

The Affordable Housing Conundrum

How Local Government can
Provide Leadership for the Provision
of Affordable Housing



Key discussion points

- Background on the affordable housing conundrum in Alberta
- What is affordable housing?
- Who does it impact and what are the implications of insufficient affordable housing?
- What is the role of local governments in affordable housing provision?
- What is the role of planning and policy?
- Affordable housing policy and planning
- The Toolkit - 13 Steps your local government can take



What is Affordable Housing?

- Housing is affordable when 30 percent or less of pre tax income is spent on housing costs



Housing spectrum: non-market

Housing with
Support Services

Rent
Assistance

Addressing
Homelessness

Social Housing



Housing spectrum: near market/market

Affordable
Home
Ownership



Affordable Rental
Housing



Housing Spectrum

Housing with
Support Services

Rent
Assistance

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Housing



The reality Is...



26.35%
of Albertans
spend **more
than 30%** of
their pre tax
income on
shelter costs



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The wait for housing...



15,000 Albertan households

30,000 Albertans



Alberta projections

2040

1,00,000

Additional seniors

2041

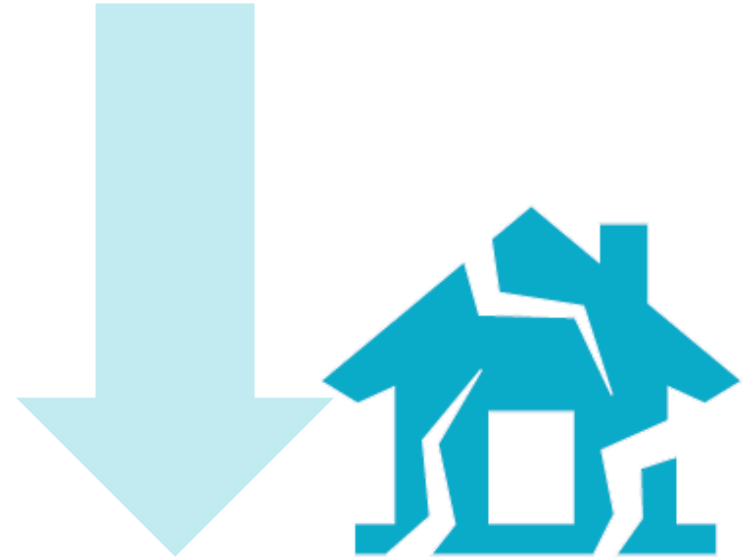
2,100,000

New Albertans



Demand for
housing

Decline in
housing stock



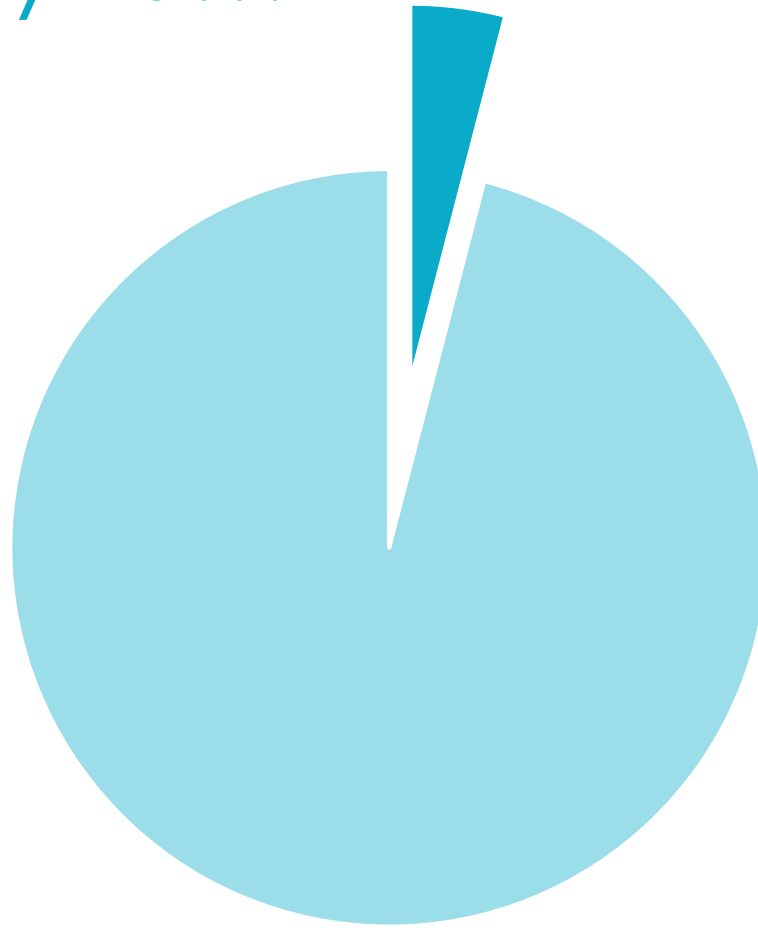
Suitable housing

“Suitable” housing as defined by [Statistics Canada](#):

“Refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is, whether the dwelling has enough bedrooms for the size and composition of the household. A household is deemed to be living in suitable accommodations if its dwelling has enough bedrooms, as calculated using the NOS.”



