



# Key Connections:

## Affordable Housing and Land Use Planning

Prepared for the City of Edmonton

*September 2006*



CITY  SPACES





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## *FOREWORD*

CitySpaces Consulting appreciates the advice, perspective and assistance provided by individuals and stakeholder groups during the research and consultation components of this study. In particular, we acknowledge the supportive involvement of our client managers, Peter Ohm of Planning and Development and Daryl Kreuzer of Community Services.

The study's Project Steering Committee spent countless hours reviewing research materials, meeting with our staff, promoting the consultation event, and collaborating on the study's findings. The committee members were:

- Daryl Kreuzer, Beatrice McMillan  
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City of Edmonton Planning and Development
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Capital Regional Housing Corporation
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Edmonton Inner-City Housing Society
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Edmonton Joint Planning Committee on Housing



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## KEY CONNECTIONS: EXECUTIVE SUMMARY

### AFFORDABLE HOUSING AND LAND USE PLANNING

Across Canada, municipalities are increasingly involved in working towards housing solutions that meet the needs of their residents. At the City of Edmonton (COE) there has been a concerted effort to support community-based housing solutions, as well as directly providing and facilitating housing-related programs. One area that the COE has not explored comprehensively until now is the potential connection between land use planning measures and affordable housing.

This study examines the relationship between affordable housing<sup>1</sup> and land use planning and sets out a series of suggestions – key connections. Three connections are suggested as “high priority” projects:

1. Updating *Plan Edmonton* to include affordable housing policies;
2. Legalizing secondary suites, with details to be finalized through a consultative process; and
3. Providing staff to shepherd affordable housing projects through the planning review process.

The study’s intended outcome was to maintain and increase the amount of affordable housing through creative and effective use of land use planning measures. Key elements of the study were to review land use planning measures in Edmonton and selected major Canadian cities, consult with stakeholders, and make recommendations on high priority pilot project initiatives. The study was co-sponsored by the departments of Community Services and Planning and Development. A Project Steering Committee provided guidance and ongoing feedback.

#### **Report Contents**

The report covers the following topics:

- How this study fits into a broader context;
- What is meant by “affordable housing”;
- Indicators of Edmonton’s current housing market;
- Comparative research;
- Consultation process; and
- Observations and suggestions.

---

<sup>1</sup> In order to make the term “affordable housing” operational for land use planning purposes, the following specific definition is used in this report. It is compatible with the COE’s adopted use of the term, as shown in the “housing and support continuum” in *Building Together: The City of Edmonton Low-Income and Special Needs Housing Strategy, 2001-2011*.

*Affordable housing is rental or ownership housing that provides permanent accommodation to households who earn 80% or less than the median income and spend more than 30% of their gross household income on housing. Typically, households who live in affordable housing do not require on-going support services or housing subsidies.*



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### Summary Observations

1. The COE has been proactively focussing on low income, special needs and homeless people. The findings and suggestions of *this* study broaden the scope of the COE's involvement to take into account moderate income households who do not typically need ongoing support or subsidy.
2. Several Canadian cities – notably, Toronto, Saskatoon and Vancouver – use land use planning measures to achieve affordable housing. However, for various reasons, not every practice used in other cities is directly portable, or suitable, to Edmonton.
3. A mix of measures will achieve more lasting benefits than a single initiative.
4. The COE needs to work closely with the development and building industries to pioneer policies, regulations and practices that are implementable in *greenfield settings*. Today's greenfield developments will be the mature neighbourhoods of 50 years from now.
5. Policy should lead regulation. AND ... regulation and policy should be connected. *Plan Edmonton* is very weak on affordable housing policy. Edmonton's administration, including planners, currently lack an adequate policy framework in relation to affordable housing.
6. The *Municipal Government Act* provides municipalities with natural person powers, giving latitude for the COE to develop innovative approaches. The lack of prescriptive legislation need not be a reason for inaction.
7. The City's Planning and Development Department can play a key role in facilitating affordable housing through the considered use of planning measures – spearheading policy, ensuring that regulatory measures are consistent with policy, and shepherding affordable housing projects through the development review process.



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### Recommended Key Connections

The consultant and the Project Steering Committee have categorized 14 land use planning measures/initiatives into three broad categories:

- Three "high priority" connections – these are broadly-accepted locally;
- Seven "connections for consideration" for which there are mixed views locally. Additional education, research and consultation may be needed to progress on any of these items; and
- Four "not suitable" connections that have little traction locally.

The table beginning on the following page groups each of the 14 connections by "high priority", "connections for consideration", and "not suitable". There are summary comments on how these are being used in Canadian cities and whether the connection is suitable in Edmonton.

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## Next Steps

If the COE adopts the three high priorities recommended in this study, the two sponsoring departments will work together to move forward on these initiatives. A separate study (attached as Appendix E) was prepared by the consultant to provide additional background research in connection with the implementation of a secondary suites initiative – one of the high priority connections.

Figure ES1: Summary Table		
Connection	What did the Cross-Canada research reveal?	Comment
<b>High Priority Connections</b>		
HP1 – Update <i>Plan Edmonton</i> to make affordable housing a core value; include range of related policies.	Equivalent plans have general statements and policies related to housing. Four plans have specific statements that address affordable housing – Toronto, Saskatoon, Winnipeg, Vancouver	The COE plan lacks policy that provide clear direction for developers, community and planners. Existing plan very narrow. Broad support for this measure during consultations.
HP2 – Amend zoning bylaw to allow secondary suites, subject to consultation process.	Three cities – Toronto, Saskatoon, Vancouver – recognize and promote legal suites. A number of other communities are actively considering.	Legalizing suites will facilitate more safe rental housing without major impact on neighbourhoods; equally good in suburban setting. Broad support for this measure during consultations.
HP3 – COE shepherding of approvals for affordable housing applications.	Half the cities contacted streamline and/or facilitate for affordable housing.	Assisting applicants through the approvals process will support the non-market sector. Broad support for this measure during consultations.
<b>Connections for Consideration</b>		
CC1 – Embed affordable housing policies in all area structure and area revitalization plans.	Cities with affordable housing as a core value typically include policies in area plans as well as community-wide plans.	
CC2 – Require developers of large projects to demonstrate how to produce a minimum of 5% long-term affordable housing units.	Toronto, Burnaby and Vancouver use variants of this, particularly in brownfield or larger-scale redevelopment settings. The percentages vary up to 20%. Other cities are considering similar approaches, but this partly depends on negotiating room in a strong economy.	Consultations suggested preference for a negotiated agreement rather than a specific minimum.
CC3 – Promote consideration – and possible use – of specific measures that are best suited to three different conditions: mature neighbourhoods, greenfield neighbourhoods, and large scale development projects.	Most cities have affordable housing policies/practices that vary according to area.	



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**Figure ES1: Summary Table**

<b>Connection</b>	<b>What did the Cross-Canada research reveal?</b>	<b>Comment</b>
CC4 – City to actively land bank and sell or lease below market prices for development of affordable housing.	Six cities regularly land bank for affordable housing; some use this for their own non-profit housing corporation; others as a reserve for non-profit housing providers.	The COE was active in land banking for affordable housing in the 1970s.
CC5 – COE to establish a separate Affordable Housing Reserve Fund to provide partial capital for affordable housing projects.	Several cities have a separately dedicated fund for affordable housing; variously referred to as reserve fund, revolving fund, innovations fund, and investment reserve fund.	The City does not have a separate reserve fund for affordable housing but does have the precedent reserve funds for specific purposes.
CC6 – COE to request Province to consider setting out affordable housing expectations through its land use policy statement.	A number of provinces have legislation or policy statements related to housing. Nova Scotia's land use policy statement incorporates affordable housing objectives and expectations of municipalities.	Provincial policy statements could help support COE policy and practices. COE Administration favours Provincial policy, <i>not</i> legislation.
CC7 – COE to use Direct Control zoning to negotiate affordable housing units or financial contributions. Could be through bonus zoning.	This connection (or similar) is used to secure a range of community amenities, housing being one of these in three cities. Often used in relation to heritage, public open space, u/g parking.	Depending on the situation, affordable housing be considered during Direct Control zoning negotiations.
<b>Not Suitable Connections (at this time)</b>		
NS1 – Use financial measures, such as reductions of development as an incentive to developers who build affordable housing.	Most cities provide some form of tax incentives, grants, loans or other measures to facilitate affordable housing development. Toronto, Hamilton and Vancouver waive or reduce development charges.	Administration preference for capital grants to help fund affordable housing units rather than financial incentives.
NS2 – Establish limits on rental conversion to strata.	Five cities have conversion limits in place to protect the loss of rental housing stock.	The City does not have jurisdiction over rental units built after 1966. For older units, the COE has not intervened to date.
NS3 – Amend zoning requirements in transit-oriented (TOD) areas/ neighbourhoods for affordable housing.	The research did not specifically examine this measure. It was suggested during consultations with the COE.	



