, the City achieved both of these requirements.

The PPS also requires the City to establish an affordable housing target. In 2010, the City established a target for 10% of its new housing to be constructed as affordable. Based on the PPS definition and formula for calculating 'affordable', in Peterborough, the 2015 maximum affordable house price was $268,000. Since this policy's implementation in 2010, approximately 22% of new residential rental and ownership units met the definition for 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. However, 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.

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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 requiring growth to occur in a more compact and complete way, the Growth Plan controls ***where and how*** new residential development occurs. It does this by establishing mandatory development targets for municipalities to plan to achieve while also requiring municipalities to establish affordable housing targets as a way to help ensure that the housing needs of all residents are 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 (RMR).

The purpose of the RMR is to present and analyze residential development trends within the City of Peterborough for the year 2015 and to assess whether the City has been meeting its targets and requirements outlined 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 shape the local demand for housing;
- Highlight trends in the local housing market; and
- Assess whether the City is achieving its Official Plan policies that pertain to:
    - Meeting the Growth Plan's mandated development targets;
    - Maintaining an adequate supply of residential land as per the PPS requirement; and
    - Meeting 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 shape the demand for housing in the City of Peterborough. This information is based on data from the 2011 Census and the 2011 National Household Survey which are surveys of the Canadian population undertaken every 5 years by the Government of Canada. This information has been supplemented with more recent data from Statistics Canada or other sources wherever possible, such as 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 that span both 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%. Data captured through the NHS may not be the most accurate representation of the spectrum of demographics in this community.

In previous years, 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 and that data trends analysis between Census and NHS derived information should be done with caution.

2.1 Population Growth

According to the 2011 Census, the City of Peterborough had a population of 78,698 in 2011[3]. 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 – within 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. In 2013, Schedule 3 of the Growth Plan for the Greater Golden Horseshoe was amended to update and extend the employment and population forecasts to 2041.

The updated forecast indicates that between 2031 and 2041, the City of Peterborough is expected to grow from 103,000 to 115,000 residents, and that in 2031, the City will have a population of 103,000, as opposed to 88,000 as forecast in the earlier version of the Growth Plan. Figure 1 displays the previous and amended forecast scenarios, along with the actual population.

The forecast growth from 2031 to 2041 represents an 11.7% ten-year growth rate, representing an additional 1,200 people per year over a 10 year period or approximately 521[4] new residential units per year. To compare with actual population change

[3] Statistics Canada has since released an under coverage 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.

[4] Based on 2.3 persons per household as per Table 4 of this report.

observed in the City, between 2001 and 2011, the City grew from 71,446 to 78,698 residents. This represents a growth rate of 10.2% increase over a ten-year period, an average additional 725 people per year or approximately 315 new residential units per year.

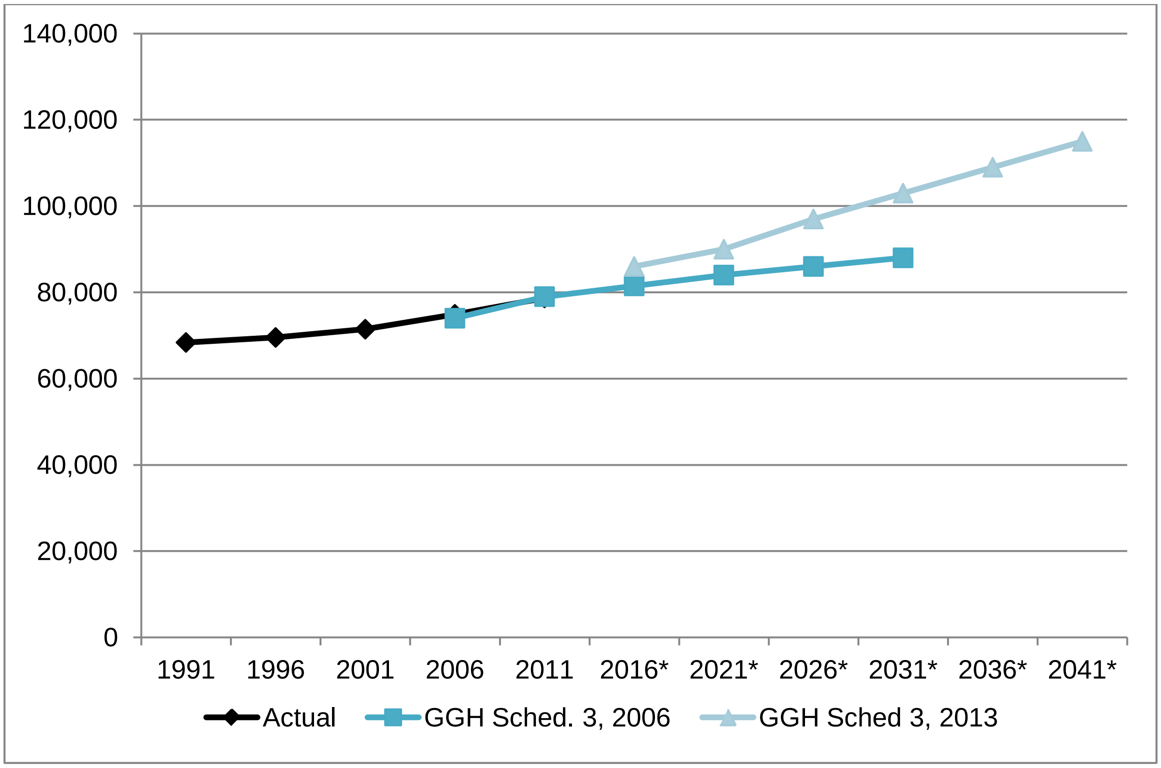


Figure 1 - Population of the City of Peterborough: Actual from 1991 to 2011 and Forecast to 2041.

*** 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)

The City of Peterborough will be required to adjust policies in the Official Plan to conform to the projections in the amended Schedule 3 of the Growth Plan. The Official Plan is in the process of being updated and the revised population and employment figures from Schedule 3 will be reflected therein. However, for the purposes of this report, the 2006 GGH Schedule 3 numbers will continue to be used until the Official Plan is updated.

2.2 Demographics

The City of Peterborough has a population that is 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 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)[5] - which includes the City of Peterborough as well as the 4 neighbouring Townships of Cavan-Monaghan, Otonabee-South Monaghan, Douro-Dummer, Selwyn, as well Hiawatha and Curve Lake First Nations – 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 largest proportion of seniors of all CMA's in Canada. With the forecast growth of seniors aged 65 and older reaching 25% of the City's population by 2041 (Hemson Consulting Ltd., 2013) (Figure 3), the City needs to ensure its housing production adequately meets the needs of seniors, which may include smaller unit sizes and housing with support services that enable seniors to 'age-in-place'.

Table 1 - Median Age of Peterborough (City and CMA) and Ontario Residents
(Source: 2006 & 2011 Census)

Geographic Area	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. Catharines – 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%

[5] Note that the Peterborough CMA excludes four Peterborough County Municipalities: Trent Lakes, Asphodel-Norwood, North Kawartha and Havelock-Belmont-Methuen.

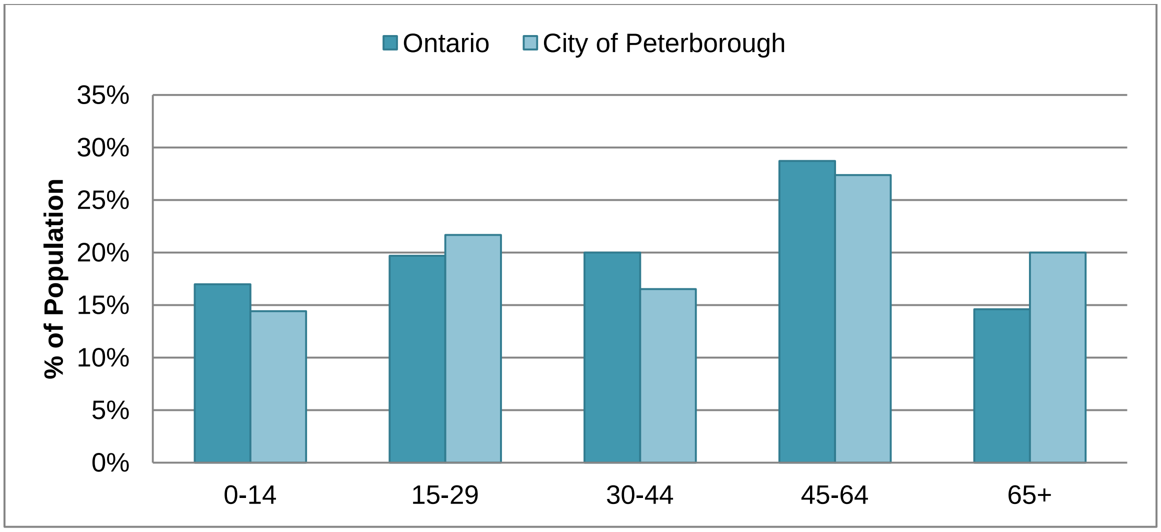


Figure 2 - Percentage of 2011 Population by Age Group Ontario and City of Peterborough Comparison
(Source: 2011 Census)