The reality is...



4.7%
of all
Albertans live
in **unsuitable**
housing



Appropriate housing



Implications of insufficient housing

Lack in ability to
house lower wage
workers



Lack of support
services



Decrease in
school enrollment



Greater Child
poverty



Urban and rural



Greater senior's
poverty



Why haven't we solved the problem?

- Everyone says affordable housing is a good idea and yet we are still in need
- Deterrents:
 - Public education and perception of property values, traffic and crime
 - Developer partnership and buy in
 - Commitment to political leadership
- Education, leadership and partnerships are BIG opportunities



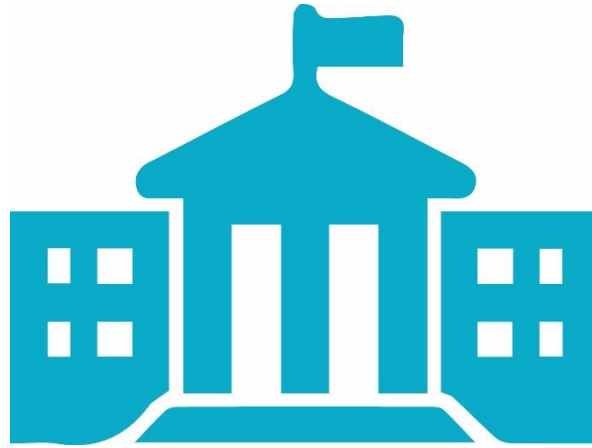
The role of local government



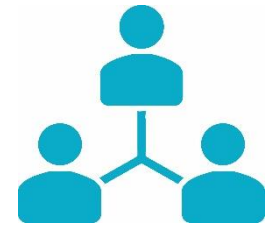
Create supportive
policy



Create an
administration with
less red tape for
housing approvals



Secure
Partnerships



Establish housing
departments or
cooperation's



Typical government response

1. Take on the role of the developer and use regulatory action to intervene in hot housing markets



Typical government response

1.

Take on the role of the developer and use regulatory action to intervene in hot housing markets



2.

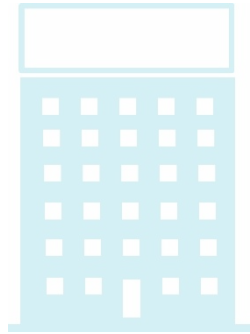
Take a passive stance and do not intervene



How local governments can support affordable housing



Inclusionary
Zoning



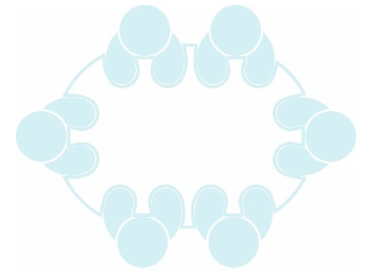
Density
Bonus



Housing
Funds



Housing
Agreements



Housing
Orgs

Actors: Local government and developers

Partners: Housing organizations



How local governments can support affordable housing



Inclusionary Zoning

Benefits:

- Integrates affordable housing into the community
- Ensures commitment of a baseline number of affordable units
- Leverages private funds over municipal budgets



How local governments can support affordable housing



Inclusionary Zoning

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Challenges:

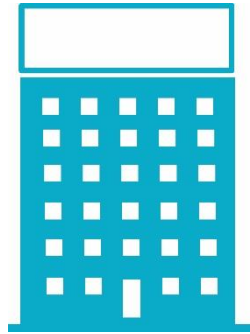
- Strong relationships with developers and community
- Requires dedicated municipal and council staff
- Needs strong policy and capacity to implement



How local governments can support affordable housing



Inclusionary
Zoning



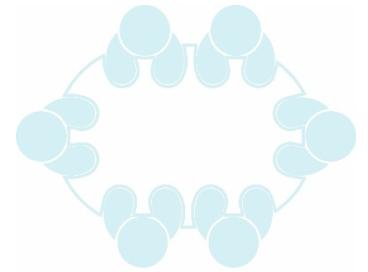
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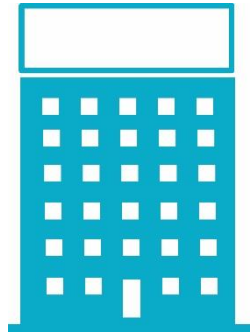
Housing
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Actors: Local government and developers

