



STAFF REPORT
THE CORPORATION OF THE TOWN OF COBOURG

Regular Council

Report to: Mayor, Deputy Mayor, and Councillors
From: Chris Challenger, Director of Development and
Victoria Heffernan, Manager of Planning – Development Review
Report Number: Report No. DS-2025-018
Council Meeting Date: September 24, 2025
Subject: **Response to Mayoral Directive (DIR-2025-001)**

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1. Recommendation:

THAT Council identify 4 to 6 items from the report for further consideration; and

FURTHER THAT Council direct staff to prepare and present subsequent reports on each of the selected items for further consideration, outlining the steps, required resources, timelines, and other key considerations necessary to operationalize and implement each item.

2. Executive Summary:

This report is a direct result of Mayoral Directive DIR-2025-001, Options and Recommendations for Building more Homes in Cobourg.

Following a review of all available policy, procedural, and financial opportunities, Staff are able to present their findings and recommendations to assist in the building of more homes. A total of 18 options are included, with additional options that were considered, but not recommended, included in the Appendix. Additional measures were considered by Staff but deemed unattainable at this time due to time constraints, Staffing availability, budget implications, and expected low return on investment. These additional measures are listed in Attachment 1 to show the additional considerations that Staff investigated.

Staff recommend that Council select on 4-6 key measures that they want staff to focus on for implementation and that staff bring back a report for each measure that is selected with recommended next steps for implementation or follow-up. Staff expect that a report can come back to Council in October with a high-level overview. Depending on the measures selected, each will have varying timelines based on complexity, statutory requirements, and funding needs. A complete outline of the expected timelines to completion will be presented then.

3. Background

On July 11th, Mayor Cleveland issued a Mayoral Directive (DIR-2025-001) directing staff, under Section 284.3 of the *Municipal Act*, 2001, to prepare a report outlining ten (10) to twenty (20) policy, financial, procedural opportunities that Council can consider and implement to make building homes in Cobourg less costly, more effective and more efficient. This was to be done while taking into consideration all recent initiatives and legislation that has been introduced with the goal of accelerating housing construction.

The recommendations being presented are broken up into four (4) categories: Planning Policies, Financial Opportunities, Procedural and Administrative Efficiencies, and Innovative/ "Thinking Outside the Box" Ideas.

4. Discussion:

The Town of Cobourg has access to a number of policy tools and mechanisms that could potentially be leveraged to mitigate some of the challenges facing the current housing situation. Financial considerations have been assessed for each option, including a range of impact, and the necessary steps to achieve an optimal outcome.

However, each option must be assessed carefully. In some cases, the financial cost of implementation, along with the required staff time and resource allocation, may outweigh the anticipated benefits. As such, it is recommended that consideration be given for the feasibility and long-term impact of each measure prior to adoption, if chosen to be approached.

Planning Policy Opportunities:

1. Adopt As-of-Right Zoning for Missing Middle Housing:

- Allow multiplexes (duplexes, triplexes, fourplexes) by right in certain residential zones, avoiding rezonings and public meetings, pending servicing restrictions.
- Reduces time and costs for developers and homeowners.
- Reduces time for staff to review and approve development proposals/permits.
- Will have an impact on the engineering department, may create more work to review servicing in areas to determine if the increase in load on existing infrastructure can be handled - may require an allocation by-law.
- Financial Implications: Very low, utilize staff time to make necessary changes to existing policies to allow for policy update.

2. Implement a Zoning Overlay along 'Main Streets' Requiring Development Intensification:

- An “Urban Corridor Overlay Zone” would require any new development that is proposed along ‘Main Streets’ to have a minimum housing density target and height minimums. This is a strategic policy tool that fits in with the Town’s goals as this is an efficient use of existing infrastructure and land, reduces sprawl, encourages walkability, and promote transit opportunities.
- Can also be used to promote mixed uses (residential above commercial), downtown and commercial viability.
- Would exempt Heritage Districts in order to protect the heritage integrity of these areas.
- The Planning Department is in the process of completing a complete review of its Comprehensive Zoning By-law. Now would be the opportune moment to implement an overlay zone.
- Financial Implications: Very low, utilize staff time to make necessary changes to existing policies.

