

Neighbourhood/Housing Development & Urban Design



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Situation Analysis

Housing Growth Trends: In the competition for housing growth, Figures 18, 19 and 20 shed some light on Tillsonburg's performance versus surrounding communities. As indicated in the table in Figure 18, Tillsonburg's volume and share of residential investment dollars has declined substantially. In the four years ending in 1998, Tillsonburg captured 19.4% of the total value of Residential Building Permit Dollars with a total of \$47.6M. Since then, share has been cut in half to 9.6% behind investment of only \$32.8M. However, the total value of Building Permit Dollars from the surrounding communities increased by over 50% from \$197.4M to \$308.0M between these periods.

Figure 18

Year	Value of Residential Permit Dollars (Millions)			Tillsonburg: Share of Residential Permit Dollars
	Ingersoll, St Thomas, Stratford, Woodstock	Tillsonburg	Total	
1995	\$33.6	\$10.8	\$44.4	24.2%
1996	\$38.6	\$17.5	\$56.1	31.2%
1997	\$73.3	\$10.7	\$84.0	12.7%
1998	\$51.9	\$8.7	\$60.6	14.3%
1995 to 1998	\$197.4	\$47.6	\$245.1	19.4%
1999	N/A	N/A	N/A	N/A
2000	\$51.9	\$7.0	\$58.8	11.9%
2001	\$72.1	\$5.6	\$77.7	7.2%
2002	\$76.0	\$9.2	\$85.1	10.8%
2003	\$108.0	\$11.0	\$119.1	9.3%
2000 to 2003	\$308.0	\$32.8	\$340.7	9.6%

The bar charts (Figures 19 and 20 on the next page) focus on more recent trends and on specific communities. Between 2001 and 2003, Tillsonburg issued building permits on residential property valued at around \$25 million per year, in line with Ingersoll, but well behind the remaining communities. Tillsonburg's share of permits has been fairly stable over this period. While residential permits cover a variety of applications, it is probably safe to say that Tillsonburg has been lagging in overall residential growth since 2000.

Neighbourhood/Housing Development & Urban Design

Situation Analysis

Figure 19

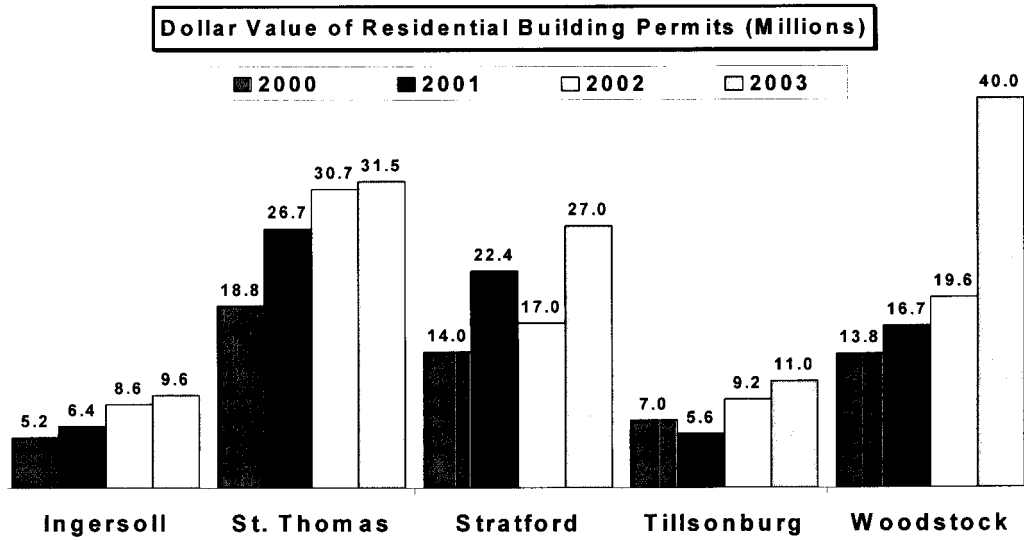
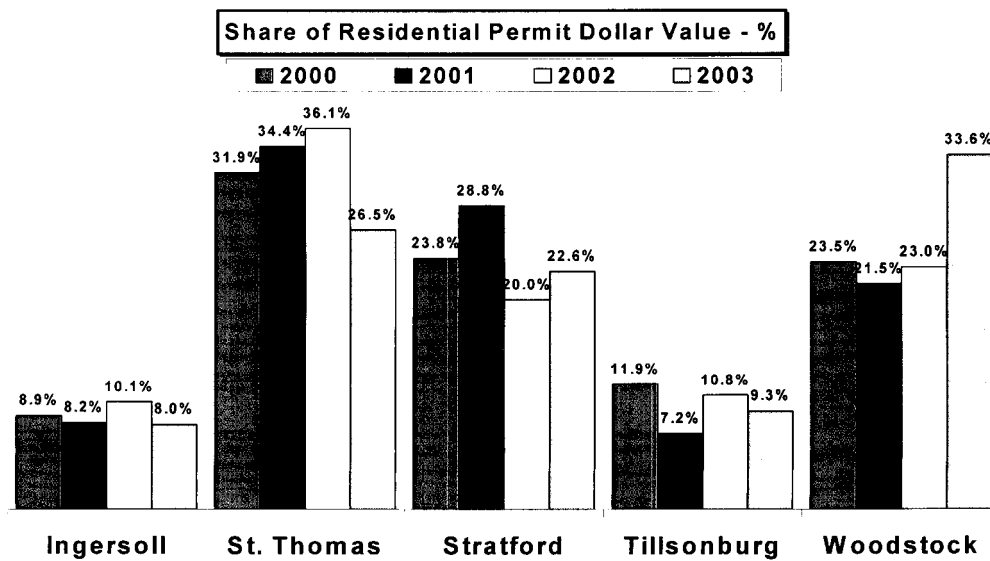