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Figure ES1: Summary Table		
Connection	What did the Cross-Canada research reveal?	Comment
NS4 – Allow relaxation of some zoning requirements for affordable housing on a project basis; requires “housing agreement” signed between City and a sponsor group on behalf of a specific user group. (Or, in Alberta, through “Direct Control zoning.”)	Four cities regularly relax parking requirements for affordable housing; some require a covenant on title or other legal “agreement” to ensure continuing use by specific user group.	COE practice has been to zone for the use, not for the user.



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# KEY CONNECTIONS: AFFORDABLE HOUSING AND LAND USE PLANNING

Access to safe, adequate and affordable housing is fundamental to the physical, economic and social well-being of individuals, families and communities. Municipalities across Canada have become increasingly involved in working towards housing solutions that meet the needs of their residents. At the City of Edmonton (COE) there has been a concerted and continuing effort to support community-based housing solutions, as well as directly providing non-profit housing (homeEd), and facilitating other housing-related programs. One area that the COE has not explored is the potential connection between land use planning measures and affordable housing. This study addresses this topic and makes recommendations as “key connections”.

## 1.0 INTRODUCTION

Throughout Canada, the US and Britain, there is ongoing debate about whether there is an effective, measurable connection between land use planning and affordable housing. Some people advocate that the connection is both obvious and critical; others argue that the connections are tenuous and unproven. And, depending on one’s perspective, there is research that supports either position. But, for a few minutes while reading this report, put that debate to one side. And, after reading the report, ask this question:

*Could connecting land use planning measures and affordable housing result in more choice of housing in more locations for more people within Edmonton, now and ... into a future where today’s greenfield developments will become tomorrow’s mature neighbourhoods?*

## 1.1 The Framework for this Study

In 2005, the City of Edmonton (COE) initiated a study of how land use planning measures could play a positive role in creating and maintaining affordable housing in Edmonton. This was the COE’s only recent, comprehensive examination of how land use planning tools could assist in creating more affordable housing. CitySpaces Consulting Ltd., a land use planning firm that specializes in all aspects of housing, was selected to assist the City with this study.

The intended outcome of the study was to:

- Maintain and increase the amount of affordable housing through creative and effective use of land use planning measures.

The specific objectives were to:

- Make it easier for market and non-market developers to create affordable housing;
- Make it easier for the City of Edmonton to facilitate the development and construction of affordable housing; and
- Help reduce costs associated with the development and construction of affordable housing.



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The scope of the consultant's work was to:

1. Review Edmonton's existing land use planning policies and practices and their impact on the provision of affordable housing;
2. Review the land use planning measures to promote affordable housing in other major Canadian municipalities;
3. Prepare a Scoping Report on existing and potential future land use planning measures to promote affordable housing applicable in the Edmonton context;
4. Prepare a Discussion Guide for a Stakeholder Consultation Session;
5. Plan and conduct/facilitate a Stakeholder Consultation Session (including developing lists of industry and community stakeholder representatives to be invited and document participants' input at the Session); and
6. Review all comments received and prepare and present a draft report and recommendations on high priority pilot project initiatives based on what was heard at the Session.

As the project proceeded, two additional items were added to CitySpaces' work program:

1. Review of the policies and practices of other municipalities in the Edmonton region to address affordable housing; and
2. Further research into the topics of land banks and secondary suites, with an emphasis on policies and practices where the municipality has embarked on a secondary suites program.

The study was co-sponsored by the departments of Community Services and Planning and Development. A Project Steering Committee, which met regularly for eight months, provided guidance and feedback to the consultant. The Committee comprised representatives from community and development/building stakeholders, as well staff from the two co-sponsoring departments.

## 1.2 How this Study fits into a Broader Context

This study follows related studies and plans undertaken in the past 10 years that provide direction in relation to the City's roles in housing. The primary documents are:

1998

*Plan Edmonton*, Edmonton's Municipal Development Plan, states that other governments and agencies are responsible for meeting housing needs. While *Plan Edmonton* says that the City will "work with" those governments and agencies, it provides no basis for the use of the City's land use planning policy, regulation or processes to assist in meeting housing need or for a proactive leadership City role in responding to affordable housing needs. *Plan Edmonton* is also lacking in housing policies of other types.

2002

*Building Together: The City of Edmonton Low-Income and Special Needs Housing Strategy, 2001-2011*, endorses a future City role to meet priority housing and homeless needs in a principles-based, facilitative and



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community-driven approach. This Council-adopted document provides a foundation for all COE housing policy and programs.

2003

*Improving Opportunities for Affordable Housing in Edmonton* – the 2003 Mayor’s Task Force Report on Affordable Housing, provides recommendations to reduce barriers and to reduce cost for the development of affordable housing through land use planning measures. The Task Force’s report was the primary genesis of this current study.

2005

*Cornerstones: Edmonton’s Plan for Affordable Housing, 2006-2011*, endorsed by Council in 2005, points the way for the COE to take a leadership role to facilitate long-term affordable housing, plus an advocacy role to meet short-term housing needs. *Cornerstones* presents 15 directions, of which several were considered in the preparation of this report – land banking, secondary suites, requirement for a 5% minimum percent of affordable, long-term housing, regulatory barriers, and “one stop shopping” office.

2006

In January, the responsibility for implementation of City Council policy on housing and homelessness was transferred from Community Services to a new Office of Housing in the Asset Management and Public Works Department.

While this report deals almost exclusively with the connection between affordable housing and land use planning, it would be remiss not to comment on the COE’s proactive role on a number of other fronts in relation to housing and support services. These include:

- The Community Services Department has a long-standing involvement in initiatives and strategies that address affordable and special housing issues:
  - Ongoing support for the Edmonton Joint Planning Committee on Housing (EJPCOH);
  - Liaison with federal and provincial agencies that plan and expedite homelessness projects;
  - Supporting the Social Housing Advisory Committee (SHAC);
  - Advocating on matters related to housing at the provincial and federal government levels;
  - Developing policies and practices across City departments that are conducive to meeting priority housing needs; and
  - Researching new initiatives to increase the supply of low-income and special needs housing.
- City agencies and programs provide non-profit housing and referrals to community and government housing organizations, including:
  - The operation of homeED portfolio of more than 650 non-profit housing units;



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- Administration of the Residential Rehabilitation Assistance Program (RRAP);
- Assistance through the Low Income Housing Capital Assistance Program (LIHCAP) to housing sponsors;
- Inspections to ensure safe housing standards in older rooming houses and apartments; and
- A Landlord and Tenant Advisory Board that advises and informs on issues arising in the rental sector.

The foregoing initiatives, while vital components of the COE's commitment to housing, are not the subject of this report. For the reader interested in the programs and agencies referenced above, contact the Housing Services Section, of the Community Services Department.

### **1.3 Indicators of Edmonton's Housing Market**

It will be helpful for planners, who may be called upon to use land use planning measures in connection with affordable housing, to know the type and source of relevant housing indicators. The key indicators are identified and discussed in this section of the report.

#### **1.3.1 Rental Housing**

CMHC undertakes an annual survey of rental vacancies and rental rates in purpose-built rental housing by sub-area, size of building, and number of bedrooms. In 2005, the Edmonton Census Metro Area (CMA) private market rental vacancy rate declined to 4.5%, down almost 1% from 2004. According to CMHC, this resulted from a slowdown in rental apartment starts, the rising cost of home ownership and only modest rent increases. In 2005, the average one-bedroom rent in the CMA was \$608; a two-bedroom was \$732.

#### **1.3.2 Ownership Housing**

For all resale and new homes sold through the Multiple Listing System (MLS®), the Edmonton Real Estate Board (EREB) is an excellent source for examining trends and making comparisons over time. EREB publishes statistics for average selling prices on a monthly and quarterly basis. *Figure 1* shows the pattern of selling prices for the month of March in each of the last five years. There were sizeable increases between 2005 and 2006 – 21.9% for detached homes and 17.4% for condominiums.

If housing prices increase faster than incomes, housing becomes less affordable and – generally – fewer households are able to qualify for mortgage financing. In April 2006, EREB reported that “the booming economy and high demand are causing housing prices to rise beyond forecast expectations”. In January 2006, EREB forecast that residential sales prices would rise 8% during the calendar year. To the end of July, prices were 30+% ahead of the same time last year.

EREB reports that in July 2006 the price for single detached dwellings was \$303,304, with condo prices at \$188,831. Property sales for the first six months of 2006 soared well above expectations, creating a shortfall in the available inventory.