3. Expand Pre-Zoned Intensification Areas:

- Proactively zone strategic corridors (e.g., Division Street, Elgin Street, Secondary Plan) for mid-rise and higher-density housing.
- Differs from Urban Corridor Zones as these areas could be regionally focused rather than transportation focused.
- Being more strategic with existing tools available to staff.
- Cuts down on the need for Official Plan and Zoning By-law Amendments.
- This allows for the Town to control what areas are the focus for intensification targets.
- The Planning Department is in the process of completing a complete review of its Comprehensive Zoning By-law. Staff have already begun identifying areas for intensification and implementing these changes into the new version.
- Financial Implications: Low, continue to utilize staff time to make necessary changes to existing policies.

4. Streamline and Digitize Planning/Development Approvals:

- Review and update all Planning application forms.
- Implement an end-to-end digital platform for certain permit applications, reviews, and tracking (ie. Cloudpermit).
- Reduces turnaround times and increases transparency for applicants.
- Already being utilized by the Building Department, however the goal could be to utilize it for simpler planning approvals (ie. Automatic issuing of forms). Option to also include other permits including Site Alteration, etc. Staff have already begun implementing in the Planning Department.
- Financial Implications: Medium, need to purchase and implement new program module in Cloudpermit or similar. Training for staff would be required during implementation. Annual subscription fees associated as well.

5. Allow More Flexible Parking Standards:

- Reduce or eliminate parking minimums in walkable areas or for affordable/attainable housing projects.

- Promote Cash-in-Lieu of Parking agreements that allow for a reduced rate for affordable housing and higher density housing projects.
 - Saves construction costs and supports more compact urban form.
 - Financial Implications: Low to medium, Staff would have to evaluate parking situation from a Town-wide scale as development progresses and install more parking options as needed. Cash-in-Lieu of Parking fund would offset some of these costs.
6. Support Additional Residential Units (ARU's) by Right:
- Bill 23, the 'More Homes Built Faster Act, 2022', introduced changes to the Planning Act to allow for "as-of-right" construction of up to three residential units on a single lot provided that full municipal water and sewage services are available without requiring a zoning by-law amendment.
 - Have pre-approved designs for the different models of ARU's (ie. Detached dwelling, addition, garage conversion etc.).
 - Encourages gentle intensification and infill without complex approvals.
 - Financial Implications: Low to medium, utilize staff time to make necessary changes to existing policies. Town would also have to create/obtain pre-approved designs for said ARU's.

Financial Opportunities:

7. Waive or Reduce Development Charges for Affordable Housing/Rental Housing:
- Create a clear policy for deferring, reducing, or waiving Development Charges for non-profit, below-market housing projects or fixed rental rates.
 - Increases viability of these builds from a business perspective.
 - Agreements to be put in place to protect Town's interests.
 - Financial Implications: Medium to high, Town would have to absorb these costs. Overall cost depends on size and complexity of development proposals.
8. Waive or Reduce Planning Review Fees for Affordable Housing:
- Create a clear policy for deferring, reducing, or waiving Planning Application review fees for non-profit or below-market housing projects.
 - Increases viability of these projects.
 - Agreements will be put in place to protect Town's interests.
 - Financial Implications: Medium, Town would have to absorb these costs. Overall cost would depend on size and complexity of development proposals.
9. Establish a Municipal Land Bank or Land Trust:
- Identify underutilized municipal land for housing and lease it at nominal rates to developers or non-profits.
 - Possibility of 'lease-to-own' municipally owned lands while development is underway for certain housing projects.
 - Leverages public land to lower project costs.
 - Financial Implications: Medium to high, amount will depend on which option Council would like to select. Town would have to absorb these costs. Overall cost depends on size and complexity of development proposals. Possibility of receiving payment for lands at a later date if a delayed payment option is chosen.
10. Use Community Improvement Plans (CIPs):

- Section 28 of the Planning Act gives municipalities the ability to prepare Community Improvement Plans. However, municipalities must have enabling policies within their Official Plan.
- A CIP is a tool that allows a municipality to direct funds and implement policy initiatives toward a specifically defined project area.
- This can include offering grants, loans, or tax increment equivalents for projects meeting municipal goals (e.g., infill, affordability, sustainability).
- Can be targeted by neighbourhood or project type. However, provides Town the opportunity to select what development will look like in these areas.
- Financial Implications: High. Would have to include these policies in the Town's Official Plan before any CIP's could be implemented.