Figure 20



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Situation Analysis

Housing Growth Trends (Continued): The other observation to be made is that residential investment has increased in surrounding communities despite a significant drop-off in industrial investment, likely reflecting an increase in “bedroom community” purchases. The situation in Tillsonburg appears to be the reverse. As shown in Figure 21, Tillsonburg has seen a decline in residential investment despite an increase in industrial investment. The fact that Tillsonburg is less likely to be a “bedroom community” target is understandable. However, this trend suggests that residential investment growth is not moving hand in hand with industrial growth which begs the question, “Why?”.

Figure 21

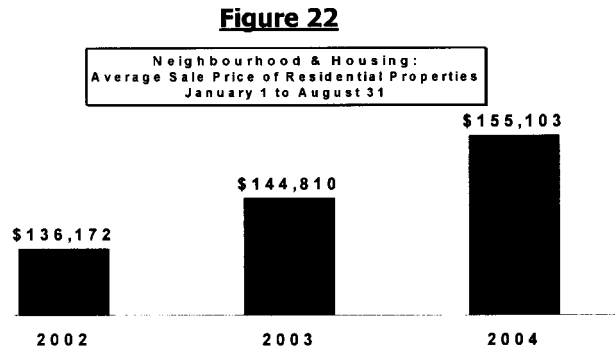
Year	Ingersoll, St Thomas, Stratford, Woodstock		Tillsonburg	
	Residential Permit Dollars	Industrial Permit Dollars	Residential Permit Dollars	Industrial Permit Dollars
1995 to 1998	\$197.4	\$140.8	\$47.6	\$ 5.2
2000 to 2003	\$308.0	\$72.7	\$32.8	\$ 14.6
Difference	+\$110.6	- \$68.1	- \$14.8	+\$9.4

Neighbourhood & Housing Quality and Mix: Overall, Tillsonburg enjoys a number of existing strengths as follows:

- a. Rising property values (See Figure 22 on the next page).
- b. Solid housing growth capacity (1,000 dwellings, + 20%).
- c. Diversified Zoning: Overall, there is significant potential for development of housing in the \$119K to \$159K range as a means of attracting younger families. Tillsonburg has a fair amount of entry-level homes, but not a lot of townhouses or single-parent housing. However, current zoning bylaws will allow for this type of development in the future. In general, there is enough diversity in current housing and zoning to accommodate a diversified mix of residential alternatives.
- d. Few “one-price-range” neighbourhoods.
- e. Plentiful ravine lots.
- f. Lot size standards that create neighbourhoods that are less crowded than in other communities.
- g. Open space within neighbourhoods.

Neighbourhood/Housing Development & Urban Design

Situation Analysis



Urban & Suburban Design: Current policies that bode well for the future overall design of the town include:

- a. A zoning bylaw that protects the current urban design: It is being revised at this time, but Tillsonburg is planning to keep properties set with lower lot coverage than typically seen in other communities.
- b. Current legislation to facilitate improvement: Façade Improvement Loans, and the Streetscape Master Plan and South End Redevelopment programs.

In addition, downtown development opportunities that could add housing capacity and generally add value to the residential experience include:

- a. Acceptance of the assessment relief program and 2nd story residential loan program recommendations currently before council.
- b. Creating better response to improvement incentives.