Partners: Housing organizations



How local governments can support affordable housing



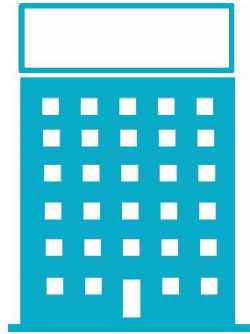
Density
Bonus/
Entitlement
Incentive

Benefits:

- Municipalities already have the tools (Land Use Bylaws) to establish bonuses
- Ensures commitment of a baseline number of affordable units
- Cash in-lieu may be taken to fund other affordable housing projects



How local governments can support affordable housing



Density
Bonus/
Entitlement
Incentive

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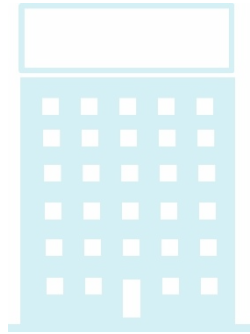
- Requires imagination to work in rural communities
- Requires strong relationships with the development community
- Has potential to undermine development processes



How local governments can support affordable housing



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Zoning



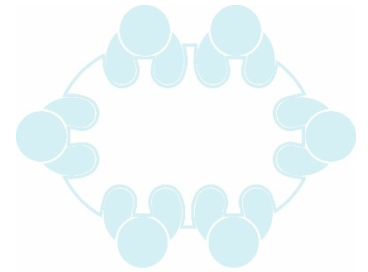
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Housing
Funds



Housing
Agreements



Housing
Orgs

Actors: Local government

Partners: Housing organizations, developers or property owners



How local governments can support affordable housing

Revenue Streams:

1. Sale of municipal land and assets
2. Developer contributions via inclusionary zoning or density bonusing
3. Property tax
4. Provincial and Federal funding
 - Grants in place of taxes
 - Transfer of surplus



Housing Funds



How local governments can support affordable housing

Benefits:

- Municipalities play active role in delivery of affordable housing – determining when, what and how it is built
- Can be useful to rural and urban communities



Housing
Funds



How local governments can support affordable housing

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Challenges:

- Requires staff and resource capacity to identify and manage funds

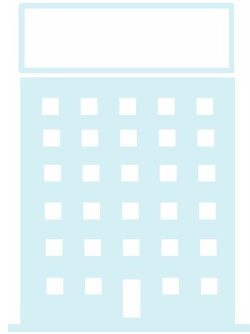
Housing
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How local governments can support affordable housing



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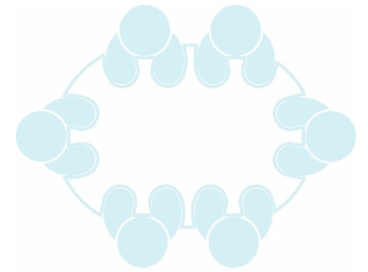
Density
Bonus



Housing
Funds



Housing
Agreements



Housing
Orgs

Actors: Local government

Partners: Developers, property owners



How local governments can support affordable housing

Benefits:

- Flexibility
- Useful in rural communities with low vacancy
- Grant benefits to participating owners



Housing
Agreements



How local governments can support affordable housing

Benefits:

- Flexibility
- Useful in rural communities with low vacancy
- Benefits to participating owners (tax breaks, funding for improvements)



Challenges:

- Requires tracking and enforcing agreements for compliance
- Requires owner buy-in

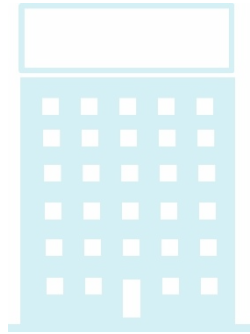
Housing
Agreements



How local governments can support affordable housing



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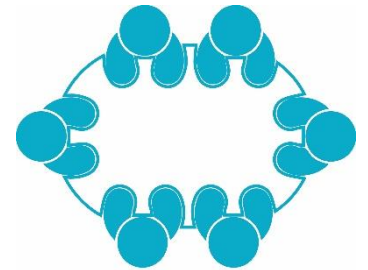
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Funds



Housing
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Housing
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Actors: Local government

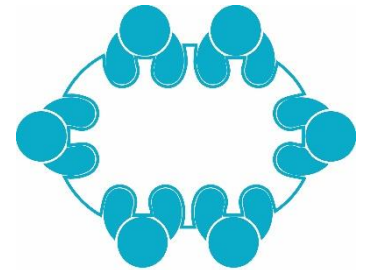
Partners: Housing organizations



How local governments can support affordable housing

Benefits:

- Manage affordable housing at arms length from municipal government
- Full time staff to secure funding, advocate affordable housing and manage projects



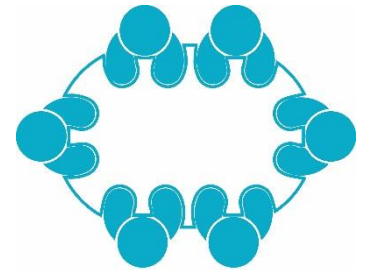
Housing
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How local governments can support affordable housing