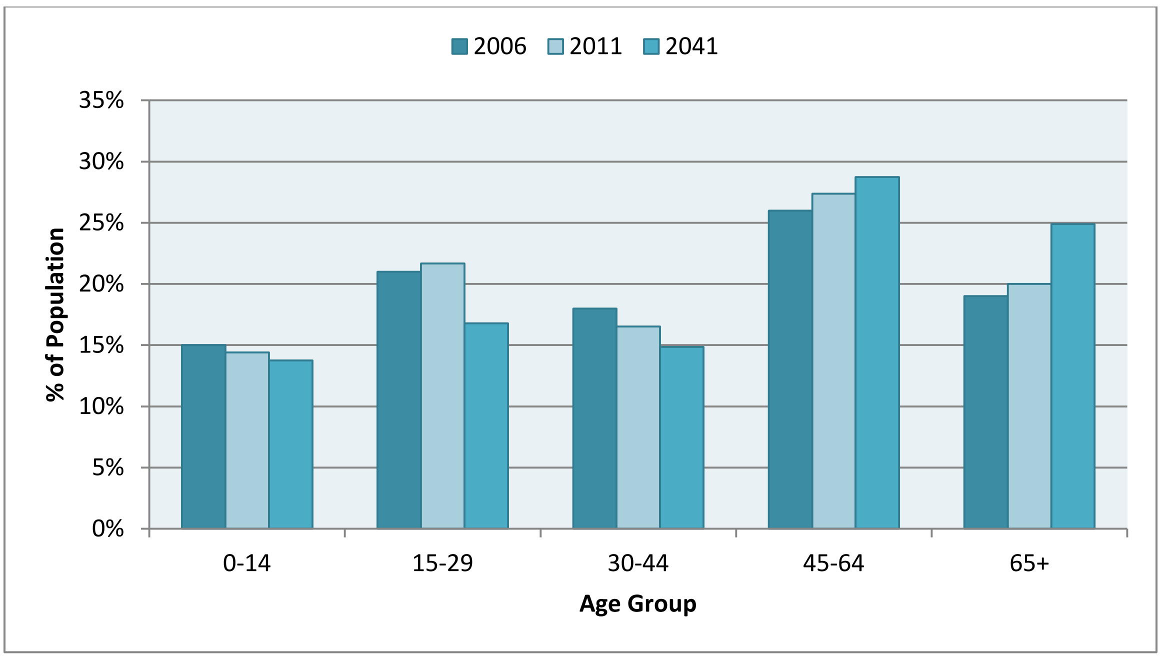


Figure 3 - Percentage of City of Peterborough Population by Age Group: 2006, 2011 Censuses and 2031 Forecast
(Source: 2006 Census, 2011 Census and Hemson Consulting Ltd., 2013)

2.3 Average Household Size

The City of Peterborough average household size (2.3) is smaller 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 5 shows continued decrease in household size.

Table 4 – Average Private 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

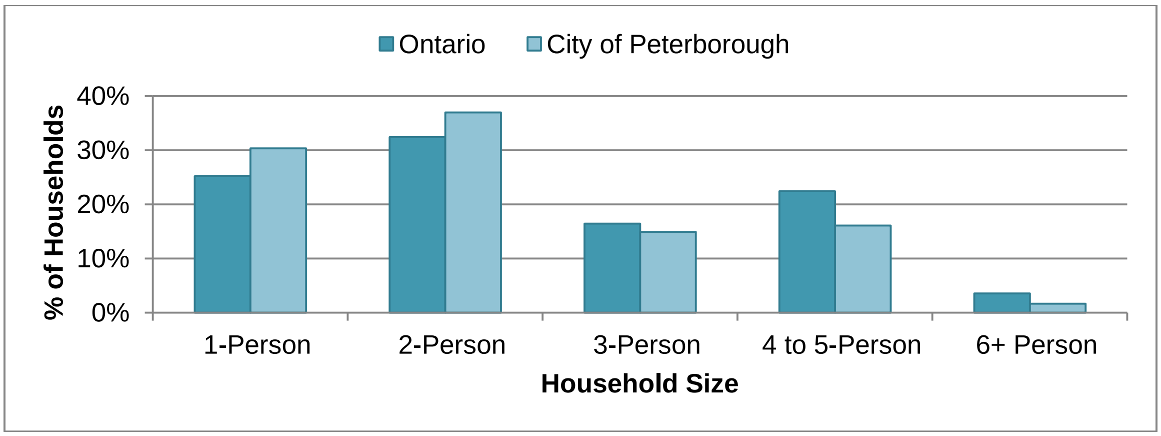


Figure 4 - Percentage of Private Households by Size: 2011
(Source: 2011 Census)

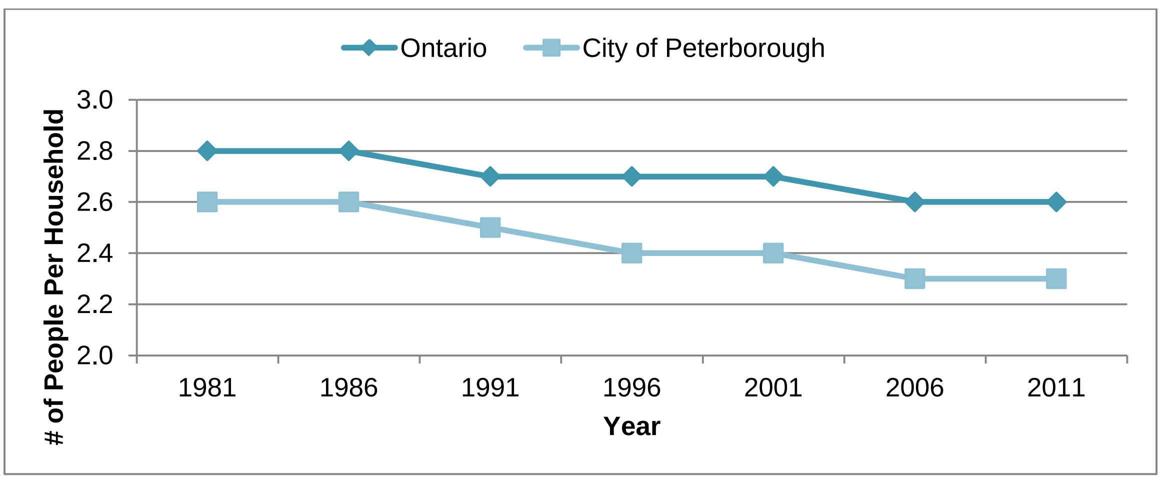


Figure 5 - Average Private Household Size: 1981 to 2011
(Source: 2006 Census, 2011 Census)

2.4 Post-Secondary Students

The combined total full-time enrollment at the Peterborough campuses of both Trent University and Sir Sanford 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.[6] 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. Since 2011, 123 three and four-bedroom apartment units have been constructed in a private student residence adjacent to Trent University. In 2013, the Seneca School of Aviation opened – introducing 140 additional students to Peterborough's housing market.

2.5 Median Household Income

Residents of the City of Peterborough have less income than both the provincial and national averages. This trend is demonstrated in the 2006 Census, the 2011 NHS as well as 2013 Taxfiler data. According to the 2013 Taxfiler data, the City had a median family income of $68,930 (Figure 6).