Cost of Residential Ownership*: Based on a cursory value-for-the-money analysis of 27 houses* across a wide range of communities, Tillsonburg appears to provide the basis for a very competitive value proposition (See Figures 23 and 24 on the next two pages). Compared to averages of similar homes in Ingersoll, St. Thomas, Stratford and Woodstock combined, the 4 sample homes in Tillsonburg delivered 14.9% lower price per square foot of house, 11.6% lower cost per square foot of lot space and 23% lower development charges. This was offset by municipal taxes that were up to 5.8% higher. The value relative to similar homes in smaller communities specifically, Delhi, Simcoe, and Strathroy was less positive (See Figure 24). Price per square foot of house was still lower at -12.1%. However, price per square foot of lot space was 12.9% higher.

*** Note of Qualification:** This analysis should be evaluated with caution. The sample of homes used in this study were chosen randomly. Prices are asking prices and not prices at which homes were actually sold. The above analysis does not take into account other factors like location, distance from downtown or work etc. The intent of this analysis was to illustrate differences in the absolute cost of owning a home that a typical prospective home-buyer would encounter when checking the MLS and other data sources. Further analysis should involve a statistically representative sample with all value-for-money decision factors taken into account.

Neighbourhood/Housing Development & Urban Design

Situation Analysis

Figure 23

Residential Real Estate Value Analysis	Tillsonburg	Average: Ingersoll, St. Thomas, Stratford, Woodstock	% Difference
# in Sample	4	23	
Average Price	\$132,575	\$138,170	- 4.0%
High Price	\$164,500	\$169,900	
Low Price	\$113,000	\$109,900	
Value Analysis: House			
House: Average Sq. Feet	1,275	1,130	+12.8%
House: Average Price/Sq. Foot	\$103.98	\$122.23	- 14.9%
# of Bedrooms	3.0	3.0	-----
# of Bathrooms	1.5	1.4	+ 7.1%
Value Analysis: Lot Space			
Lot: Average Sq. Feet	6,493	5,978	+ 8.6%
Lot Space: Average Price/Sq. Foot	\$20.42	\$23.11	-11.6%
Value Analysis: Other			
Municipal Taxes	\$2,185	\$2,153	+ 1.5%*
Development Charges (2004)	\$4,024	\$5,227	- 23.0%
Hydro – Yearly Service Charge	\$105.00	\$149.40	- 29.7%
Hydro – Distribution Charge	0.0647	0.0669	- 3.3%
Water – Yearly (100 m ³ Consumption)	\$1,430	\$1,586	-9.8%

Notes:

% Difference = Tillsonburg number divided by the corresponding other community number minus one.
Percentages highlighted in red indicate items that are either costlier or represent lower value in Tillsonburg.

* Difference in total tax Tax rate would be +5.8% higher if applied to the same assessed value:

Municipal Taxes Applied to Assessed Value of \$132,575	Rate	Taxes
Tillsonburg	0.01648050	\$2,185
Average: Ingersoll, St. Thomas, Stratford, Woodstock	0.01558219	\$2,066

Neighbourhood/Housing Development & Urban Design

Situation Analysis

Figure 24

Residential Real Estate Value Analysis	Tillsonburg	Average: Delhi, Simcoe, Strathroy	% Difference
# in Sample	4	18	
Average Price	\$132,575	\$137,678	- 3.7%
High Price	\$164,500	\$172,900	
Low Price	\$113,000	\$109,900	
Value Analysis: House			
House: Average Sq. Feet	1,275	1,164	+ 9.5%
House: Average Price/Sq. Foot	\$103.98	\$118.29	- 12.1%
# of Bedrooms	3.0	3.3	- 9.1%
# of Bathrooms	1.5	1.4	+ 7.1%
Value Analysis: Lot Space			
Lot: Average Sq. Feet	6,493	7,612	- 14.7%
Lot Space: Average Price/Sq. Foot	\$20.42	\$18.09	+12.9%
Value Analysis: Other			
Municipal Taxes	\$2,185	\$2,050	+6.6%
Development Charges (2004)	\$4,024	N/A	N/A
Hydro – Monthly Service Charge	\$105.00	\$189.12	- 44.2%
Hydro – Distribution Charge	0.0647	0.0652	- 0.8%
Water – Yearly (100 m ³ Consumption)	\$1,430	\$1,803	-20.7%

Adult Lifestyle/Seniors Housing: The Adult Lifestyle Community (Hickory Hills) represents a major housing strength that has driven the demographic growth of the town. However, there is a shortage of seniors' housing with in-house services based on the "Need and Demand Analysis for Affordable Housing for Seniors in Tillsonburg, Ontario Report" of May 26, 2004. Development of Seniors Housing in the downtown core is a possible opportunity.