Benefits:

- Manage affordable housing at arms length from municipal government
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Challenges:

- Requires municipal capacity and funding to set up
- Requires goal alignment between all key players

Housing
Orgs



Additional tools and opportunities

- Donate or lease public land



- Public Private Partnership



- Property tax exemptions



Additional tools and opportunities

- Waive or reduce development costs



- Streamline development approvals



- Update land use bylaws



- Rezone for higher densities



The Role of Planning

Planners can:

- Guide and expedite the process
- Prepare clear and concise policies for the implementation
- Provide advice to the local councils
- Assist with the community education and engagement
- Work with the provider to develop a long range management plan



Planning Policy Hierarchy

Alberta Municipal Government Act

Municipal Development Plan

Area Structure Plans
Area Redevelopment Plans
Neighbourhood Plans

Subdivision Approval

Land Use Bylaw
Development Permit Stage

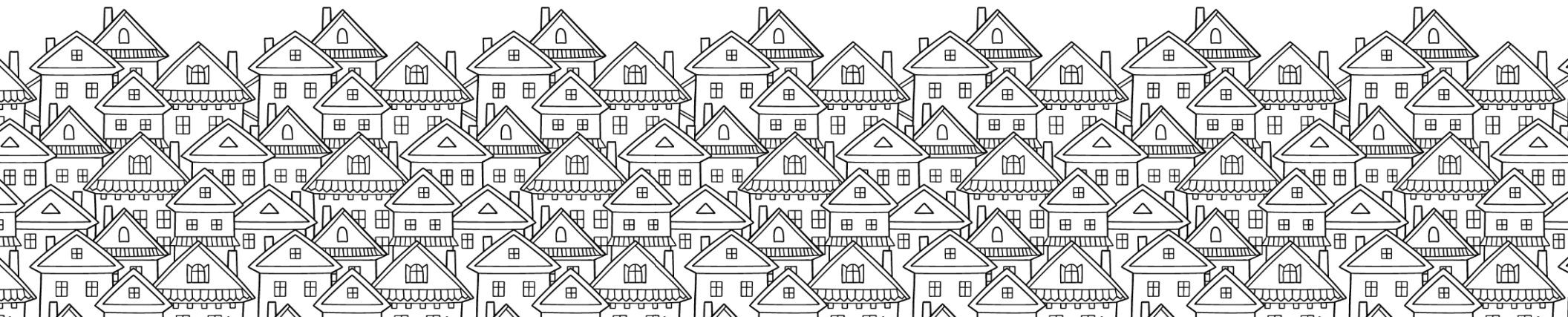


Building Code
Building Permit Stage



13

Steps



Population Projection

5.

9.

2.

6.

10.

3.

7.

11.