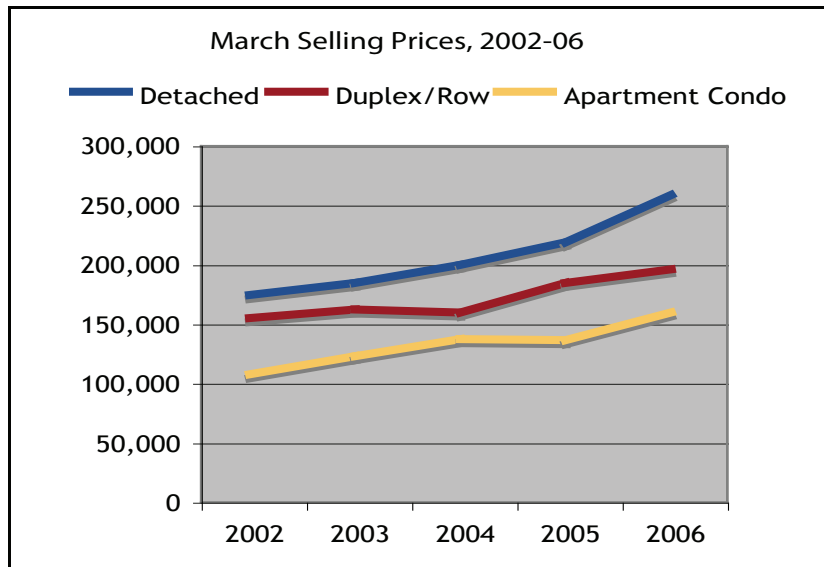
Another good source of price data is the Statistics Canada/CMHC Market Absorption Survey for metro areas of Canada. The latest report gives the average selling price of all





newly completed detached and semi-detached homes in Edmonton as \$236,500 in 2004 and \$261,825 in 2005 – an increase of 10.7%.

Figure 1 – March Selling Prices, By Housing Type – 2002-06  
Source: Edmonton Real Estate Board



### 1.3.3 Income by Household Type

The ability to afford housing is a relationship between a household's income and the cost of either renting or buying. For this reason, it is key to understand income patterns of Edmontonians when discussing affordable housing. The best source of income-related data is the Statistics Canada taxfiler data base, available on an annual basis. CitySpaces examined recently-released 2004 taxfiler data and identified key aspects of income by household type. Using this data, the following observations are made:

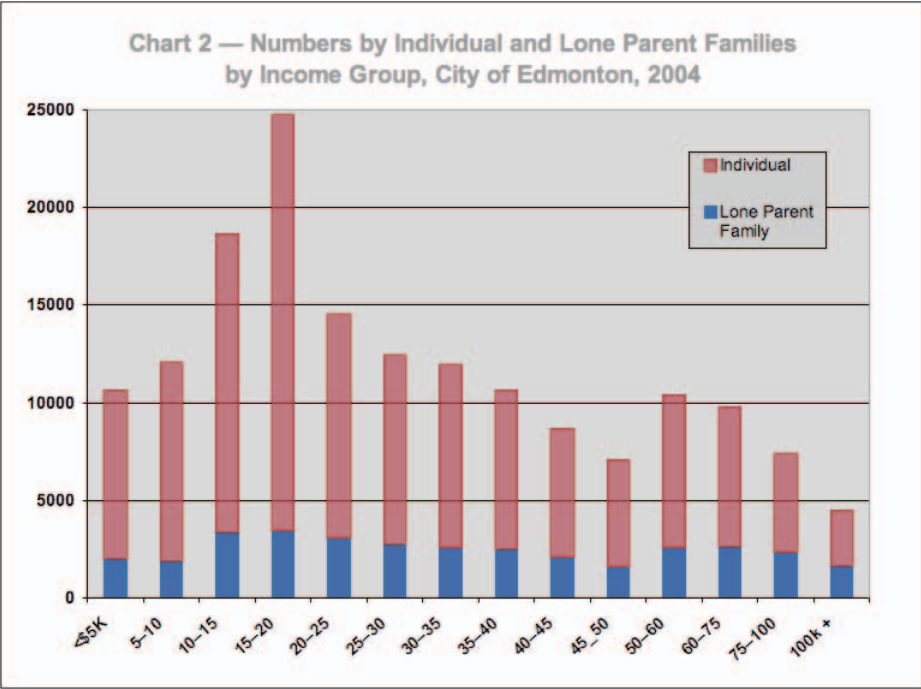
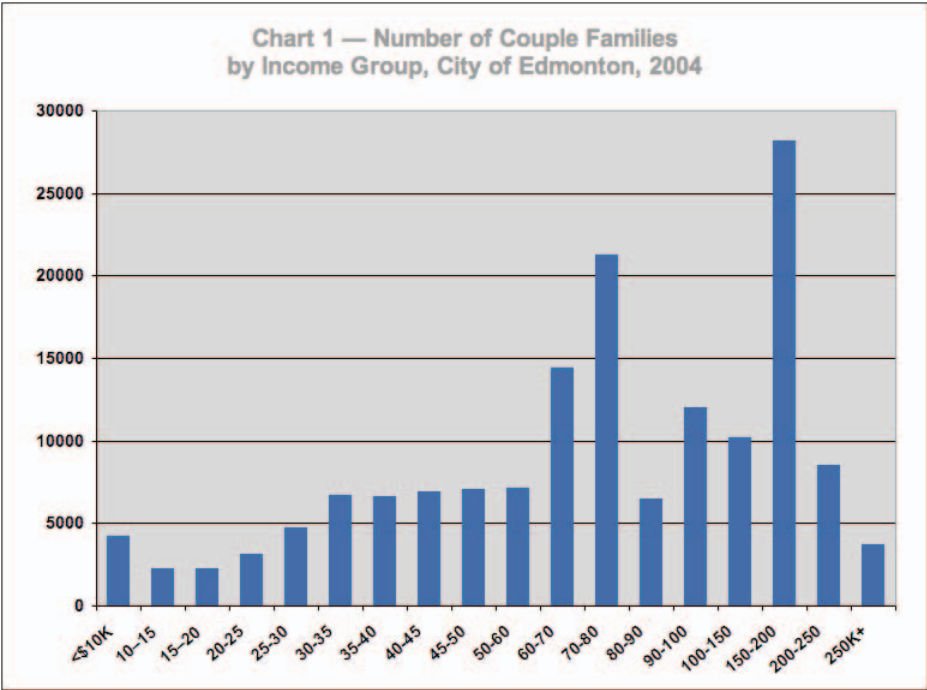
- There were 156,000 couple families in Edmonton. The median income of this group was \$70,500. This means that about 78,000 couples made less than the median income; 78,000 made more. From CitySpaces' analysis, those making more than the median income were able to purchase a home in Edmonton without any form of societal assistance. Households who made between \$50,000 and \$70,000 are those who are likely to fall into the "affordable housing" category – they do not need ongoing assistance but they would need to pay more than 30% of their income on housing, particularly if they want to purchase ground-oriented housing (single, duplex, townhouse). From CitySpaces' analysis of age-related data, the age 25-34 group has the greatest challenge to secure housing – the median income of this group was \$60,500. Chart 1 illustrates the number of couple families by income group.
- There were 34,720 lone-parent families (one in about every six families in Edmonton). Their median income was \$31,400. This means that about 17,360 lone parent households made less than the median income and a similar



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number made more. From CitySpaces' analysis of age-related data, the most significant challenges are among the age group 25-34 where the median income was only \$20,600. Chart 2 illustrates the number of individuals by income group.



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- There were 128,850 people who filed taxes as individuals. Their median income was \$23,900. More than 64,400 made less than the median income, with a similar number declaring more than the median income. Unlike the two previous groups – couple families and lone-parent families – an age-related analysis shows that the 65+ age group has the most affordability challenges. To illustrate, among the 65+ age group, the median income was only \$19,900. Chart 2 illustrates the number of individuals by income group.

### 1.3.4 Housing Affordability by Household Type

Housing affordability is typically explained as the relationship between a household's income and how much that household can afford to rent or purchase without paying more than 30% of their income on housing.

Some people rent or purchase their home at the maximum that their income allows. Customarily, a rental agent or a bank determines who "qualifies" for the maximum. For a conventional mortgage, a buyer will need to pay at least 10% of the purchase price as a down payment. Buyers can obtain a high ratio mortgage – pay 5% down and get 95% financing – if they meet CMHC qualifications.

The COE Office of Housing has established 80% of the median income as the basis for calculating housing affordability by household type. Using the City's approach, as *Figure 2* shows, there is a significant variation in purchasing power among households. Couple families have the greatest purchasing power. A couple household with 80% of median income (2004 \$) would be able to purchase a home of \$216,000 at 10% down without paying more than 30% of their income – this is approximately 20% less than the average price of a single detached home in April 2006 (\$265,557 EREB). In contrast to couples, the incomes of lone-parents and single people give them much less choice in the housing market and considerably less purchasing power. It is important to note that affordability changes with income, but it also changes with interest rates – a lower rate allows a household to afford more; a higher rate reduces affordability.

Figure 2: Housing Affordability by Household Type – 2004				
	80% of Median Income 2004	30% of 80% of Median Income	Maximum Monthly	Purchasing Power @ 10% Down Payment
Couple Families	\$56,400	\$16,920	\$1,410	\$216,000
Lone Parent Families	\$23,120	\$7,536	\$628	\$96,000
Single Person Household	\$21,040	\$6,312	\$526	\$80,000
Data Source: Statistics Canada 2004 Taxfiler Data and COE calculations using conventional financing methodology.				