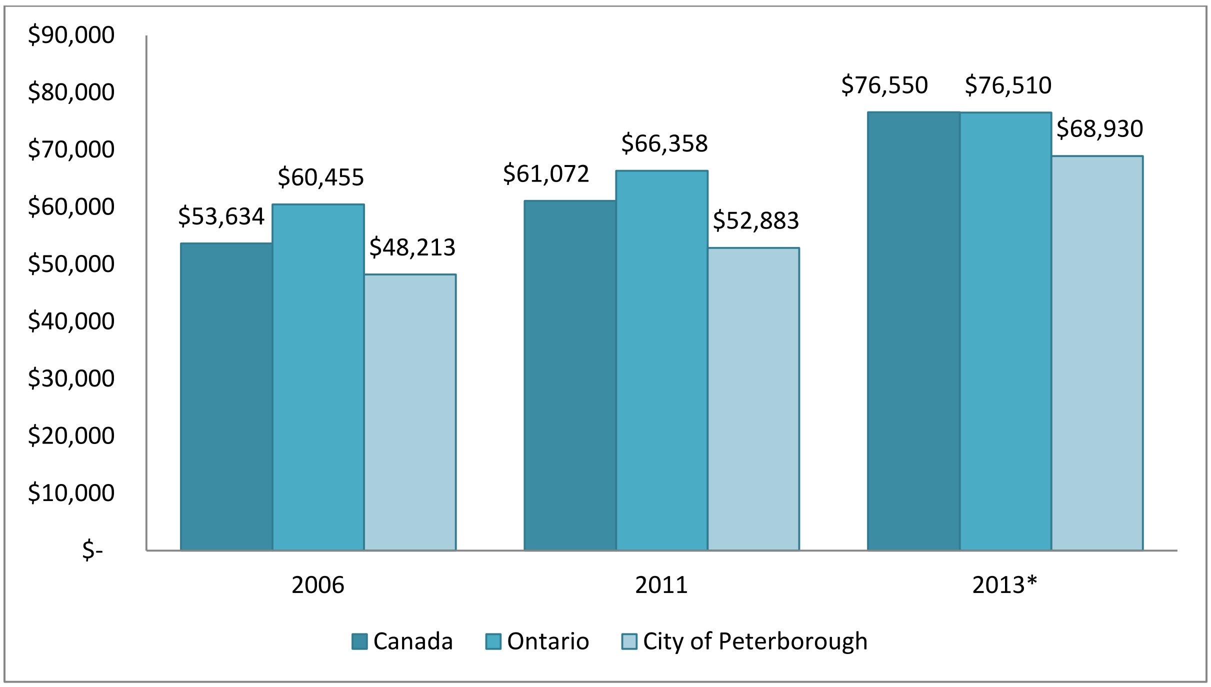


Figure 6 - Median Household Income 2006 and 2011. Median Total Income per family is recorded for 2013
(Source: 2006 Census, 2011 NHS, 2013 Taxfiler Data)

In past census years, the 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 CMAs in Canada. According to the 2011 NHS, 48.1% of renter households spent 30% or more on their shelter costs.

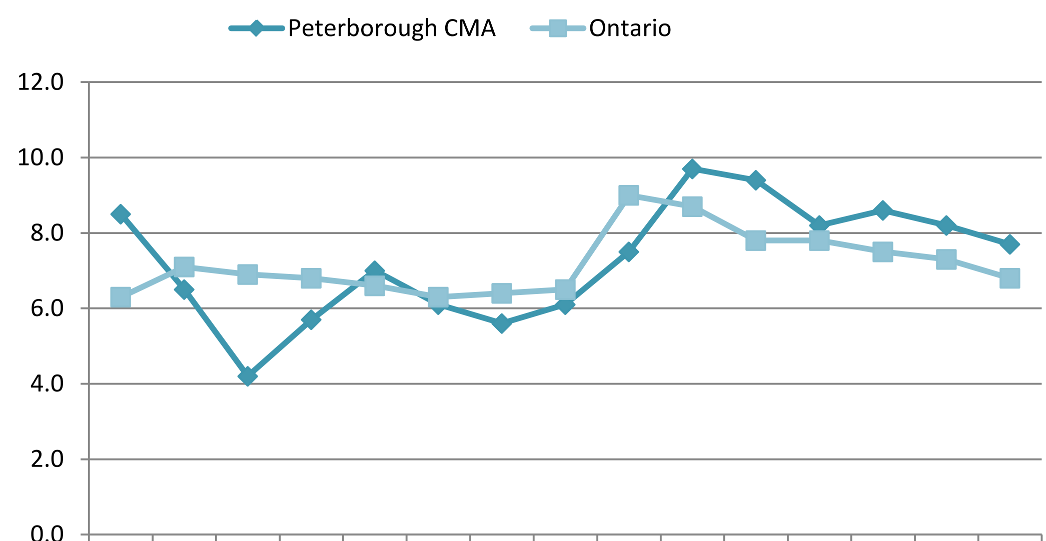
[6] Tim Welch Consulting, Greg Suttor Consulting and Deb Ballak. 2013. Housing and Homelessness Needs Assessment: Peterborough City and County. P. 45.

Although Peterborough did not rank within the top 5 unaffordable CMAs as measured for renter households, there was a high non-response rate to the voluntary NHS, therefore it is possible that qualifying households were not properly represented in the data. Regardless of the City's placement nationally, Peterborough residents continue to need affordable units, with almost half of renter households spending 30% or more of their income on shelter costs.

CMHC used 2013 Income Data and housing indicators to provide a recent update to assessing housing in light of income based on the percentage of households in Core Housing Need. Core Housing Need reflects a number of factors including housing that is not adequate, suitable or affordable and requires households to spend 30% or more of before tax income to pay the median rent of alternative housing that is acceptable (is adequate, affordable and suitable for the household).Peterborough tops all 33 CMAs with the highest percentage of residents in Core Housing Need at 20.7%.

2.6 Unemployment Rate

The changing economic conditions of a community directly influence the level of demand for housing. In 2015, the City of Peterborough had an unemployment rate of 7.7%, a decrease from 8.2% in 2014. Figure 7 shows the trend in unemployment rates for the Peterborough CMA as well as Ontario since 2001.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Peterborough CMA	8.5	6.5	4.2	5.7	7.0	6.1	5.6	6.1	7.5	9.7	9.4	8.2	8.6	8.2	7.7
Ontario	6.3	7.1	6.9	6.8	6.6	6.3	6.4	6.5	9.0	8.7	7.8	7.8	7.5	7.3	6.8

Figure 7 - Unemployment Rate Trend Comparison for Peterborough CMA and Ontario 2001-2015
(Source: CMHC Housing Market Outlook Peterborough CMA Spring 2014, CMHC Housing Market Outlook Canada Edition First Quarter 2015 and CANSIM Table 282-0122)

2.7 Commuting Patterns

In some communities there is a strong demand for housing from people 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 NHS, 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. This trend has been maintained from the 2006 Census.

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

Place of Work	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 NHS 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 and has been amended to provide updated forecasts to 2041. 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, 2006, Office Consolidation, June 2013)*

3.2 Growth Plan Development Target Monitoring

The Growth Plan contains development targets that municipalities in the GGH must adopt into their Official Plans and plan to achieve. These targets represent only a portion of the Growth Plan's requirements that municipalities are expected to adopt into their Official Plans. However, 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 – which was determined to be 100 residents and jobs per hectare in 2009; and
- To plan to achieve an average density of 50 residents and jobs per hectare within its Designated Greenfield Area. Residential density in the City's subdivisions in 2000-2008 was 29 residents and jobs per hectare.

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.