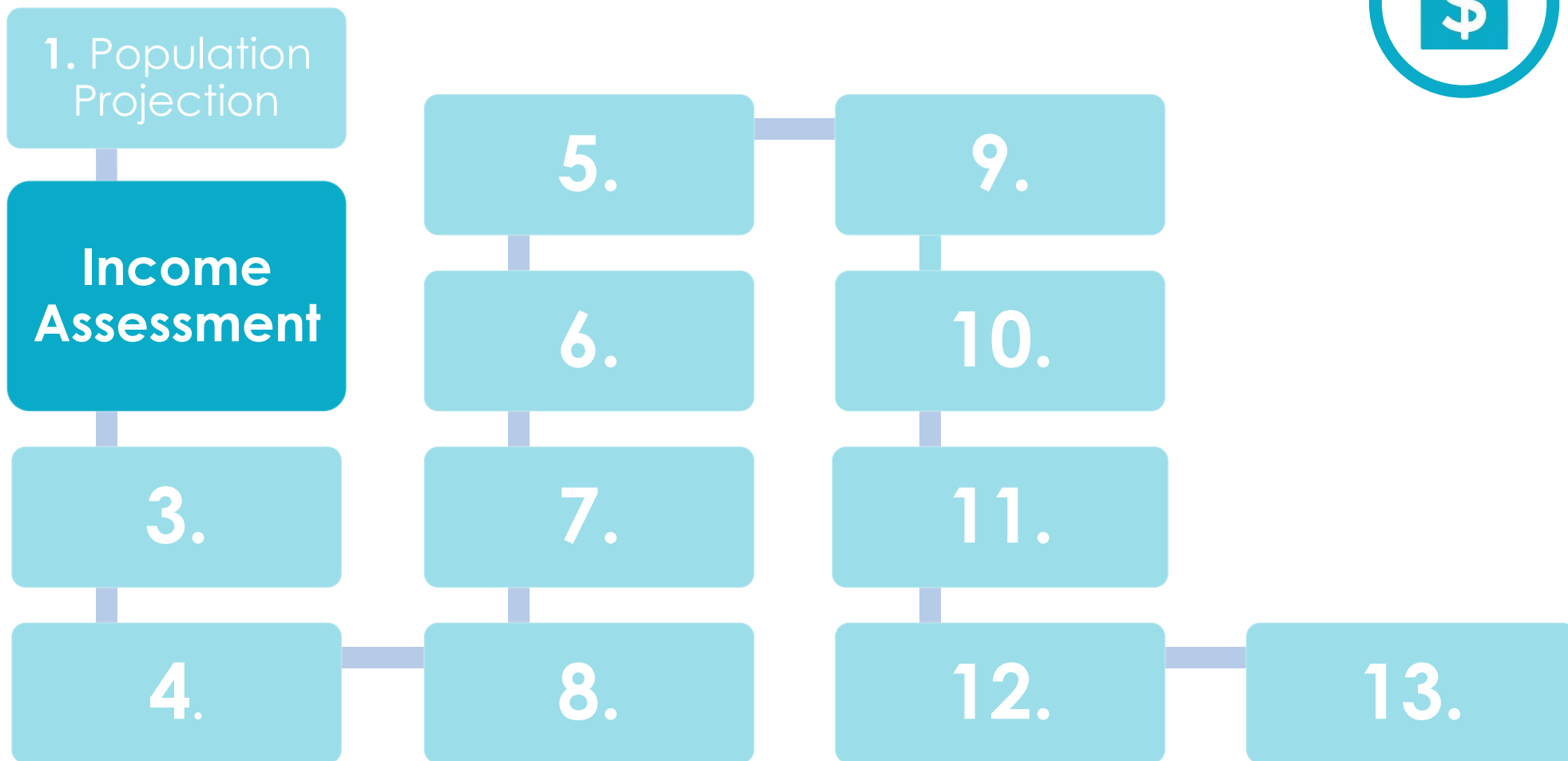
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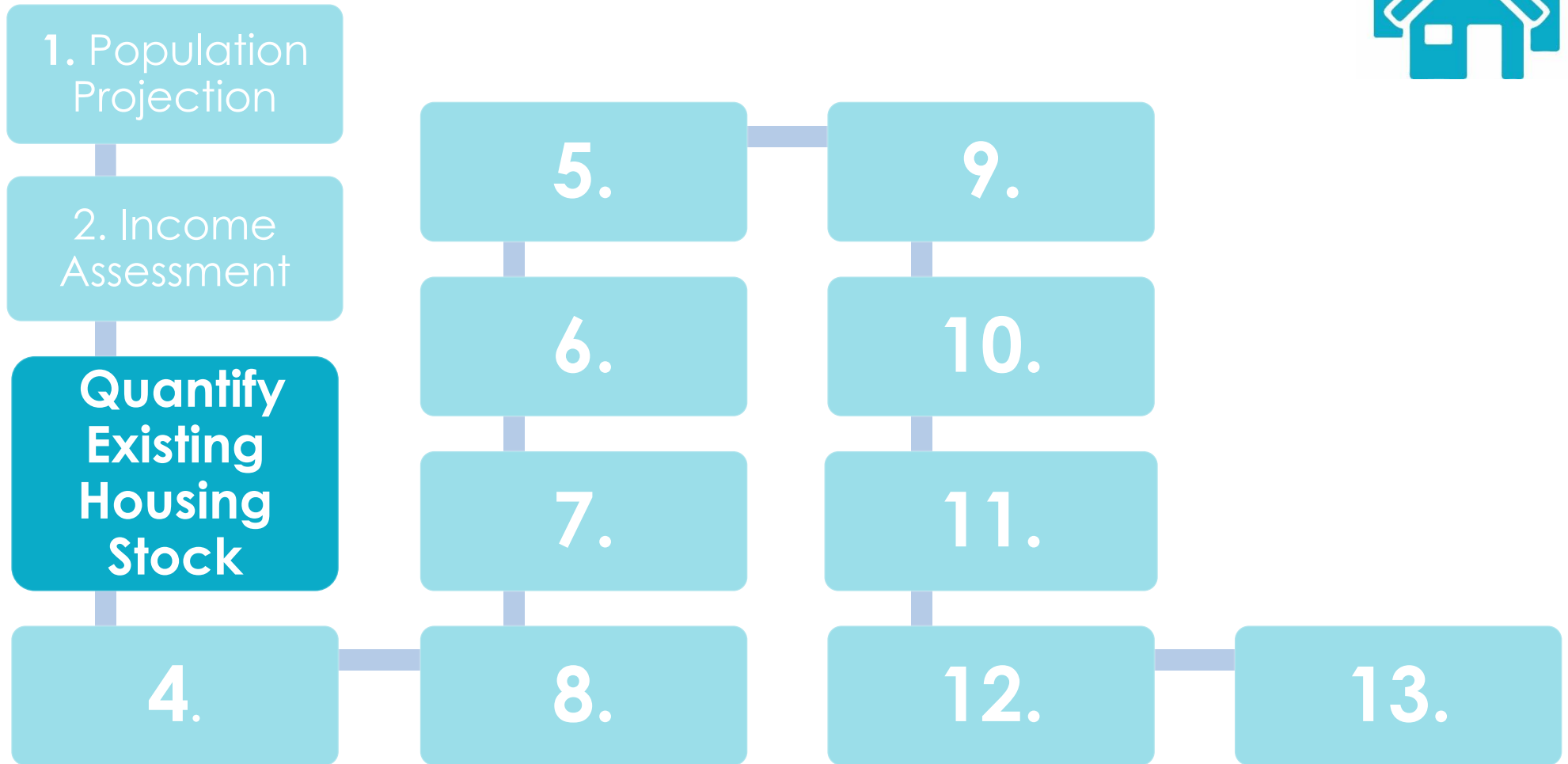