11. Apply for Provincial and Federal Funding and Investment Programs:

- Leverage federal funding for process reforms, infrastructure upgrades, or new builds.
- Could fund staffing or pre-zoning studies to speed up approvals.
- Financial Implications: Low to high, depends on success of funding applications. Requires additional staff time and Town resources to assemble proposals and submit applications.

Procedural and Administrative Efficiencies:

12. Consolidate Public Consultation for Minor Applications:

- Streamline public engagement for small-scale infill developments through standardized forms or web-based tools.
- Focus on what is legislatively required.
- Minor Variances are the most common applications received, expected due to presence of historical lots within Town and changing policies.
- Reduces costs and uncertainty for small developers.
- Additional training for Council and Committees to focus on the importance of Planning-rational-only decisions while respecting public input.
- Financial Implications: Low. Staff mediated processes and training programs.

13. Implement Fast-Track Approvals for Priority Projects:

- Create a policy for fast-tracking affordable, attainable, supportive, or rental housing within specific timelines (e.g., 60 days).
- Provides certainty and prioritizes projects that are within the public's interest.
- Financial Implications: Low. Staff mediated policies and procedures.

14. Create Standardized Development Agreements:

- Pre-approved, templated legal agreements for typical developments. Staff can prepare the agreements in-house and alter any agreements depending on the development project's specific needs.
- Saves legal costs and expedite approvals.
- Staff have already begun drafting a draft version of a standard agreement with the assistance of the Town's legal representatives.
- Financial Implications: Low. Staff are finalizing a template agreement to assist in planning approval processes.

15. Coordinate Infrastructure Planning with Intensification Goals:

- Proactively upgrade and/or install infrastructure in designated growth areas to support housing capacity.
- Prevents delays from servicing issues after zoning approval and allows for lands to be ready for development much faster (ie. Shovel-ready).
- It is important to note that the cost would have to initially be borne by the Town but can be cost-shared with developers as new projects are initiated (build first, pay later).
- Financial Implications: High. It has potential to recoup costs at a later date, but high costs will be associated initially.

Innovative / “Thinking Outside The Box” Ideas:

16. Pre-Approved Modular or Prefab Home Designs:

- Partner with modular builders to offer a suite of pre-approved housing plans (e.g., like Edmonton’s initiative) to create a “Cobourg Catalogue”
- Cuts down on review time and makes small-scale development more accessible.
- Create rules focused on Heritage Districts vs non-heritage areas. Heritage reviews could also be included in the design catalogue to continue focusing on the importance of ensuring timely reviews.
- Financial Implications: Low to medium, costs associated with obtaining building plans.

17. Drastic Changes to Zoning By-Law designs and allocations:

- Innovative ideas of how to utilize space more creatively and efficiently.
- Some ideas include:
- Underground stormwater storage, parkland/greenspace over top.
- Overlay parking and parkland design and requirements (design to have parkland above underground parking garages.
- Changes to height restrictions in the urban boundary (increase height restriction) to allow for more density.
- Financial Implications: Low, designs to be presented by developers.

18. Infrastructure Investigation within built-up areas to evaluate availability of use of ARU’s and As-of Right multi-plex housing:

- Engineering to locate areas where intensification can take place and is the most effective.
- Need to differentiate between shared services (ARU’s) and split services (multi-plex housing).
- Implement a grading system to identify what areas are able to handle increased development and map out each of the areas.
- Financial Implications: Medium to high. Studies to be completed (either staff driven or through utilizing a consultant) to evaluate asset efficiency and areas of improvement and to locate areas to focus intensification.

Summary: By combining progressive planning policies, financial tools, and process reforms, the Town of Cobourg can enable a more cost-effective and efficient housing ecosystem. Balancing developer certainty with community engagement, while also leveraging federal and provincial supports, will be key to long-term success.

While there are a range of strategies that may assist in addressing the increasing costs associated with housing development, it is important to acknowledge that one of the primary drivers of these rising costs is the price of construction itself.

Staff recommend that Council select on 4-6 key measures that they want staff to focus on for implementation and that staff bring back a report for each measure that is selected with recommended next steps for implementation or follow-up.