## 1.4 What is Meant by Affordable Housing

There is no universally agreed-upon definition for the term "affordable housing". Every city has its own working definition, and Edmonton is no exception. In 2002, the COE adopted "*Building Together: the City of Edmonton Low-Income and Special Needs Housing Strategy, 2001-2011*". That document includes a diagram that sets out a housing and support services continuum. At one end of the continuum are solutions meeting the



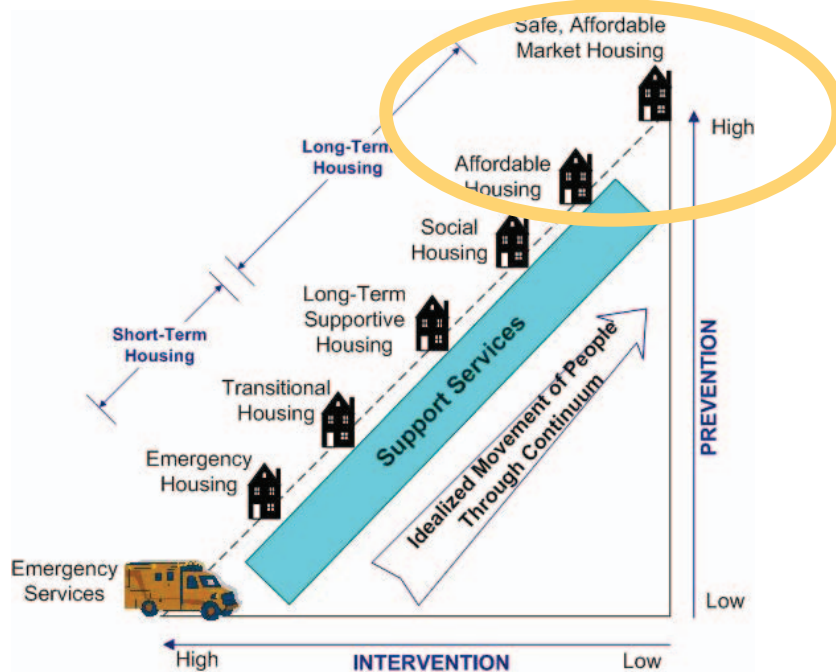
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complex needs of homeless people. At the other end are independent living solutions meeting the housing needs of households with moderate to higher incomes.

The continuum (Figure 3) shows the “affordable housing” as being housing that is just below “market housing” – inside the oval at the top right of the diagram. This refers to housing for people who are not likely to require support services or need ongoing housing subsidies but they are people who have limited incomes – students, young families, seniors on pensions, and recent arrivals to the City.

Figure 3 - City of Edmonton Housing and Support Services Continuum



*For the purposes of this report*, and in order to make the term “affordable housing” operational for land use planning purposes, the following definition is recommended:



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*Affordable housing is rental or ownership housing that provides permanent accommodation to households (individuals and families) who earn less 80% or less of the median income and spend more than 30% of their gross household income on housing. Typically, households who live in affordable housing do not require on-going support services or housing subsidies.*

(Note: It is important to note that what constitutes affordable housing differs by household type. CitySpaces suggests using the couple families, lone-parent families, and individuals as shown in Figure 2.)

## 2.0 RESEARCH PROGRAM

The focus of the consultant's work program was on land use planning measures. As noted below, a number of related measures were specifically *excluded*.<sup>1</sup> A significant component of the consultant's research was to comprehensively investigate the details of the land use planning measures being used by selected cities across Canada and by six municipalities within the Edmonton region, including Edmonton. The purpose of this was two-fold:

- To determine how Edmonton compares with other cities and municipalities in its use of land use planning measures in connection with housing; and
- To identify land use planning measures that might be well suited – or adapted – to Edmonton's needs and context.

### 2.1 Research Methodology

Land use planners, who focus on housing, often categorize planning measures into four broad categories: *policy, regulation, processes, and related other measures*. In consultation with the Project Steering Committee, the consultant identified the specific subjects to be investigated in each of the four categories, and chose the cities/municipalities to be studied (Refer to Figures 4 and 5).

CitySpaces' planners used a combination of web-based review, telephone and in-person interviews, and document analysis to complete the comparative research – referred to as the "scan". The planners and housing analysts who were interviewed were very interested in the work being undertaken by the COE and forthcoming with information and relevant materials.



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<sup>1</sup>Specifically excluded from this study are:

- City capital and/or operating grants in support of low-income and special needs housing;
- Changes to existing City tax policy on affordable housing;
- Municipal financing or loan insurance for affordable housing projects;
- Down payment, second mortgage or homeowner education assistance;
- Alternative development (design/site servicing) standards;
- The cost-to-income relationship of housing to the end-user;
- Responding to citizen complaints regarding derelict housing conditions;
- Delivering the Residential Rehabilitation Assistance Program;
- Increasing the capacity of low and moderate-income households to occupy housing (e.g., landlord and tenant advisory services); and
- Changes to the *Municipal Government Act*.

Figure 4: Selected Municipalities	
Cross-Canada City Scan	Halifax, Toronto, Hamilton, Winnipeg, Saskatoon, Calgary, Edmonton, Burnaby, Vancouver
Edmonton Region Scan	St. Albert, Strathcona County, Leduc, Fort Saskatchewan, Stony Plain

Figure 5: Topic Categories			
Policy Framework	Regulatory Practices	Process Measures	Related Measures
Provincial legislation Community and neighbourhood plans Affordable housing strategies Definitions	Inclusionary Zoning Bonus Density Comprehensive Zoning/Site-Specific Zoning Small Lots, Small Units Secondary Suites Parking Requirements Limits on Rental Conversion Infill and Intensification	Development Review Processes Addressing NIMBYism	Reserve Fund Land Banking Incentives Development Fees

## 2.2 Research Findings

A considerable amount of material was generated through the research; rather than include all the material in the main body of the report, the interested reader is directed to Appendix B – Scoping Report. What follows are summary highlights and key findings from the research. Also included in this section is an “at a glance” matrix which summarizes the key comparative findings among eight cities, plus Edmonton.

### 2.2.1 Overall Commentary

Of the cities included in the scan, Toronto has the longest experience with policies and practices that make the connection between land use planning and housing. Vancouver, Saskatoon and Burnaby also stand out as municipalities that have been innovative and resourceful in using land use measures to address certain housing needs. The other cities have less experience in this regard.

The consultant observes that most work in the area of land use and affordable housing has been in relation to redeveloping neighbourhoods or in connection with brownfield sites. Few cities have developed comprehensive housing measures for greenfield sites, although in the post-amalgamation period in Ontario, cities such as Toronto and Ottawa are making concerted efforts to adapt policies and practices to new suburban developments. Calgary has also adopted policies that encourage increased overall residential densities and housing variety in new communities, as well as provide capability for new housing units to be added beyond the initial build-out of a community.

### 2.2.2 City of Edmonton

The COE has a long history of commitment to ensuring that there is an adequate supply of residential land available in order that the development industry can meet the housing needs of the vast majority of Edmontonians. This has allowed the private sector to



build thousands of homes in the past several years and has been a key factor in keeping Edmonton's housing prices more affordable than many other high-growth cities in Canada.

This section of the report discusses the COE's current use of land use planning measures in relation to affordable housing. While the COE does not currently have a formal program to link planning measures to housing, the Planning and Development Department has been involved with a number of initiatives.

- In the 1970s, Edmonton pioneered the linking of land use and affordable housing in a greenfield setting — Mill Woods still stands out as one of Canada's most successful mixed-income communities. The measures used then — land assembly, public-private partnerships, smaller lots, and inclusion of social housing projects and low-end of market rental — have been emulated in other cities<sup>2</sup>.
- In 1991, the COE adopted *Housing Mix Guidelines*. These recommend that the ratio of dwelling types in new suburban neighbourhoods be based on a mix of 65% to 85% low density residential (LDR) units and 15% to 35% medium density residential (MDR) units. These guidelines encourage a mix of housing types, a range of choice in housing, and a measure of intensification. When Area Structure Plans (ASPs) are prepared, these guidelines are to be taken into account. In light of increasing interest in sustainable communities, ASPs are often exceeding the medium density requirements<sup>3</sup>. There is no information available on the extent to which MDR units are "affordable housing" units as defined by the City."
- The COE's Zoning Bylaw (No. 12800) follows a time-honoured approach to uses — permitted and discretionary on a geographically-defined zone-by-zone basis. Development Officers are charged with administering the Zoning Bylaw and deciding on development permit applications. There have been a number of examples where Development Officers have used their discretionary authority to minimize certain regulatory measures that, otherwise, would have prevented an affordable housing project from proceeding (e.g., parking requirements, setbacks, unit size);
- Secondary suites are a "discretionary use" in a number of zones, but have been little utilized, in part due to specific locational conditions attached to the opportunity. At the present time, no zone allows secondary suites as a "permitted use".
- Terwillegar Towne of southwest Edmonton was a departure in planning of suburban areas, incorporating a number of innovations designed to make better use of the land and encourage more housing choices. Terwillegar single

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<sup>2</sup> Note: At that time federal and provincial housing programs had a mixed-income focus and were a key element in the planning and development of Mill Woods; the current federal focus is on homelessness, special needs and aboriginal housing.