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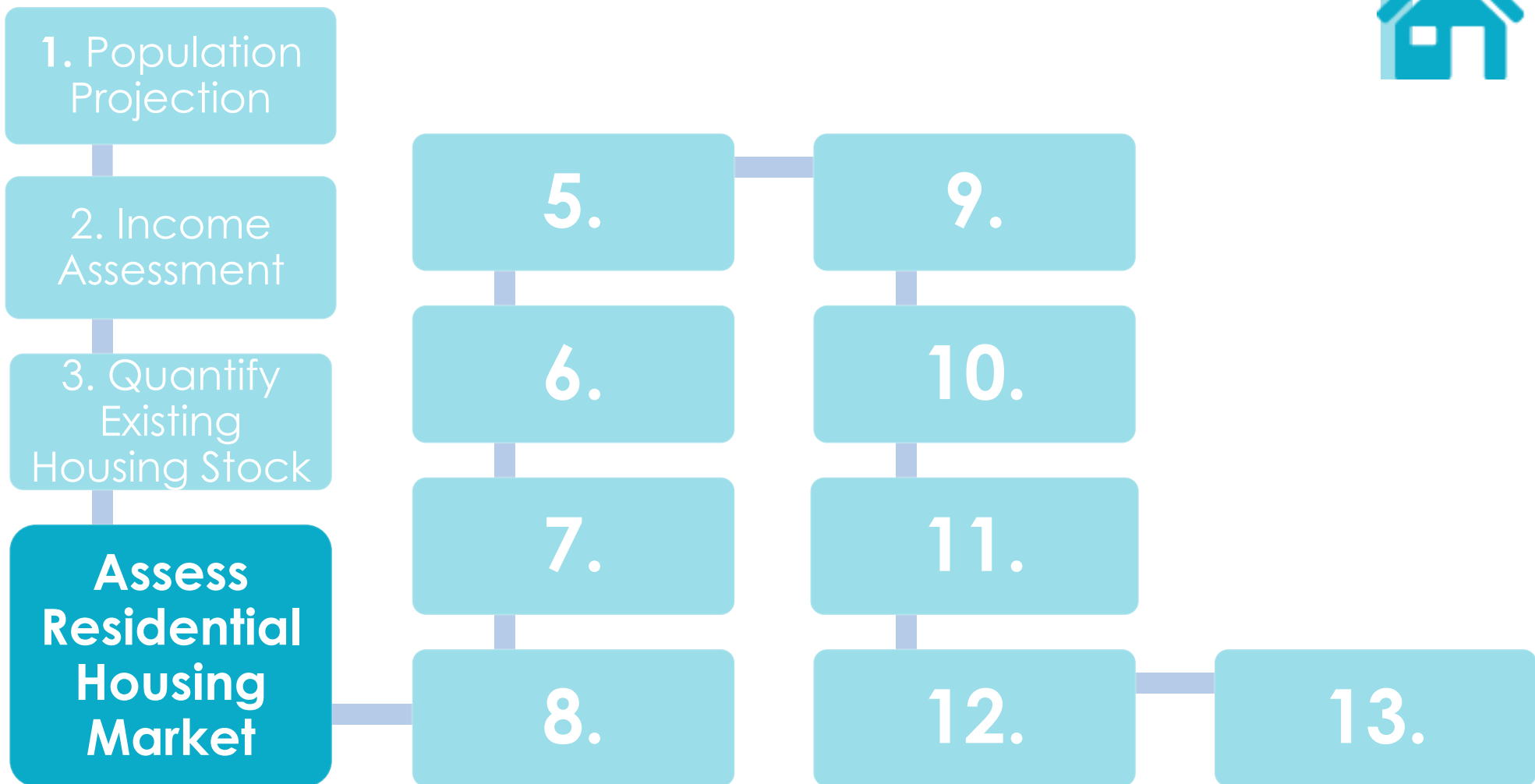
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Review the Housing Continuum