Annexation Potential: Currently, there are low tax/low services communities along Tillsonburg's borders, attracting residents who might otherwise move to Tillsonburg.

Neighbourhood/Housing Development & Urban Design

Key Issues and Opportunities

Effective treatment of the following issues will positively impact the future of Neighbourhood/Housing Development & Urban Design in Tillsonburg.

1. The fundamental issue to be addressed is how best to encourage younger working families to live in Tillsonburg.

There are two sub-issues related to this strategic question:

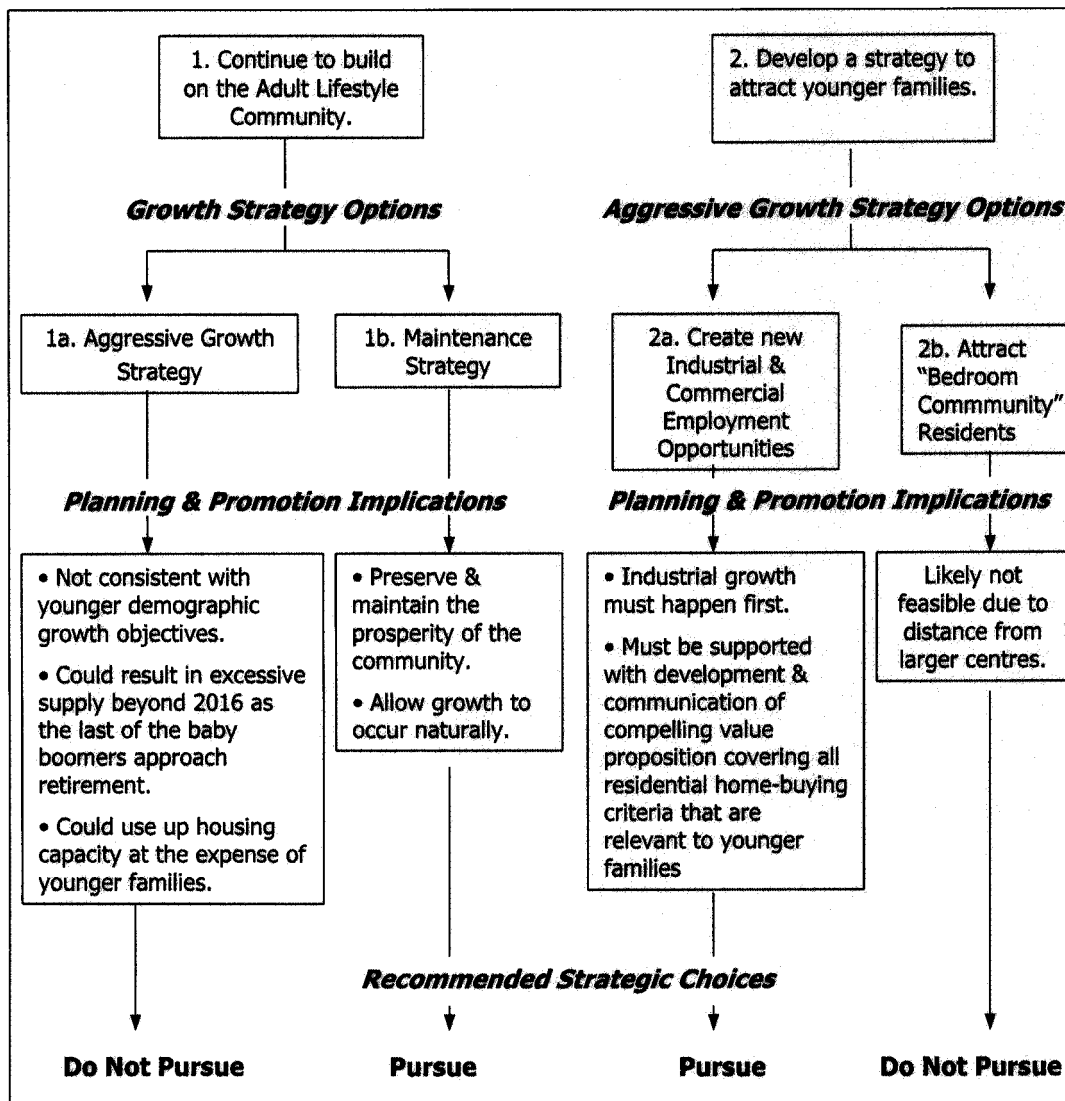
A. Demographic Priorities and Key Buyer Decision Criteria: Overall, there are two strategic choices that need to be prioritized: (a) continue to build on the Adult Lifestyle Community to drive the older demographic, and (b) develop a strategy to attract younger families. Based on the analysis outlined in Figure 25 on the succeeding page, the Strategy Development Team recommends that the top priority should be attracting younger families while at the same time selectively building the strength of housing for retirees.