<sup>3</sup> In March 2004, Council approved a recommendation to re-evaluate guidelines, as part of the next *Plan Edmonton* review, for the ratio of single to multi-family housing that would apply to the preparation of statutory planning documents throughout the city, in order to develop new density targets or guidelines for new suburbs. This was in the context of the Smart Choices project.



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detached and small lot residential zones also allow for a “garage suite” as a discretionary use. Reportedly, neighbourhood acceptance of garage suites has been positive. (Note: This form of secondary suite is likely more costly than a typical suite in a basement setting.)

- The Zoning Bylaw provides for two small lots detached housing zones – Residential Small Lot (RSL) and Planned Lot Residential (RPL). These have the effect of reducing the land cost component of a new home. The general purpose the RSL zone is “to provide for smaller lot single detached housing with attached garages in a suburban setting that provides the opportunity for the more efficient utilization of undeveloped suburban areas”. The minimum site width is 10.4 metres. The general purpose of the RPL is “to provide for small lot single detached housing that provides the opportunity for the more efficient utilization of suburban areas, while maintaining the privacy and independence afforded by single detached housing forms; and also, a zone that provides greater flexibility for infill development”. The minimum site width in the RPL zone is 8.6 metres. A departmental study of compact lot issues in 2004 resulted in certain amendments to facilitate more successful implementation of small lots.
- In 2003/04 the Planning and Development Department undertook a comprehensive study of the potential use of planning measures to achieve compact, cost-effective urban development – *Smart Choices for Developing our Community*.
- The City also has a Direct Control (DC) designation. Unlike other zones, DC provisions have their own bylaw reference number, specific uses and accompanying sets of development guidelines. In a sense, DC provisions are custom-made regulations for a unique character area or for a specific site or project. Recently, the City has begun to use DC provisions to secure affordable housing. (e.g., Century Park)
- The COE Planning and Community Services departments have recently been working towards securing additional affordable housing through negotiations with developers of larger projects. For example, the COE proposed that 144 units (5% of the 2,886 units allowed in the Century Park zoning) be provided as affordable housing. Century Park has committed to selling 50 units (or 1.7% of the total units allowed in the zoning) at its cost for affordable housing. Similarly, the COE has been working towards the inclusion of up to 20% affordable housing as part of the City-led Fort Road Old Town redevelopment next to the Belvedere LRT station.



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### **2.2.3 Edmonton Region Municipalities**

With respect to the Edmonton region, there are proactive affordable housing policy statements in the MDPs of the municipalities of Fort Saskatchewan, St. Albert and Leduc. St. Albert has had an Advisory Housing Council since 2001 and completed a housing strategy in 2005. Leduc indicates a receptivity towards secondary suites in all detached housing areas as a discretionary use. On the development front, Leduc has donated urban reserve land and is assisting the financing for non-profit projects.



#### **2.2.4 Cross-Canada Provincial Legislation**

The provincial legislative framework varies considerably across Canada. Some provinces make it easier to assertively use land use planning measures. BC and Nova Scotia have the most supportive provincial frameworks.

Major legislative change in the 1990s made it much easier for cities to identify their own agendas/arenas of interest, rather than only use the powers specifically set out in legislation. Alberta pioneered this empowering approach with the *Municipal Government Act*. Other provinces followed. With “natural person powers”, some cities have become more active in relation to affordable housing, primarily in the area of partnerships and financial measures.

#### **2.2.5 Commentary on Cities**

Toronto and Vancouver each has a history of involvement in affordable housing, as facilitators and direct providers. Planning departments in these cities view affordable housing as a core value and use whatever land use measures/processes are available to facilitate affordable housing. Vancouver has more flexibility than Toronto related to zoning and development negotiations/approvals – its decisions are not subject to an administrative appeal system.

Saskatoon and Burnaby stand out as small cities that have consistently supported affordable housing through policy, regulation, and experimentation. The other cities covered in the comparative scan have made only modest progress on the link between planning land use measures and affordable housing.

#### **2.2.6 Commentary on the Use of Planning Measures**

The greatest successes in connecting land use planning measures and affordable housing have occurred under two conditions: large-scale projects in a high-demand economy; and on large-scale brownfield or redevelopment sites. Both conditions have recently begun to appear in Edmonton.

Strong economies allow cities to be more assertive in their requirements/incentives, whether for heritage, urban design, or affordable housing. Density bonusing works best in land markets with high values/short supply.

Affordable housing is not every city’s first priority when negotiating with developers – this varies according to need and other priorities; varies over time; and varies with political engagement.

#### **2.2.7 Commentary on the Use of Planning Policy**

Policy should lead regulation. In many cities, forceful, directed policy statements related to affordable housing are in place at city-wide and area plan levels. These cover such topics as housing mix including form, affordability and tenure, retaining existing affordable housing, targeting assistance and incentives, minimum mix in large developments, provisions for bonus zoning, etc. The current COE policies in *Plan Edmonton* provide a very limited basis for a proactive City role. There are only two statements related to housing in the “Services to People” chapter, and they both ascribe the role of meeting housing needs in Edmonton to parties other than the Corporation of the City of Edmonton.



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### **2.2.8 Commentary on the Use of Planning Regulation**

Subdivision, zoning and building bylaws are important regulatory measures for every municipality. Sometimes, without intention, these bylaws contain provisions that make it very difficult and/or too costly to develop and construct affordable housing. From the research undertaken, it is evident that planning administrations vary across Canada as to how much they tailor zoning and building bylaws to accommodate affordable housing.

- Regulatory reform is a common practice in order to accommodate and facilitate *secondary suites* in low-density, residential areas – reform occurs in zoning bylaws and building bylaws. Parking and setback relaxations for affordable housing projects are common – these recognize the user as well as use.
- Small lot housing is widely accepted, often being led by the market and by individual land owners rather than the City government.
- Comprehensive zoning/direct control are common practices and sometimes are used to secure affordable housing.
- Inclusionary zoning is required in some cities (e.g., Toronto), but more often is negotiated (e.g., Burnaby).
- The potential loss of rental stock has been a concern in several cities – strata conversion limits are often used.

### **2.2.9 Comments on the Use of Planning Processes**

Every City government has established processes and practices for reviewing development applications. In Edmonton, no type of application is currently given formal preferred status, from a City staffing or timing perspective. Development Officers do have discretion on a number of items, such as minor variances to zoning requirements. In contrast to Edmonton, assisting applicants and providing simultaneous approvals for affordable housing projects are widely used practices in the planning departments contacted. Additionally, in some municipalities, an individual planner is assigned responsibility for shepherding affordable housing projects through the complete range of necessary approvals.

### **2.2.10 Comments on the Use of Related Measures**

There are other measures that are closely aligned to land use planning measures and used by cities that facilitate the creation and replenishment of affordable housing. Again, there is considerable variation across the country on the use of practices that, while not strictly land use planning measures, often fall into the scope of work of land use planners.

- Specifically dedicated “Housing Reserve Funds” are in wide use. The sources of revenue for these funds – and their use – vary among cities.
- Preferential treatment is given to affordable housing projects with respect to development fees and charges in several cities. These include such measures as reductions, deferrals, or rebates.



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- Land banking is a well-established practice in several cities. The mechanisms for acquiring and disposing of land vary.

### 3.0 CONSULTATION PROCESS

Consultation was an integral and significant component of this study. In addition to working with a Project Steering Committee, the consultant engaged in both informal and formal consultation.

#### 3.1 Informal Consultations

During Fall 2005, CitySpaces' planners held meetings with a number of individuals and representatives of stakeholder organizations. These individuals and groups were suggested by members of the Project Steering Committee and included: representatives of the Edmonton Joint Planning Committee on Housing, Edmonton Housing Trust, homeED, Urban Development Institute, Canadian Home Builders Association, Alberta Municipal Affairs, CMHC, Capital Regional Housing Corporation, and the Edmonton Inner-City Housing Society. The reasons for these meetings was for the consultant to outline the scope of the study, become sensitized to various perspectives, and to encourage participation in the study in the planned formal consultation.

Additionally, the consultant toured mature and greenfield areas of the city, visited open houses in newly developing neighbourhoods, talked with realtors, and spoke informally with many individuals about housing in Edmonton. Cumulatively, these meetings and informal consultations proved to be very helpful in understanding which measures might be best suited to and best accepted in Edmonton.

#### 3.2 Formal Consultation Event

On February 13, 2006 the Project Steering Committee hosted a consultation event to provide information and receive feedback from stakeholders and interested residents. The event was widely advertised through various channels and networks. Appendix D provides a detailed description of the organization and outcomes of this event.

The purposes of the consultation event were to:

- Share information about how other Canadian cities are tackling the connection between land use planning and affordable housing; and
- Test community and stakeholder interest and acceptance of proposed measures set out in four topic areas: policy, regulation, processes, and related measures.

The consultation event had two distinct components:

- Stakeholder Workshop – an afternoon event for pre-registered stakeholders, including housing advocates, housing providers, the building industry, land developers, government representatives and community organizations; and
- Public Open House – an evening open house for members of the public and stakeholder groups who were unable to attend the afternoon workshop.