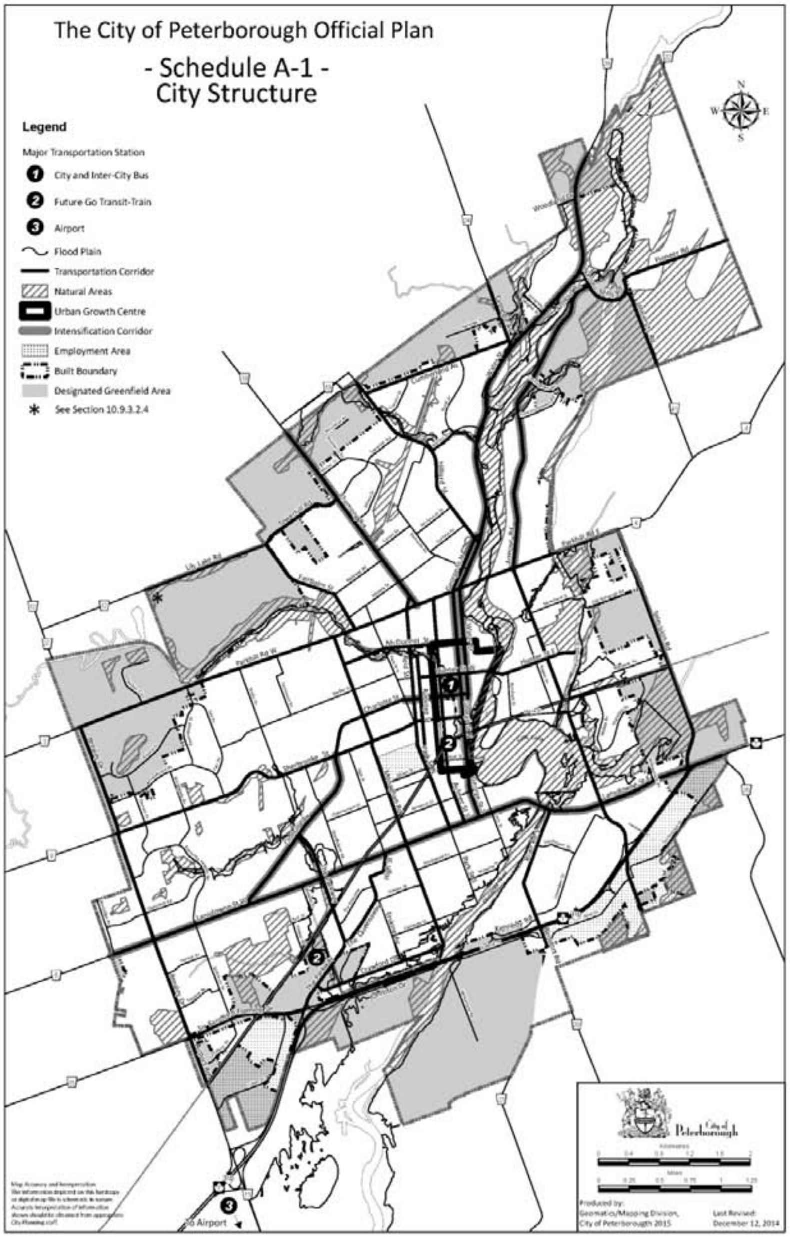


Figure 8 - Schedule A-1 City of Peterborough Structure
(Source: City of Peterborough Official Plan)

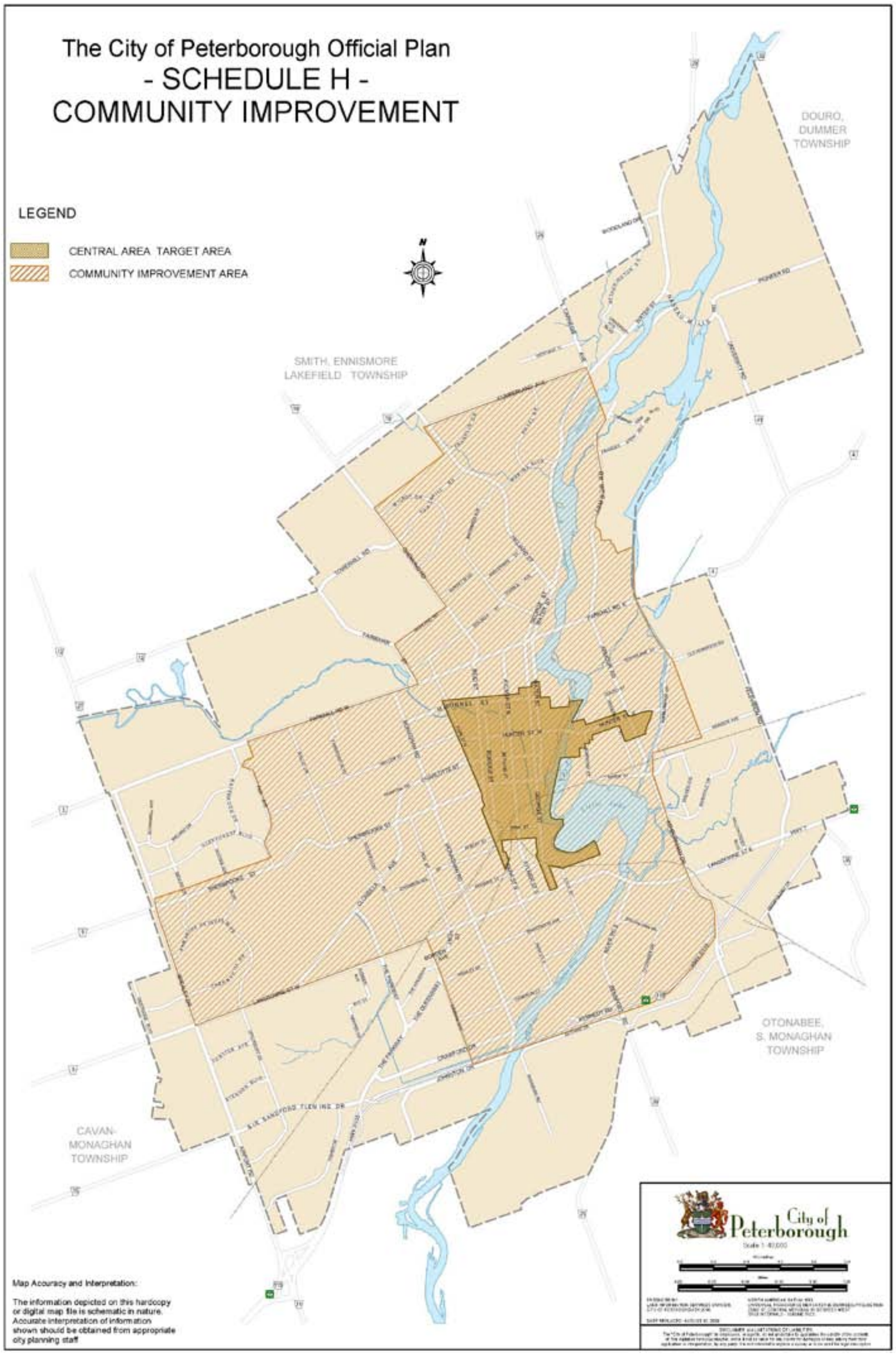


Figure 9 – Schedule H of the City of Peterborough's Official Plan – Community Improvement Areas. (Source: City of Peterborough Official Plan)

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 415 residential units in a year, at least 160 must be built within the Built Boundary. This is a 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 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.

The 40% intensification target is mandatory as of 2015. In 2015, the intensification rate was above the 40% target – sitting at 51%. The City has achieved an overall intensification rate of 47% since 2007 (Table 7). 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 and a substantial number of condominium units in several large developments.

Table 7 - Intensification Rate in the City of Peterborough: 2007-2015
(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 Created 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%
2013	360	129	231	36%
2014	374	232	142	62%
2015	339	172	167	51%
Total	3081	1602	1767	
Average	376	178	196	
Percentage		47%	53%	

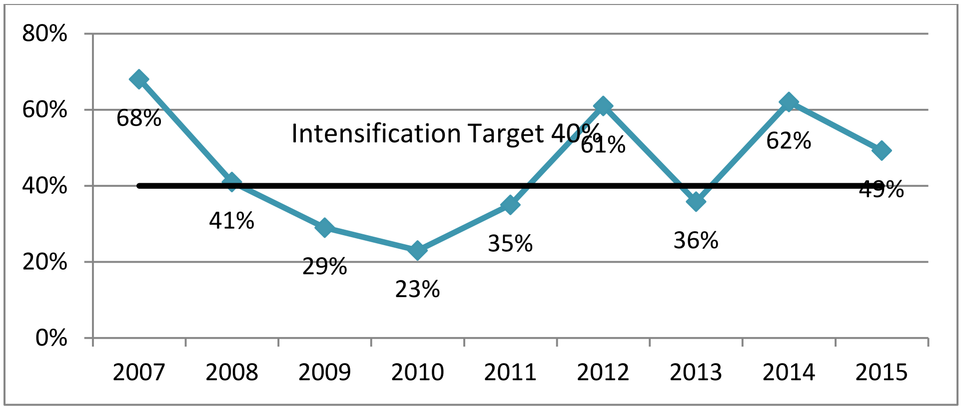


Figure 10 - Percentage (%) of Residential Units Created Within Built Boundary: 2007-2015 compared with Intensification Target of 40%
(Source: City of Peterborough Planning Division, City's building permit database)

3.2.2 Urban Growth Centre (UGC)

A portion of 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 UGCs to be planned to accommodate a significant 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. The density of the Downtown Peterborough UGC was estimated to be 116 residents and jobs per hectare in 2006 and was recently updated to 105 residents and jobs per hectare in 2011[7]. Achievement of this target will mean adding about 4,500 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 265 residential 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. To achieve the Growth Plan density target, more large-scale developments will need to occur

[7] Technical Report on Preliminary Performance Indicators for the Growth Plan for the Greater Golden Horseshoe, 2006. Ministry of Municipal Affairs and Housing.

downtown in the coming decades. The re-zoning for the development of 61 apartment units at Rink and Olive Streets 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 (CIP) to provide financial incentives to help stimulate the development of these types of projects. This, along with exemption policies contained in the Development Charges By-law, promote development and redevelopment in the Central Area. There were no additional residential units created in 2015, however several units were added in the Central Area as a whole.