Executing this strategy requires a full understanding and prioritization of the decision-making criteria involved among younger prospective residents which we believe are the following:

- a. Employment opportunities
- b. Value-for-the-money in housing which consists of the following attributes:
 - i. Purchase Price
 - ii. Tax Rates
 - iii. Development Charges
 - iv. Utility costs
 - v. Neighbourhood and urban design
 - vi. Commercial and Social amenities covering all of the remaining topics within this strategy document.
- c. Family considerations.

Ensuring that each of these criteria is met in the correct manner and sequence is the key to successfully attracting the desired demographic group. It is the Strategy Development Team's judgment that despite recent trends, the most powerful driver of this strategy lies in the creation of industrial and commercial employment opportunities. In terms of individual value-for-the-money attributes, based on the analysis of the cost of residential ownership, Tillsonburg has ample opportunity to work with both present conditions and future plans to create an overall superior quality of life positioning. Finally, Tillsonburg's positioning in terms of "family considerations" can be strengthened by addressing Issue #2 on page 53.

Figure 25
Neighbourhood/Housing Development & Urban Design:
Strategic Choice Analysis



B. Housing Mix: The second sub-issue is that there is a need to determine and manage the correct mix of housing alternatives to attract younger working families. Given current zoning and capacity, there should be no barriers to successfully managing this initiative. Nevertheless, all decisions should be focused on the strategic goal of attracting younger demographics.

Neighbourhood/Housing Development & Urban Design

Key Issues and Opportunities

2. **There is a need to improve the availability of assisted seniors' housing.**
 This issue is particularly acute given the fact that the population of Tillsonburg residents aged 80 and over is expected to grow by over 37% between 2001 and 2016. Addressing this issue will accomplish two things:
 - a. It will strengthen Tillsonburg's positioning as an Adult Lifestyle community, and
 - b. It will encourage current retirees to stay in Tillsonburg, thereby ensuring the presence of "family considerations" as a key criterion among prospective younger families in their home-buying decision process (Issue 1A).

A Vision for Neighbourhood/Housing Development & Urban Design

- New subdivisions patterned after current zoning bylaw.
- Maintenance of current lot coverage regulations (See Figure 26).
- Continued diversity and balance in housing alternatives, with special emphasis on neighbourhoods that will be attractive to younger working families.
- Assisted Seniors housing possibly in the downtown area similar to London and Oakville models (as examples).
- Second-story residential housing in the downtown core.

Figure 26
Zoning By-law #1994: Front Yard and Lot Coverage Summary

Zone Category	Min. Front Yard Setback	Maximum Lot Coverage
R1	7.5 m	30% (Note: an increase to 33% has been recommended by residential working group and endorsed by Council)
R2	7.5 m	40%
R3	7.5 m	35%
R4	7.5 m	30%
I	7.5 m	30%
D	7.5 m	30%
O	7.5 m	20%, except for a single detached dwelling which 33%

Neighbourhood/Housing Development & Urban Design

Recommended Strategies

The following strategies are recommended with the caveat that the strategy to attract industry be executed simultaneously.

1. Manage future housing and neighbourhood development to attract younger families while at the same time selectively building the strength of housing for retirees.

This strategy will support the overall population mix growth objective and is manageable within current zoning regulations. The success of this strategy will require:

- a. Commitment to ensure that management and development decisions and any future zoning policy adjustments are focused on the primary goal of satisfying the demands of younger working families regardless of potentially more expedient alternatives.
- b. Maintaining the correct mix of attributes (Purchase Price, Tax Rates, Development Charges, Utilities, Neighbourhood and Urban Design, Lot Coverage, Commercial and Social amenities) that will collectively create a compelling quality of life proposition.
- c. Working collaboratively with the Real Estate Board and developers to focus marketing and sales efforts toward the primary strategic objective, thereby ensuring that this value proposition is effectively communicated to prospects.
- d. Developing a plan to maintain and selectively enhance the quality of residential life among seniors and early retirees.

2. Develop a plan to create sufficient assisted seniors' housing to accommodate expected demand.

This will:

- a. strengthen the Tillsonburg's positioning as an Adult Lifestyle Community.
- b. support strategy #1 by ensuring that the parents of younger families continue to have reasons to potentially move to Tillsonburg.