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### 3.2.1 Stakeholder Workshop

Fifty people attended the workshop held at the Prince of Wales Armouries Heritage Centre. A Discussion Guide had been delivered to each pre-registered participant a week prior to the event. The guide equipped participants with information about what land use planning measures are being used in other Canadian cities and provided a tool for group discussions. A presentation by City staff and the consultant preceded the group discussions, although not everyone who participated in the small groups was able to attend the presentation.

The workshop had been widely advertised through email networks and through members of the Project Steering Committee. There was particularly strong representation from the building and development industries, regarded as a significant and positive “first” for the City on the topic of affordable housing. Non-profit housing providers and representatives from housing advocacy groups, City staff members and representatives from Alberta Municipal Affairs and CMHC also attended. There were no representatives from the community leagues in attendance.

The following are summary comments from the discussion groups held at the workshop.

- Topic 1 – Reinvigorate Policy. All participants strongly agreed that *Plan Edmonton* should be updated to affirm that affordable housing is a core value and that policy statements relating to housing/affordable housing are included. Ninety-four percent of participants said this should be a high priority.
- Topic 2 – Reform Regulations. There was a high level of support for a proposed measure to amend the Zoning Bylaw to include secondary suites as an “as-of-right” permitted use in most situations.
- Topic 3 – Realign Processes. A proposed measure to introduce a procedure for shepherding the review/approval process for affordable housing projects was supported by 60% of participants (agreed or strongly agreed with the measure), while 47% disagreed or strongly disagreed.
- Topic 4 – Realize More. There were decidedly mixed responses regarding the proposed measures.

### 3.2.2 Open House

Approximately 25 members of the public attended the evening open house. Most attendees spent a good deal of time reviewing the material, asking questions, providing comments and completing the questionnaire. Members of the Project Steering Committee, COE planning staff and the consultant were available throughout the evening.

Sixteen questionnaires were completed. Generally, there was a high level of agreement with the proposed measures.

- One proposed measure – secondary suites as an “as-of-right” permitted use in most situations – although receiving a high level of support, did not receive as high support as given by the workshop participants. Several respondents suggested that further consultation with neighbourhoods should precede any amendments to the zoning bylaw.



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- Potential measures for a Housing Reserve Fund, land banking and financial measures as incentives for developers were strongly supported.

### 3.2.3 Post-Event Consultation

Following the mid-February event, three organizations passed along written comments for consideration by the consultant and the Project Steering Committee. These letters are contained in Appendix D2. In summary:

- The Canadian Home Builders' Association (CHBA) letter of February 17th endorses the principle of industry/government co-operation and "fully supports updating Plan Edmonton to affirm that housing affordability should be a key objective." CHBA's letter comments on the specific aspects of Cornerstones (July 2005) rather than on the specific measures set out in the Discussion Guide.
- The Urban Development Institute (UDI) letter of March 15th confirms that it sees the development industry as playing an integral role in addressing housing affordability and feels that the industry is providing significant affordable housing choices. It endorses the need for clear policy direction by the City and strongly supports secondary suites. UDI does not support the Cornerstones (July 2005) requirement of a 5% land dedication for affordable housing in addition to the existing 10% land dedication as a municipal reserve.
- The Edmonton Coalition on Housing and Homelessness (ECOHH) letter of April 17th provides feedback on the overall format, indicating that the discussion would have benefitted from having more detailed information on the target group, that some participants had more background than others and that there was a lack of time to fully discuss and analyze the proposed measures. The group indicates that it is open to further in-depth discussion.



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## 4.0 OBSERVATIONS AND SUGGESTED KEY CONNECTIONS

The research is complete; the consultations are documented. This section of the report draws on both these elements and puts forward a number of observations and recommendations that can make truly effective connections between affordable housing and land use planning. The recommendations reflect discussions held with the Project Steering Committee, following review of a draft of this report.

### 4.1 Consultant's Summary Observations

1. The COE has been very proactive in leading or supporting initiatives that focus on housing for low income, special needs and homeless people (refer to Section 1.2). However, *this* project, together with *Cornerstones*, has increased focus on a different segment of the housing market — individuals and families with moderate incomes who must spend 30% or more of their income on housing and, typically, do not require on-going support services or housing subsidies. Another term often used for this segment is "low end of market".

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2. Not every innovative practice used in other cities is directly portable, or suitable, to Edmonton. Some often-cited cities in connection with affordable housing (e.g., Vancouver, San Francisco, London England) have virtually no greenfields and their land use measures are largely focussed on mature neighbourhoods and brownfield sites. However, Edmonton's pattern of development is very different from those cities where the majority of growth has taken place at the perimeter, on greenfield sites. It is important to focus on measures that are best suited to Edmonton's pattern of growth.
3. A mix of measures will achieve more lasting benefits than a single initiative. A combination of land use requirements and incentives has proven to facilitate affordable housing in many communities. Depending on the circumstances and changes in the economic climate, some measures are more appropriate than others. Having a "tool kit" of various measures to use – firmly supported by policy – offers the best prospect.
4. If the COE is to use land use planning measures to facilitate affordable housing, it will need to work closely with the development and building industries to pioneer policies, regulations and practices that are implementable in *greenfield settings*. Today's greenfield developments will be the mature neighbourhoods of 50 years from now. Mill Woods in southeast Edmonton is a close-to-home example where a greenfield of the 1970s has developed as a mature, mixed-income, socially-inclusive community with a range of housing types, sizes, and tenures. While the approach that was used in Mill Woods may not be relevant today, it does demonstrate what land use planning and the development community can accomplish together.
5. **Policy should lead regulation. AND ... regulation and policy should be connected.** *Plan Edmonton* is weak on housing policy, with only two statements in the "Services to People" chapter. Without stronger city-wide policy statements, senior management has no approved policy context to allocate resources towards an enhanced City role to meet affordable housing needs. Similarly, without strong policy, planners do not have a solid foundation for undertaking regulatory reform or for a more consistent use of their discretionary powers. Policies in *Plan Edmonton*, followed by complementary policies in area structure plans and area redevelopment plans, should set the stage. Edmonton planners need a stronger policy framework when reviewing specific proposals and facing challenges in resistant/reluctant neighbourhoods (NIMBYism).
6. The *Municipal Government Act* is not a good enough defence for non-action. While the *MGA* is non-prescriptive legislation, this doesn't mean that it cannot be used creatively. With the wholesale change in the philosophy of the *MGA* several years ago, COE gained natural person powers. Used appropriately, and in full consultation with those who are most directly affected by policy and regulatory measures, there appears to be considerable latitude for innovation.
7. The City can be a leader in facilitating affordable housing through planning measures, with adequate resources provided to the Planning and Development



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Department. COE planners use the “tools of the trade” on a daily basis. They have the qualifications and experience to use the tools effectively, plus the organizational mandate to spearhead planning policy, ensure that regulatory measures are consistent with policy, and shepherd affordable housing projects through the development review process.

## 4.2 Identified Connections

The measures described in this section of the report were included in the Discussion Guide used at the mid-February consultation event. It is evident from that consultation, as well as informal consultations, discussions with the Project Steering Committee, and subsequent correspondence from stakeholder groups, that there is broadly-based support for affordable housing<sup>4</sup>, but widely varied views on the land use planning measures that were suggested by the consultant. And, not unreasonably, there is still confusion as to the definition of “affordable housing”. For these reasons, in developing recommendations for the COE, the consultant has worked closely with the Project Steering Committee in order to categorize the measures into three groupings:

- Three “high priority” items that are broadly-accepted locally and widely in use in other Canadian cities;
- Six items for which there are mixed views locally but are being used in some other Canadian cities. These are referred to as “connections for consideration”; and
- Five items that have little traction locally and are considered “not suitable” at this time.

### 4.2.1 High Priority Connections

The following three high priority items are identified as being candidates for early implementation. They are widely supported, as evidenced through informal and formal consultations.

#### #1 High Priority Connection – Policies in Plan Edmonton

Update *Plan Edmonton* to affirm that affordable housing is a core value. Add policy statements related to housing/affordable housing. The update could be undertaken as part of the City’s overall *Plan Edmonton* update, or as a separate amendment.

Appendix B contains text from a number of Canadian cities’ plans that, similar to *Plan Edmonton*, set out city-wide policy. It is premature to set out specific policy statements for inclusion into *Plan Edmonton* without further community consultation; however, for discussion purposes, the following statements may provide a starting point for further consideration:

- *Housing Choice*. The City of Edmonton endorses the development of sustainable neighbourhoods that offer a quality living environment for a wide range of household types and incomes. In newly developing



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<sup>4</sup> Note to reader: The term “affordable housing” is used in this report as described in Section 1.4.



neighbourhoods, as area structure plans / outline plans are developed, a mix of housing types, tenures, densities and lot sizes will be required. In mature neighbourhoods, as area structure plans are reviewed, a mix of housing types, tenures, and densities is encouraged. Housing for people with special needs and those who require emergency, supportive and transitional housing will also be considered during planning processes.