Table 8 - Total Units Created in Downtown Peterborough Urban Growth Centre: 2000-2015 Measured by Building Permits Issued
(Source: City of Peterborough Planning Division, City's building permit database)

Year	# of Units Created
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
2013	17
2014	8
2015	0
Total	**265**

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 adopted a secondary plan for Lily Lake and will shortly see the Liftlock and Carnegie Secondary Plans. Over the coming years, a Secondary Plan will also be prepared for the southern portion of Coldsprings and the west half of Chemong. 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. 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 land is readily available to the market to meet new housing demand without any major servicing constraints.

As of the end of 2015, approximately 2,900 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 415 residential units being constructed over the past 10 years, this represents an approximate 7-year supply[8] of units on zoned residential land, therefore meeting the 3-year minimum requirement of the PPS.

Table 9 - Residential Unit Potential on Zoned Residential Land in the City of Peterborough, 2015
(Source: City of Peterborough Planning Division, City's building permit database, MPAC Data, GIS analysis)

Type	Unbuilt Units	Units in BB	Units in DGA
Draft Approved Plans of Subdivision	1,522		1,522
Registered Plans of Subdivision	361	37	324
Condo Developments Under Construction	48	17	31
Zoned Sites[9]	1000	1000	0
Total	2,931	1,054	1,877

[8] Represents approximately 7 years supply of zoned land based on annual average of 415 residential units (10-year running average)

[9] Estimated potential based on current zoning provisions of vacant residential land as well as sites that were recently rezoned but have not undergone construction

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 2015, approximately 15,2500 residential units were designated as defined in the PPS (Table 10). Further analysis indicates that approximately 2,700 units can be accommodated on designated land in the City's Built Boundary and approximately 12,500 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 an approximate 16-year supply[10] of units in the Built Boundary and 51-year supply[11] of units in the Designated Greenfield Area.

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[10] Represents 16 years of total supply in the BB based on 40% of 415 units (166 units).

[11] Represents 51 years of total supply in DGA based on 60% of 415 units (249 units).

Table 10 - Long Term Residential Unit Potential of Designated and Available Residential Land in City of Peterborough, 2015
(Source: City of Peterborough Planning Division, GIS analysis)

Type	Unit Potential	Units in BB	Units in DGA
New Subdivision Applications	847	10	837
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
Lily Lake	2,282	-	2,282
Auburn North	483	-	483
Downtown UGC (estimate)	1,400	1,400	-
Medium/High Density Land (estimate)	1,300	1,300	-
Total	**15,287**	**2,710**	**12,577**

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 about 15,217 residential units be built. The City is on track to ensure residential land is available to accommodate this predicted future population.

The City is required to direct at least 40% of residential units to inside the built boundary. Currently, only 18% of the identified long term unit potential is within the built boundary. These are known possible redevelopment or intensification opportunities. The City will need to continue to support efforts to direct development towards underutilised and underdeveloped sites within the built boundary to help ensure this target is met. Such efforts include working with property owners to redevelop Central Area sites by offering financial incentives through the Central Area Community Improvement Plan, as well as facilitating the redevelopment and conversion of non-residential sites, and identifying opportunities for intensification and infill development, including the intensification of existing housing through the creation of secondary suites/accessory apartments.

5.0 Residential Building Activity

Since 2000, building permits have been issued for the creation of 5,791 residential units in the City of Peterborough (Table 11, Figure 11). This represents an annual average of 362 units. In 2015, permits were issued for 339 units, which is less than the peak of 663 units issued in 2005.

Table 11 - Units Created Through Issued Building Permits, by House Type, in City of Peterborough: 2000-2015
(Source: City of Peterborough building permit database)

	Year	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**
	2013	219	49	56	0	36	**360**
	2014	133	40	165	0	36	**374**
	2015	157	44	33	105	0	**339**
Total		**3,129**	**935**	**1,488**	**279**	**299**	**5,791**

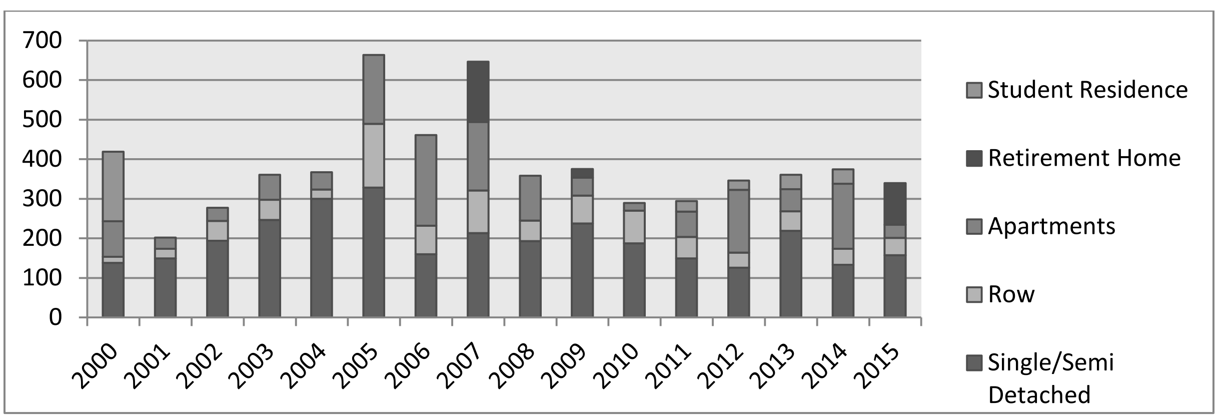


Figure 11 - Units Created Through Building Permits Issued, By House Type in City of Peterborough: 2000-2015
(Source: City of Peterborough building permit database)

6.0 Housing Market Trends

This section provides an analysis of trends in the housing market for the Peterborough 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. Note that the data contained in this section is different than the building activity data supplied by the Building Division (Table 11). Although different, the Housing Start data from CMHC is helpful as it depicts the split between rental and ownership housing starts. Although for the CMA as a whole, this data provides the trend in construction by tenure over time.

From 2000 to 2015, there were a total of 6,514 housing starts in the Peterborough CMA (Table 12). A low of 232 housing starts was recorded in 2014, while a high of 619 was recorded in 2005. Single-detached units were the dominant housing type built – totaling 76% of all units built since 2000. The proportion of single detached homes has decreased since 2000, with the slight increases of other housing types, particularly apartments and row houses.

Table 12 - Housing Starts by Type and Tenure in Peterborough CMA: 2000-2015
(Source: Housing Now Tables – Peterborough CMA – Second Quarter 2016)

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
2013	354	224	0	48	82	272	82
2014	232	203	8	21	0	232	0
2015	365	296	2	55	12	353	12
Total	**6,514**	**4,937**	**76**	**969**	**532**	**5,989**	**522**
%	**-**	**76%**	**1%**	**15%**	**8%**	**92%**	**8%**

Table 12 also indicates that of all the housing starts in the Peterborough CMA from 2000 to 2015, the majority 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 2000. Since rental housing satisfies a number of important demands in the community's housing market, particularly for those who cannot afford to become homeowners, a balanced emphasis on its construction is required.

6.2 Residential Sales Activity

Figures 12 and 13 reflect the total number of annual sales of residential units in the Peterborough CMA from 2000 to 2015 as well as the annual sales-to-new-listings ratio (sales as a percentage of new listings). 3,006 residential sales occurred in 2015. 2015 was a record year for sales, beating out the previous record set in 2004 when 2,980 homes were sold. The sales-to-new-listings ratio was highest in 2002, when sales were achieved for 75% of all new listings.