Staff are recommending that the following measures will be the most impactful on tackling the current housing issue for Cobourg with the fastest and most effective results.

Measure	Implementation Plan and Further Recommendations
<p><u>14. Create Standardized Development Agreements:</u></p>	<p>Goal is for staff to produce pre-approved, templated legal agreements for typical developments (ie. Site Plan Control). Staff can prepare the agreements in-house and alter any agreements depending on the development project's specific needs. These drafts will be produced with the assistance of the Town's legal representatives. Cost associated are expected to be low (\$5000-\$10,000). Task can be completed by end of 2025. Staff would not need to bring back to Council and could start utilizing final product upon completion.</p>
<p><u>11. Apply for Provincial and Federal Funding and Investment Programs</u></p>	<p>Utilize provincial and federal funding wherever possible. Will be most effective to use for funding studies to identify key areas for most effective strategies to increase housing opportunities. Staff will continue to seek out and apply for all available funding opportunities that relate to increasing housing supply. This will remain an on-going task to municipal staff.</p>
<p><u>3. Expand Pre-Zoned Intensification Areas</u></p>	<p>Proactively zone strategic corridors (e.g., Division Street, Elgin Street, Secondary Plan areas) for mid-rise and higher-density housing. Regionally concentrate density where the focus of growth is to occur. Utilize the ongoing review of the Town's Comprehensive Zoning By-Law to implement these changes. This approach empowers municipal Staff to guide growth effectively while maintaining control and minimizing costs. Planning Staff will continue to implement these changes into the new document that is to be brought forward to Council for final approval in 2025.</p>
<p><u>12. Consolidate Public Consultation for Minor Variances</u></p>	<p>Update the Official Plan through a staff driven amendment: Update to include policies that support the use of digital tools and alternative notification methods for minor applications. Consolidate hearings, initiate electronic public notices, encourage digital engagement, and host additional training for Committees regarding the</p>

	<p>importance of decisions made on Planning rationale while respecting public input.</p> <p>Planning Staff expect to begin work on drafting effective policies to be implemented in an amendment within 6 months. Draft version could be presented to Council as early as Q1 2026.</p> <p>Training programs should be held as soon as possible to ensure decisions are consistent with this measure.</p>
<p>4. Streamline and Digitize Planning/Development Approvals</p>	<p>Review and update all Planning application forms, including fillable pdf's. Implement an end-to-end digital platform for certain permit applications, reviews, and tracking (ie. Cloudpermit). Goal would be to reduce turnaround times and increase transparency for applicants. Planning Staff will work towards updating all Planning Act applications before end of 2025 and have them digitally accessible by January 2026.</p> <p>Training for staff will need to occur for the implementation of the Planning program modules. Recommended follow up to Council be provided in 3 months and 6 months for status updates.</p>

Additional measures were considered by Staff but deemed unattainable at this time due to time constraints, Staffing availability, budget implications, and expected low return on investment. These additional measures are listed in Attachment 1 to show the additional considerations that Staff investigated.

5. Financial Impact and Budget

Potential Financial and Budget impacts are outlined in each recommendation. Differ with the selection made. Some items have longer-term impacts.

6. Relationship to Council’s Strategic Plan Priorities 2023 to 2027 and beyond:

Thriving Community

Proposed measures to enhance housing opportunities and promote opportunities for mixed housing options that support the community.

Service Excellence

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Sustainability

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7. Public Engagement:

None required. Mayoral Directive.

8. Attachments:

Attachment 1: Additional measures considered by staff but deemed unattainable at this time.

9. Report Not Considered by Standing Committee Because:

- Time Sensitive Issue (information received too late for Standing Committee consideration)
- Urgent Matter (issue arose after this month's Standing Committee Meeting)
- Other: Mayoral Directive

Report Approval Details

Document Title:	Response to Mayoral Directive DIR-2025-001 Item 1.docx
Attachments:	- Attachment 1 - Alternative Measures Considered.pdf
Final Approval Date:	Sep 17, 2025

This report and all of its attachments were approved and signed as outlined below:

Chris Challenger - Sep 12, 2025 - 11:44 AM

Tracey Vaughan, Chief Administrative Officer - Sep 17, 2025 - 3:22 PM