- *Increased Density.* The City of Edmonton endorses increased housing densities in order to make efficient use of infrastructure and to facilitate housing for a range of household types and incomes. In newly developing neighbourhoods, this will be in accordance with the City's Housing Mix Guidelines, as amended from time to time. In mature neighbourhoods, this includes encouraging sensitive infill and appropriate redevelopment.
- *Inclusion of Affordable Housing.* Large developments provide an opportunity to achieve a mix of housing in terms of types and affordability. Accordingly, the City will require the inclusion of affordable housing in development projects / subdivisions of a significant size, both in mature and newly developing neighbourhoods.
- *Secondary Suites.* The City of Edmonton endorses the creation of affordable rental accommodation for small households. Secondary suites are one means to achieve this. Accordingly, one secondary suite is permitted in single detached homes throughout all mature and suburban neighbourhoods, subject to appropriate development guidelines and building code standards regarding such matters as suite size, off-street parking requirements, and fire and life safety standards.
- *Regulatory Measures.* The City of Edmonton will maintain a regulatory environment that allows the private market to build affordably. The City will involve the development community, housing providers and community stakeholders in any significant changes to its regulatory measures that would affect housing affordability.
- *Regulatory Measures.* The City of Edmonton may consider the use of bonus density floorspace, parking relaxations or other development variances where a development proposal includes affordable housing. This will apply to both market and non-market housing proposals.
- *Co-operation.* The City of Edmonton will continue to work in co-operation with the provincial and federal governments, the real estate community, social service agencies, community organizations, service clubs and other local resources to provide affordable housing, and housing with support services for those groups who have the least choice in the housing market.

### Commentary

- *Plan Edmonton* currently lacks policy that provides direction to developers, community and the COE administration, including city planners. There was broad support for this measure during consultations.



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- Equivalent plans in Canadian cities have statements and policies related to housing. Of the cities contacted, four plans have specific statements that address affordable housing – Toronto, Saskatoon, Winnipeg, and Vancouver. Some cities incorporate statements into their neighbourhood level plans (similar to ASPs) or, as in the City of Vancouver, have separate “housing area plans”.

## **#2 High Priority Connection – Secondary Suites**

Initiate a process to amend the Zoning Bylaw to include secondary suites as an “as a right” permitted use in most situations. Details related to siting, design, occupancy standards, licensing, and charges would be the subject of further community consultation. The consultant suggests that the City develop appropriate conditions related to four distinctly different situations:

- Suite in new home – Greenfield;
- Suite in new home – Infill;
- New suite in existing home; and
- Existing suite in existing home.

### **Commentary**

- Secondary suites could facilitate the legalization of existing suites and help create more affordable rental housing without a major impact on neighbourhoods; this is also a measure that would work successfully in Edmonton’s suburban neighbourhoods. There was broad support for this measure during consultations.
- Three cities – Toronto, Saskatoon, Vancouver – recognize and promote legal suites. With the lack of new purpose-built rental housing and the growing awareness of the important role that suites provide in the rental housing market, a number of other cities and communities are actively considering legalization.

## **Companion Report – Secondary Suites**

As an adjunct to this study, CitySpaces was asked to undertake further research into secondary suites. This resulted in a report that is included as Appendix E. It provides many examples of how a number of Canadian cities are undertaking proactive approaches to secondary suites and identifies the range of technical matters that need to be thoroughly taken into account in order to ensure successful implementation. The report includes a framework for developing detailed regulations for zoning and building bylaws.

## **#3 High Priority Connection – Process Assistance**

Adopt a process of “shepherding” review/approval processes for affordable housing projects. This would involve dedicating a City staff person specifically to affordable housing project files.



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### Commentary

- While the COE has a well-established practice of treating applicants equally, the administration is amenable to providing staff assistance to affordable housing projects, particularly for smaller, less experienced non-market sponsor groups / applicants.
- Half the cities that were contacted have processes in place to streamline and/or fast-track the review of affordable housing projects.

#### 4.2.2 Connections for Consideration

The following six items are identified as being candidates for potential implementation, pending further assessment and consultation with stakeholders. There were mixed perspectives on the appropriateness of these measures during the consultation process. They are, however, measures that are becoming more commonly used in Canadian municipalities. If housing prices in Edmonton continue to increase at the pace of the past year, affordability will erode for moderate income owners and the need for these measures may be reconsidered.

##### #1 Connection for Consideration – Other Statutory Plans

Ensure housing policies/affordable housing policies are built into every area structure plan, area revitalization plan and other plans that contain policy statements. The primary responsibility for updating existing plans and ensuring new plans have affordable housing policy statements included would rest with the Planning and Development Department, in collaboration with development and community stakeholders.

### Commentary

- The City of Edmonton has dozens of plans which help guide development and redevelopment. These include Area Structure Plans, Neighbourhood Area Structure Plans, Neighbourhood Structure Plans, Area Redevelopment Plans, and Outline Plans. The COE administration is in general agreement with adding affordable housing policies into ASPs/ ARPs but suggests that the implementation of this connection awaits the adoption of *Plan Edmonton* affordable housing policies.
- *For information:* Cities with affordable housing as a core value typically include policies in area plans as well as in community-wide plans.

##### #2 Connection for Consideration – Minimum Requirement

For larger projects, the City of Edmonton would require developers to demonstrate how they will provide, or facilitate, the construction of a minimum of 5% housing units (50% of which must be perpetually affordable) that would be affordable to households making 80% less than the median income who do not require an ongoing subsidy, by household type. It is stressed that there is no “one way” to accomplish this and that the City should be open to creative and innovative approaches suggested by the development industry, for example, as a sidebar development agreement. It is also stressed that this is not an additional requirement for a land



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reserve, although if that were a developer's preferred approach, it would be conditionally acceptable.

### Commentary

- Edmonton's development community is opposed to specific requirements and is on record to this effect. The development community identifies that it has been providing a range of housing types/sizes/prices, including some that would be affordable to those households who make less than the median income.
- *For information:* Toronto, Burnaby and Vancouver use variants of this measure, particularly in brownfield or larger-scale redevelopment settings. The percentages vary up to 20%. Other cities are considering similar measures, particularly those whose economy is sufficiently robust to allow negotiations of this type.

### #3 Connection for Consideration – Promotion by Type

Promote the consideration – and possible use – of land use planning measures that are suited to creating more affordable housing in each of *Mature Neighbourhoods Infill*, *Greenfield Neighbourhoods*, and *Large Scale Redevelopment Projects*. These measures would be considered by developers, planners and communities during planning processes.

- For *mature* neighbourhood infill, measures for consideration could include: secondary suites; lot splitting, site-specific variances, housing over retail, and live-work opportunities;
- For *greenfield* neighbourhoods, measures for consideration could include: secondary suites, use of Edmonton's existing small lot zoning, land set-aside for affordable housing; potential land purchases by the City; and
- For *large scale redevelopment projects*, measures for consideration could include: inclusionary measures (sidebar agreement or covenant) for a specific number of units of affordable housing, mixed-income condominiums, mixed use retail-housing, bonus density provisions, and project-specific variances for affordable housing.

### Commentary

- Some participants in the consultation process felt that this measure might be too prescriptive and stifle creativity. Accordingly, they were reluctant to support such a measure without having a better understanding of implementation details.
- *For information:* Most cities have affordable housing policies/practices that vary according to by overall type/age of development. Some measures are definitely better suited to different settings. Planners/developers working in different settings will be conversant with the most suitable measures.



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#### #4 Connection for Consideration – Land Banking

Become active in *land banking* through strategic purchases. Lease long term at below market values for non-market housing developers.

##### Commentary

- The COE was active in land banking for affordable housing in the 1970s. This measure is not directly related to land use planning but often land use planners become centrally involved in any land banking program. Some participants in the consultation felt that the City should use its existing land inventory before acquiring more land and that the City should not be competing with private development.
- *For information:* A number of cities regularly land bank for affordable housing; some use this for their own non-profit housing corporation, others as a reserve for non-profit housing providers.

#### #5 Connection for Consideration – Housing Reserve Fund

Establish a separate *Housing Reserve Fund* to be used to facilitate further construction of non-market and perpetually affordable housing. This could receive revenue from several sources (e.g., City annual budget, developer contributions, land sales) and be used by both homeED and other non-market developers for one-time capital grants.

##### Commentary

- From the consultation, it was felt that more information is needed on the implementation details of a separate reserve fund.
- *For information:* The COE maintains a number of reserve funds for specific purposes. As of the 2006 budget, the City *does not have* a separate reserve fund related to housing. The COE *does have* an Affordable Housing Program for which capital budget funds have been approved as part of annual City budgets, to partner with the Canada-Alberta Affordable Housing Partnerships Initiative.
- *For information:* Several cities have a separate, dedicated fund for affordable housing established through bylaw and administered by the city's finance department. Depending on local nomenclature, these are variously referred to as housing reserve fund, housing revolving fund, housing innovations fund, and housing investment reserve fund.