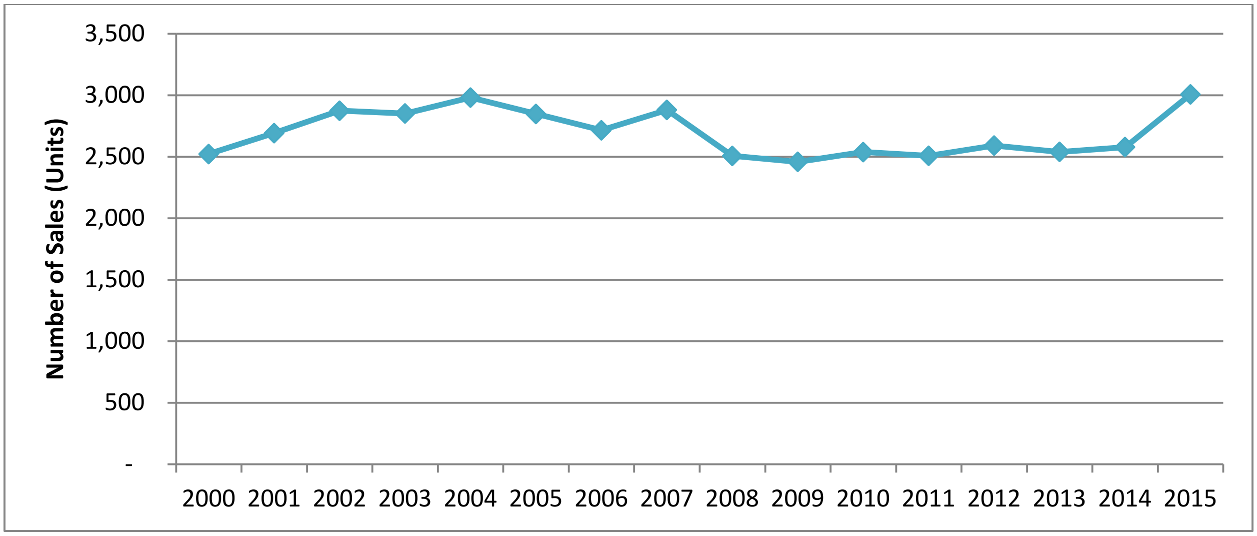


Figure 12 - Total House Sales in Peterborough CMA: 2000-2015
(Source: CMHC)

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’. 2015 shows the beginnings of Peterborough entering into a seller’s market.

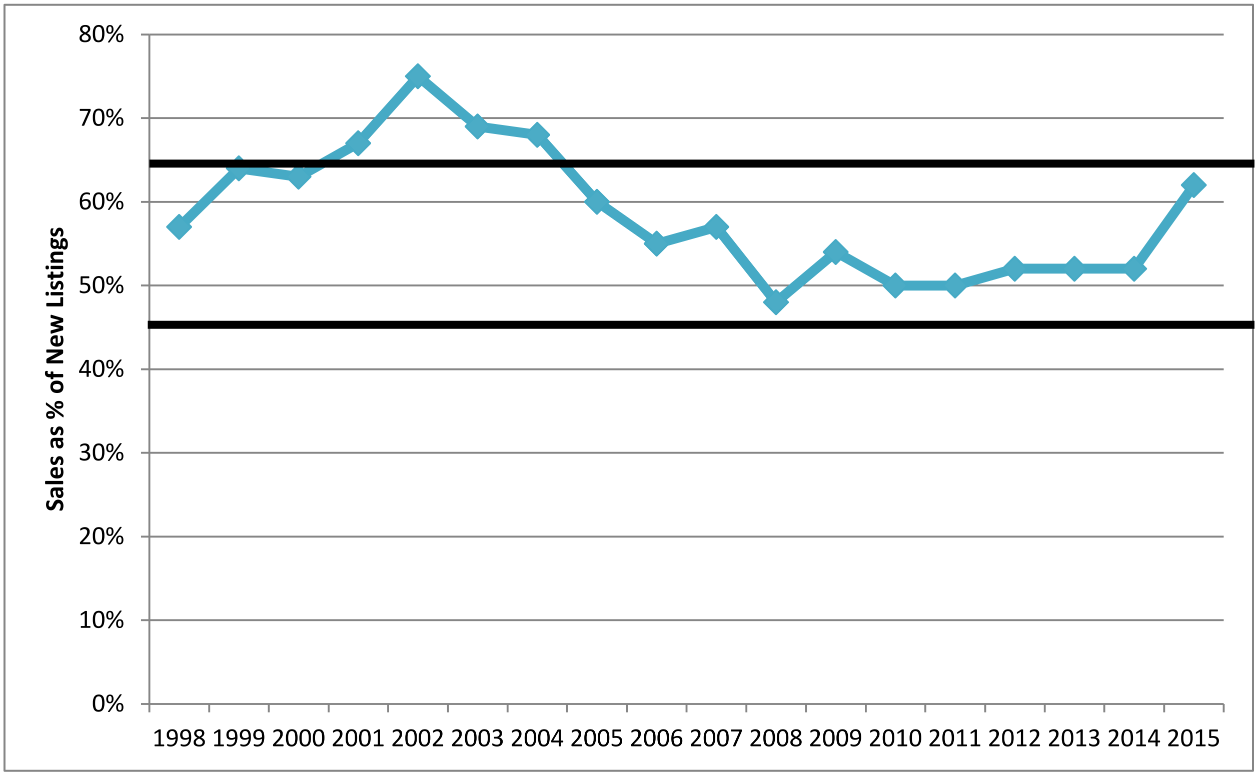


Figure 13 - Sales-To-New-Listings Ratio for Peterborough CMA: 2000-2015
(Source: CMHC)

6.3 Apartment Vacancy Rates

The apartment vacancy rate (the percentage of apartments that are for rent and are vacant) 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 was 3.7%. This is a increase from 2.9% in 2014.

The CMHC suggests that the October vacancy rate increase in 2015 for Peterborough is influenced by growth in employment for the 25-44 age bracket, in combination with historically low mortgage rates encouraging some to enter homeownership and vacating rental units.

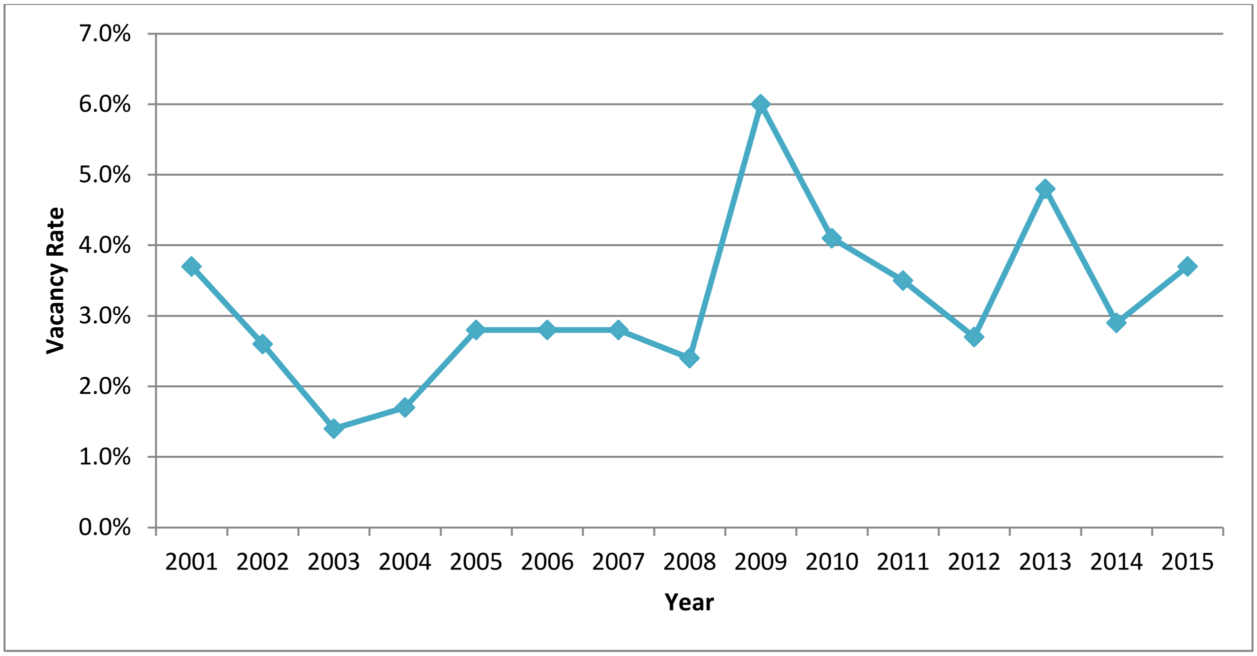
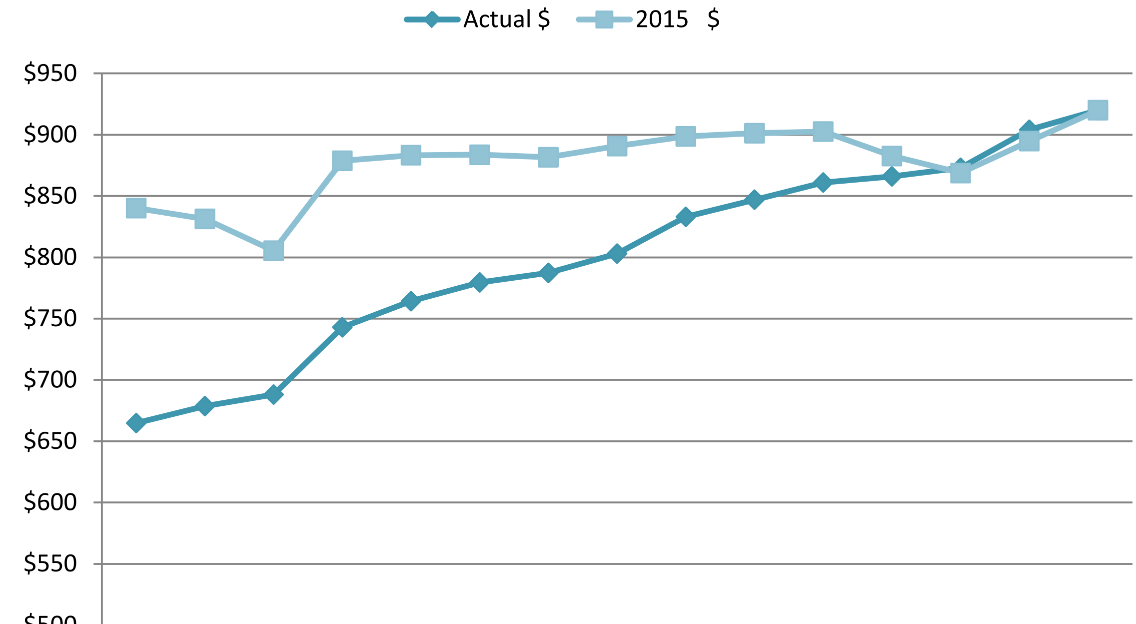