1. Population Projection

2. Income Assessment

3. Quantify Existing Housing Stock

4. Assess the Residential Housing Market

6.

7.

8.

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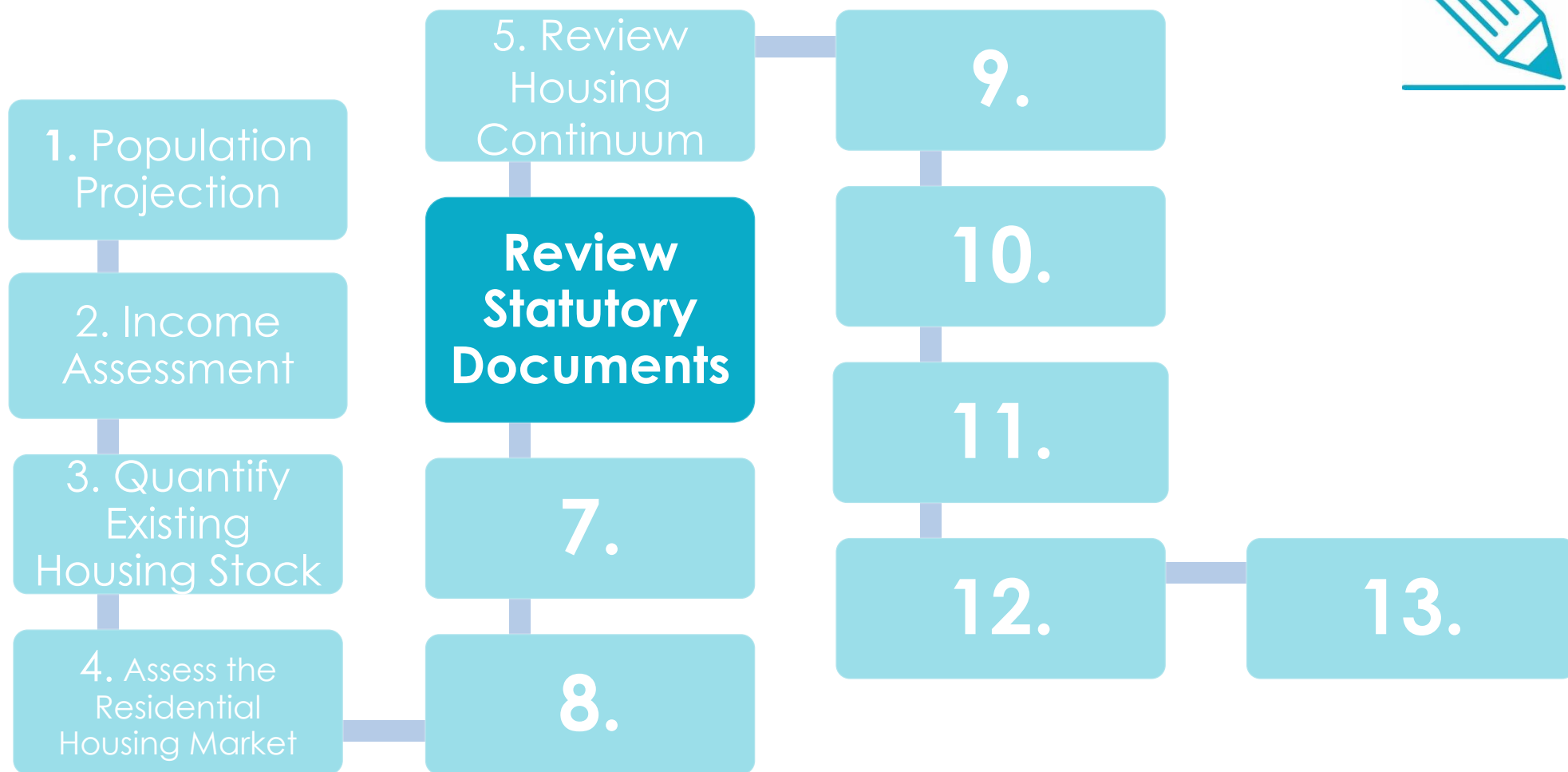
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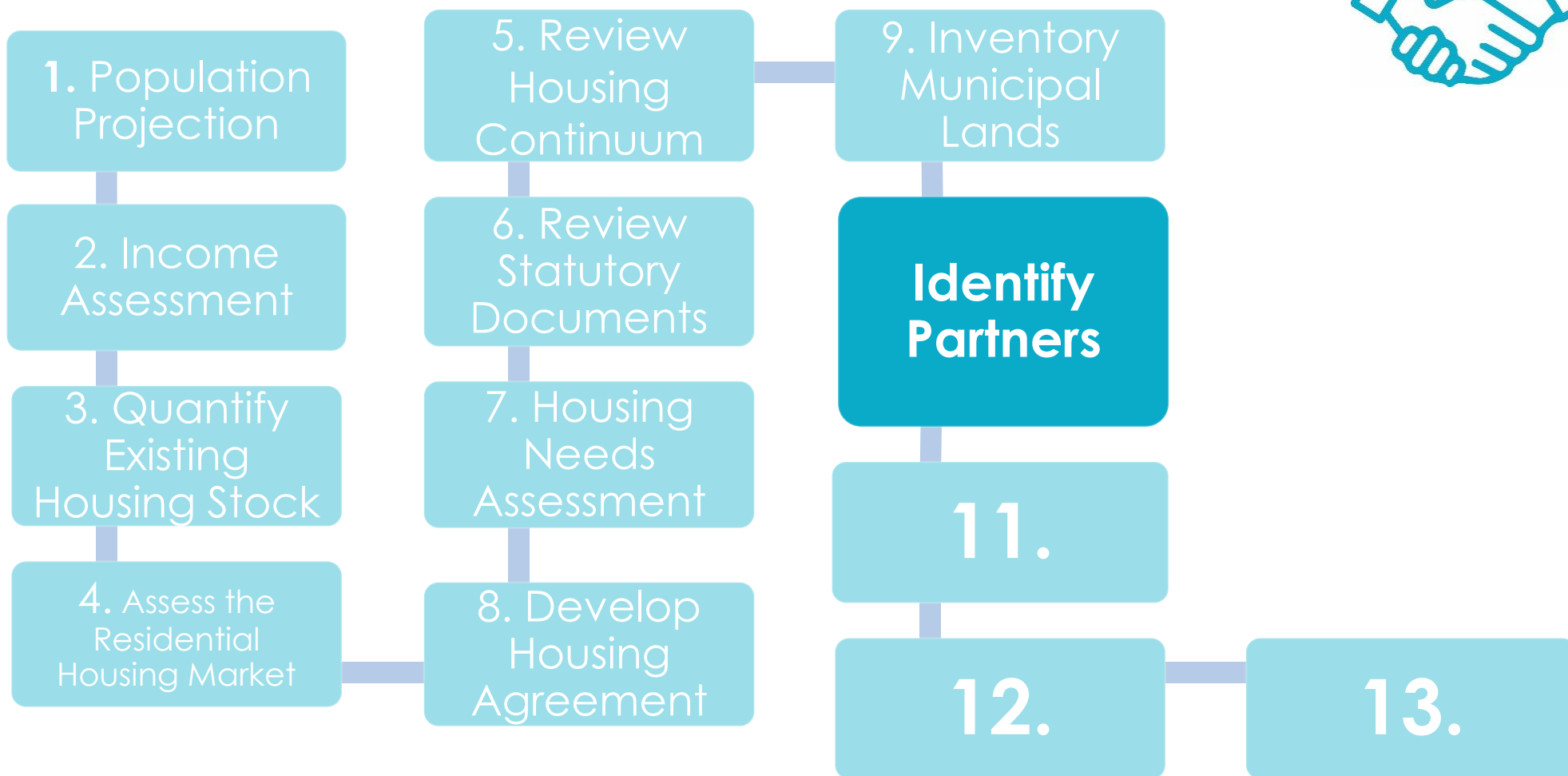


