Figure 14 - Rental Apartment Vacancy Rate in Peterborough CMA: 2001-2015
(Source: Peterborough CMA Rental Market Report: Fall 2015, CMHC)

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. Figure 15 displays the average market rent for all apartments in the Peterborough CMA, in actual dollars as recorded by CMHC at the time and adjusted to 2015 dollars.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actual $	$665	$679	$688	$743	$764	$780	$787	$803	$833	$847	$861	$866	$873	$904	$920
2015 $	$840	$831	$805	$879	$883	$884	$882	$891	$899	$901	$903	$883	$869	$895	$920

Figure 15 - Average Market Rent in Peterborough CMA: 2001-2015 Actual Reported Dollar Amounts and Dollar Amounts Adjusted to 2015.
(Source: Peterborough CMA Rental Market Report: Fall 2015, CMHC; Statistics Canada, Consumer Price Indexes for Canada, Monthly V41690973 series)

In 2015, the average rent was $666 for a bachelor apartment, $816 for a 1-bedroom apartment, $959 for a 2-bedroom apartment, and $1,172 for an apartment with 3 or more bedrooms (Figure 16).

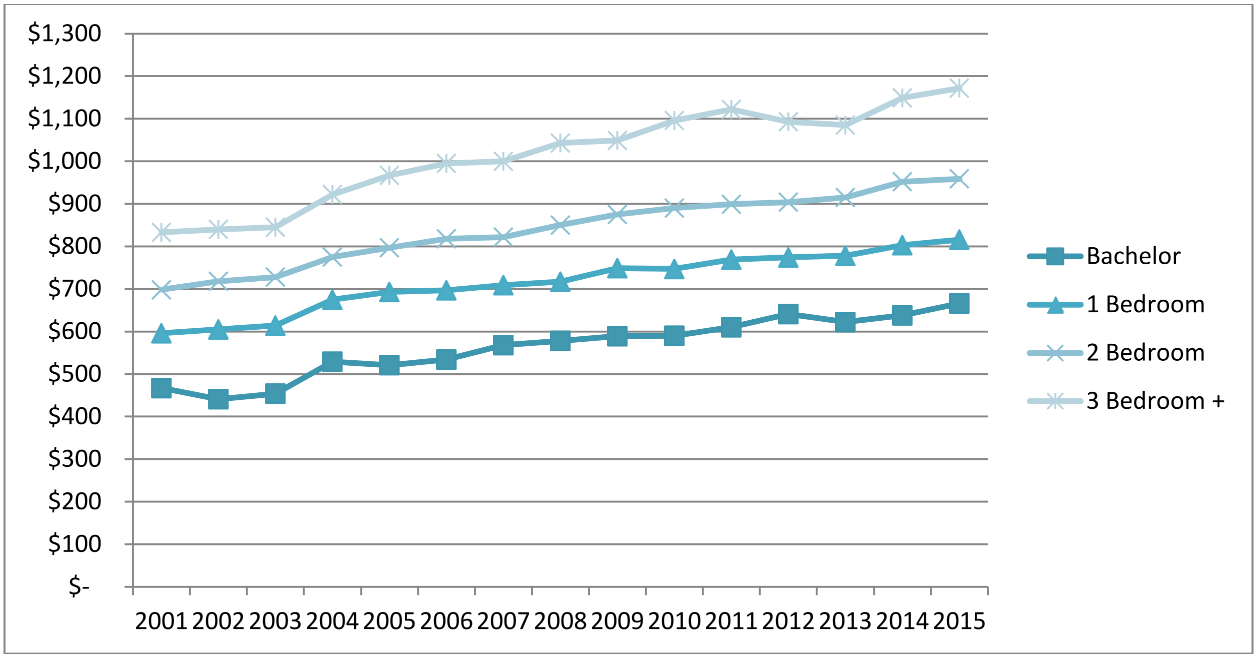
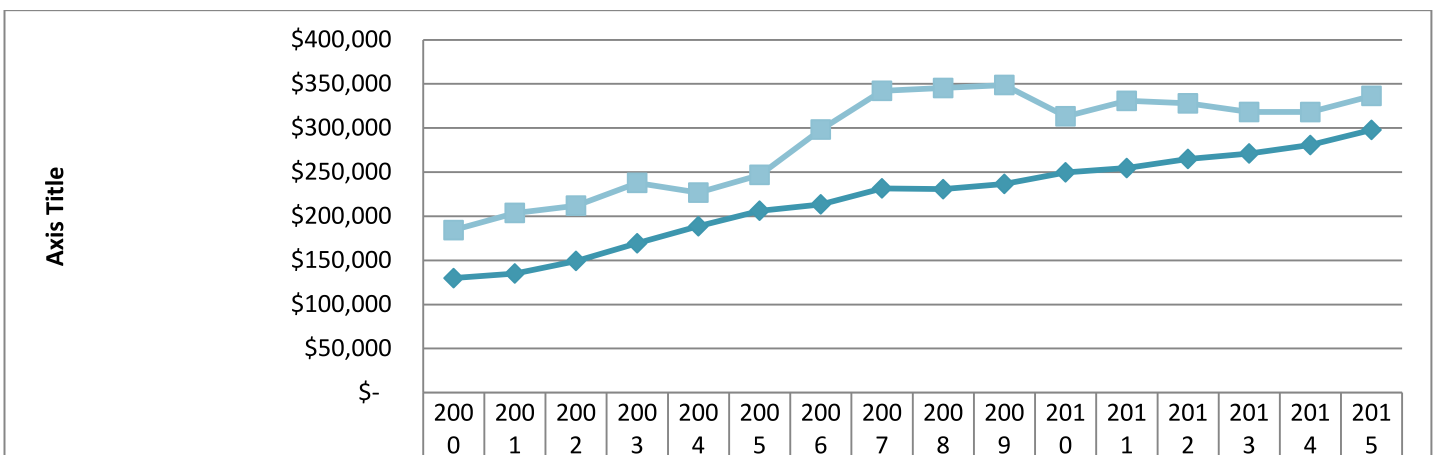


Figure 16 - Average Rent by Apartment Type in Peterborough CMA: 2001-2015
(Source: Peterborough CMA Rental Market Report: Fall 2015, CMHC)

6.5 Average New and Resale House Prices

Figure 17 shows the average price of a new single-detached and resale house in the Peterborough CMA from 2000 to 2015. During this period, house prices increased as the average resale house price have more than doubled, increasing to $297,848 in 2015. The average price of a new single-detached home increased to $336,417 in 2015 from $318,073 in 2014. 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.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Resale Home	$129	$135	$149	$169	$188	$206	$213	$231	$230	$236	$249	$254	$264	$271	$280	$297
New Single Detached Home	$184	$203	$211	$237	$226	$246	$298	$342	$345	$348	$313	$330	$327	$318	$318	$336

Figure 17 - Average New and Resale House Price in Peterborough CMA: 2000-2015 (in $1,000's)
(Source: Peterborough CMA Housing Market Outlook, Spring 2016, CMHC)

7.0 Affordable Housing And Social Housing

The following section outlines ‘affordable housing’ and ‘social housing’ in the City of Peterborough. 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 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 a high proportion of its renter households that fall into this category – nearly half of all renter households.

‘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 2015 maximum affordable house price was $268,000 and the maximum affordable rent was $666 for bachelors, $816 for 1-bedrooms, $959 for 2-bedrooms and $1,172 for 3 or more bedroom units.

7.1.1 Affordable Housing Target Monitoring

The PPS requires that the City of Peterborough “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.

This report monitors 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 rents of apartments were determined with information from the City’s Housing Division and through a review of vacancy listings and developer promotional material. Since the implementation of this target in 2010, approximately 22% of new residential units produced can be characterised as affordable (Table 13). In recent years, developers have been building higher end rental units, targeting downsizing seniors, none of these units have fallen within the threshold of affordability.

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 18). Funding for the AHP ended in 2009. Since then, the Canada-Ontario Investment in Affordable Housing (IAH) funding has created 8 affordable rental units for Community Living, 6 units at the former Knox United Church. IAH-extension funding has funded 5 additional units in the former Knox United Church and 6 units in the first phase on the conversion of the former Mount St. Joseph.

The Growth Plan’s density requirement for new subdivisions has led to the construction of ownership housing consisting of smaller homes on smaller lots, which has resulted in a price point that meets the PPS definition for ‘affordable’. It should be noted that while some new homes in subdivisions may be considered ‘affordable’, they are not necessarily ‘affordable’ to the lowest income households in the community, which is where the greatest need for truly affordable housing persists. These households that experience affordability issues are of low or moderate income, paying 30% or more of their income on their housing. According to the 2013 Canadian Income Survey, Peterborough has the highest percentage of households in Core Housing Need among all 33 Census Metropolitan Areas in Canada.

In 2011, the City adopted an Affordable Housing Community Improvement Plan (AH-CIP) to provide financial incentives to private developers that construct rental housing with affordable rents. The AH-CIP, along with other municipal polices and programs such as Municipal Housing Facilities designations are integral to provide housing that is affordable for residents in the City of Peterborough. In 2015, permits were issued for one AH-CIP project – the conversion of a former Fire Hall into 11 residential units.

The Peterborough 10-year Housing and Homelessness Plan has a commitment to create 500 new affordable rental homes by leveraging multiple existing sources that include senior government funding, municipal incentives, non-profit and private sector equity and publicly-owned land. Through implementation of this plan, it is intended that there will be additional affordable rental units available to Peterborough residents, by 2024.

Table 13 – Percentage of New Housing Production as 'Affordable' in City of Peterborough: 2000-2015
(Source: City of Peterborough Planning and Housing Divisions, MPAC house sales data, City of Peterborough building permit database)

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	17%
2013	19%
2014	32%
2015	10%

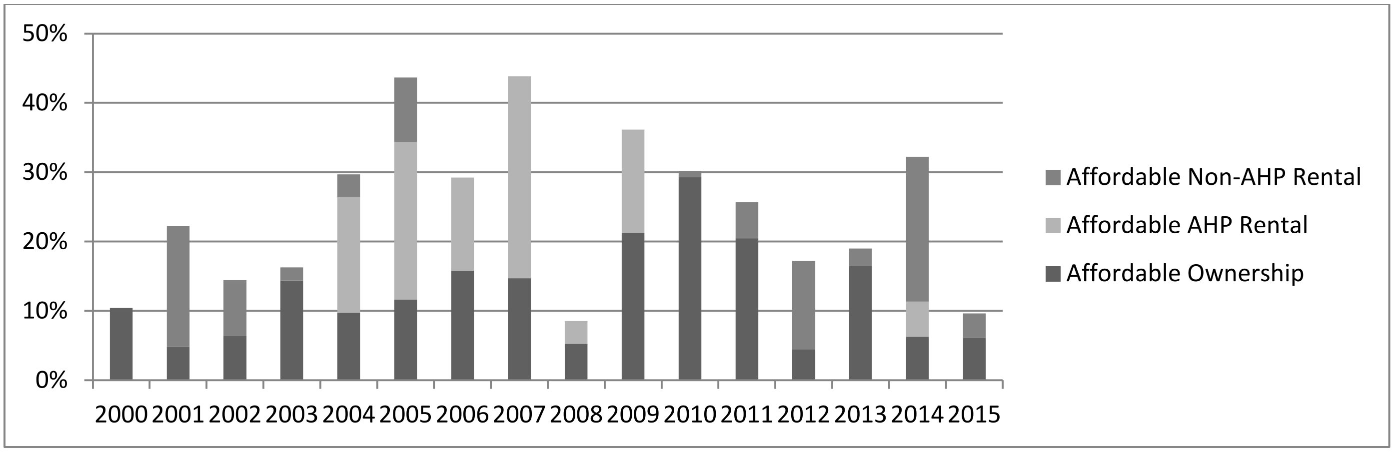


Figure 18 - Percentage of All Housing Production as Affordable in City of Peterborough: 2000-2015
(Source: City of Peterborough Planning and Housing Divisions, MPAC house sales data, City of Peterborough building permit database)

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 1,832 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 2015, the number of people on the waiting list for social housing was 1,305.

An annual average of approximately 192 households have been provided with Rent Geared to Income (RGI) social housing over the past five years. Accordingly, there is an average waiting time of approximately nine years for RGI social housing.

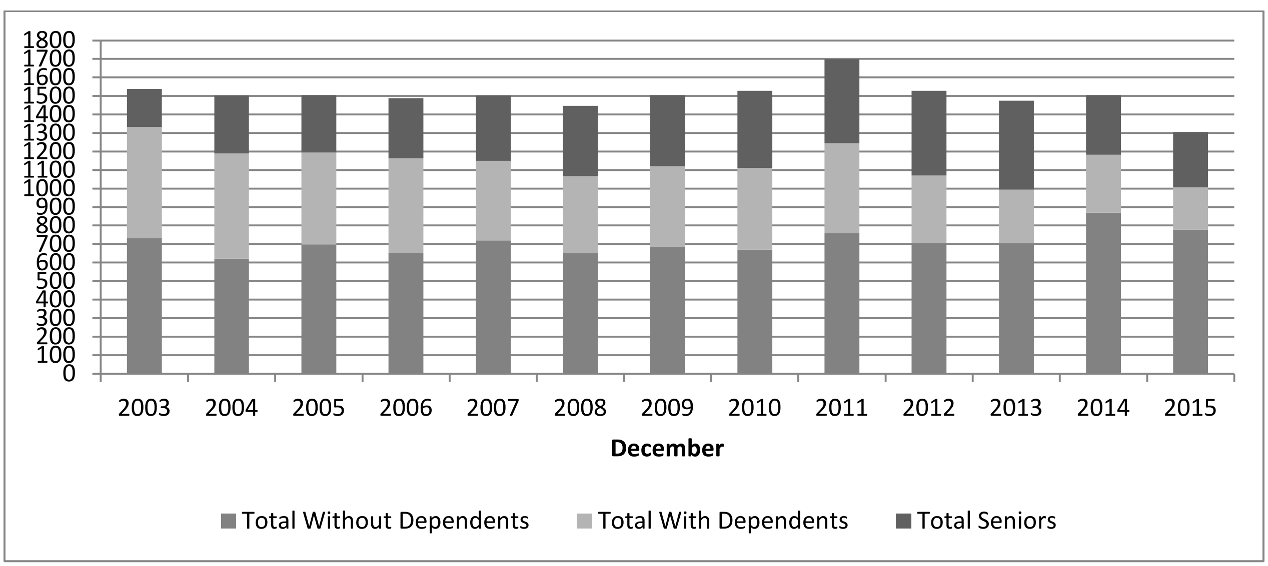


Figure 19 - Total People on the Social Housing Waiting List 2003-2015
(Source: Housing Access Peterborough)

8.0 Conclusion

The findings of this report suggest that Peterborough's local housing market is in good health. 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 aged 65 and older forecast to represent approximately 25% 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. Achieving the 40% intensification requirement will require an emphasis on the redevelopment of existing under-utilized land and buildings. The adoption of 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 exceeding its 10% annual affordable housing target, there are still a number of households in Peterborough that struggle to find and keep truly affordable housing. The City is challenged to encourage 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 provides financial incentives for affordable housing projects and by maximizing use of available funding from senior government affordable housing programs and offering local incentives in exchange for the creation of affordable rental housing.