Community Engagement

- Develop a long range communication plan for the housing manager, tenants and the community
- Involve in design and policy development
- Be transparent about the proposed development
- Community engagement must take place as early in the process as possible
- Involve the community as much as possible in the design
- Work with the housing provider to identify who the future tenants will be



Sources for Data

- Federal census
- Provincial census
- Municipal census
- Real estate boards
- Chambers of Commerce
- Health Authorities
- School Districts
- Non-profit organizations



Thank you!



Questions?



Resources

- Community Acceptance of Non-Market Housing Toolkit
- A Scan of Leading Practices in Affordable Housing
- Alberta Rural Development Network Sustainable Housing Initiative <https://www.ardn.ca/ardnsinitatives/sustainable-housing-initiative-shi>
- Alberta Provincial Affordable Housing Strategy
- *Alberta Housing Act* and Regulations
- *Municipal Government Act*
- Statistics Canada
- Calgary's Need for Affordable Housing <http://www.calgary.ca/CS/OLSH/Documents/Affordable-housing/Affordable-Housing-Needs-Assessment.pdf>
- Canada Mortgage and Housing Corporation
- Alberta's Affordable Housing System
- <https://open.alberta.ca/dataset/ec23d287-62e8-4881-b950-cfa36705b63a/resource/0c6c10f0-8d94-4830-936b-a7e8534cebfe/download/housing-engagement-infographic.pdf>
- Article: Calgary Herald <https://calgaryherald.com/news/local-news/city-still-has-long-way-to-go-to-fill-affordable-housing-demand-nenshi>
- Article: Global News <https://globalnews.ca/news/1520299/rental-prices-in-alberta-continue-to-rise/>