#### #6 Connection for Consideration – Provincial Policy

Request Alberta Municipal Affairs to revisit its Land Use Policies statement, adding expectations/commentary in relation to affordable housing.

##### Commentary

- While this was not widely supported during the consultation, there may be merit in pursuing this approach further with the Provincial government. Having *general* Provincial policy direction with respect to affordable housing, may help facilitate Alberta's municipalities to



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consider affordable housing needs and appropriate land use measures to help address these needs.

- *For information:* A number of provinces have legislation or policy statements related to housing. Nova Scotia is an example of a province that incorporates affordable housing objectives and expectations of municipalities within a land use policy statement. While this policy statement is of an advisory nature, it has definitely encouraged municipalities to consider housing needs when developing their own plans.

### **#7 Connection for Consideration – Direct Control zoning**

Use Direct Control zoning as the primary means to negotiate for affordable housing units in-situ, or as a land set-aside, or in the form of cash-in-lieu. Use bonus density and transfer of density options, as needed. (Note: While Edmonton has Direct Control zoning, it has primarily been used to achieve improved architectural design and site amenities rather than affordable housing.)

#### **Commentary**

- Conventionally, in Edmonton, Direct Control zoning has been used to secure some community amenities, usually related to urban design and site planning / landscaping. The opportunity to secure affordable housing through Direct Control zoning has been used recently (e.g., Century Park) and should be further considered. Some participants in the consultation felt that other measures, such as direct income support, are preferred to securing more units of affordable housing.
- *For information:* This measure (or similar) is used to secure a range of community amenities, housing being one of these in three cities – Toronto, Vancouver, Burnaby. This measure is often used in relation to heritage, public open space, underground parking and, if considered to be an important community amenity, affordable housing.



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### **4.2.3 Not Suitable Connections**

The following four items are identified as having little support at this time. They are, however, measures that are used in some Canadian cities where housing affordability for low and moderate income households is not adequately satisfied by market housing. If housing prices in Edmonton continue to increase at the pace of the past year, and affordability continues to erode, a second look at these measures may be warranted.

#### **#1 Not Suitable Connection – Financial Incentives**

Use financial measures as an incentive for developers who build affordable housing for low and moderate income households (e.g., tax exemptions, reducing or rebating Development Charges).

#### **Commentary**

- The COE prefers to treat all projects equally and not provide any project-specific incentives. (Note: The City does have a Fee Rebate Program to

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reduce City fees and charges. This program is funded as part of annual City budgets.

- *For information:* Most cities provide some form of tax incentives, grants, loans, fee waiving/reductions or other measures to facilitate affordable housing development. Toronto, Hamilton and Vancouver waive or reduce development charges.

## **#2 Not Suitable Connection – Demolition and Condo Conversion Controls**

Enact demolition and condominium conversion controls when the vacancy rate, as reported by CMHC, is at or below a specific percent – the consultant suggests 2-3%. (Note: According to Alberta's *Condominium Property Act*, municipalities can only limit rental conversion for buildings constructed prior to 1966.)

### **Commentary**

- The COE has not investigated this approach in any depth and is limited in any involvement to building built before 1966. The development industry and home builders did not favour this measure during the consultation.
- *For information:* Five cities have conversion limits in place to protect the loss of rental housing stock.

## **#3 Not Suitable Connection – Zoning Overlay**

Develop an "affordable housing overlay" in the Zoning Bylaw for areas close to transit and in transit-oriented (TOD) areas – reduce parking requirements in these areas and, potentially, lower minimum unit/lot sizes. As Edmonton has a history of using zoning overlays, this measure may be relatively easy to assess and, if appropriate, implement.

### **Commentary**

- The research did not specifically examine this measure. It was suggested during consultations with the COE. After consideration at the formal consultation event and by the Planning and Development Department, it was felt that this approach would not result in anything that could not be accomplished through existing measures.

## **#4 Not Suitable Connection – Zoning Relaxation by User Group**

Allow relaxations for items such as parking, setbacks, heights and use a "housing agreement" for non-market housing projects to ensure these relaxations are adhered to. The agreement – between the City and the non-market housing provider – would stipulate the "user group" over a specified period of time.

### **Commentary**

- The COE's long-standing practice has been to zone for the use, not for the user.



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- *For information:* From the comparative city research, four cities regularly relax parking requirements and other regulations for affordable housing by non-market housing providers; some require a covenant on title or other legal “agreement” to ensure continuing use by specific user group.

## 5.0 IN CLOSING

From the research and consultations for this study it is evident that there is a broadly-shared view that affordable housing should be regarded as a “core value” and that this should be taken into account in the City’s land use planning – from statutory plan-making to review of development applications. Doing so puts affordable housing on a parallel with other principles of the COE’s planning – for example, urban sustainability, walkability, quality urban design, transit-oriented development.

It is also evident that there are mixed views on the specific land use planning measures that should be used to create and maintain affordable housing. Clearly, not all measures used in other cities are directly portable, or suitable, to Edmonton. For this reason, the consultant and the Project Steering Committee have been selective in putting forward those measures that should be given high priority by the COE.

In closing, this study, through the Project Steering Committee, has been a good vehicle to bring together the development / building industry, community interests, and COE staff from two departments. It is hoped that, following Council’s review of this study, this co-operative participation will continue during the implementation stages.



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# Appendix A:

## Glossary of Terms



## APPENDIX A

### GLOSSARY OF TERMS

*The terms in this glossary are drawn from housing literature in Canada and the United States and are used by planners who advise in the area of housing. It should be noted that the terminology varies among jurisdictions and terms may have their own local connotations.*

#### **Affordable Housing**

This term is used in various ways, usually depending on local convention. In the Edmonton context, for land use planning purposes, affordable housing is rental or ownership housing that provides permanent accommodation to households (couples, lone parent families, individuals) who earn less than the median income and spend more than 30% of their gross household income on housing. Typically, households who live in affordable housing do not require on-going support services or housing subsidies. This definition is compatible with the COE's adopted use of the term affordable housing, as shown in the "housing and support continuum" in *Building Together: The City of Edmonton Low-Income and Special Needs Housing Strategy, 2001-2011*. Note: For implementation of this definition, the City's Office of Housing has defined "less than median" to be 80% of median income for the three household types: couple families, lone parent families, single person households.

#### **Comprehensive Development Zoning**

A customized zoning applied to *larger projects with several uses, and usually several parcels*. This form of zoning enables a municipality to negotiate detailed guidelines and specifications for all aspects of a development in an integrated manner. CD zones give local governments the flexibility to allocate densities and specify uses.

Through the process of review and negotiation, municipal staff can offer increased densities when specified conditions are met, such as affordable housing or other public amenities. In the case of affordable housing, local governments often negotiate a housing agreement with the developer to secure the housing as being affordable either in perpetuity or over an extended number of years.

#### **Direct Control / Site Specific Zoning**

A site-specific zone is a zone with regulations developed to meet the particular uses, density, setbacks, and other features and circumstances of a development proposal. Termed Direct Control zoning in municipalities in Alberta, the zone is applicable only to the site of the development proposal.

Site-specific zones are commonly required in established, built up areas where new development may not fit with existing zoning regulations and other land use circumstances.

#### **Density Bonusing**

Municipalities can adopt a density bonus scheme as an incentive for developers to provide an amenity, such as affordable housing, in exchange for variations in zoning requirements. Usually a developer is allowed a bonus to build more floor area when opting to provide an amenity. The benefit of this approach is that the developer receives an increase in density that is not normally allowed under existing zoning, while the municipality receives a desired amenity that furthers public policy goals.



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When it is more practical to develop the amenity or housing in another location, for example, close to schools, shops and transit, some municipalities allow the developer to pay a cash-in-lieu for the amenity. The municipality then manages the acquisition or construction of the amenity in a more appropriate location in the municipality.

This measure is most commonly used in downtown and other intensive locations. Many municipalities use density bonusing on a negotiated and ad hoc basis for individual developments.

### ***Differential Development Cost Charges / Fees***

Development cost charges are typically levied on new projects to help fund the costs incurred by growth. These charges are intended to reflect the capital costs that are imposed by new development, and municipalities usually charge a set rate per unit or per square foot. As an incentive or disincentive, development charges can be varied by geographic area, land use and density.

Some local governments waive or reduce the development cost charges to minimize the financial barriers in the application and development process, and to facilitate the development of affordable housing, seniors' housing, institutional buildings, etc. The same can be applied to building permit fees.

### ***Housing Agreements***

Housing agreements provide local governments with a legally enforceable means of securing affordable housing over the long term. They are negotiated between the developer and the local government in the approvals process, usually in parallel with a rezoning. These agreements contain specific terms relating to issues such as the form of tenure, the groups that have access to the units, rent levels and management specifications. All housing agreements are filed in a land registry. As a consequence, the terms of the agreement continue in force even if ownership of the land changes.

### ***Housing Overlays***

Within their zoning bylaws, some communities use overlay zones to protect particular natural or cultural features, such as historic districts, waterfronts, or agricultural areas. Overlay zones build on the underlying zoning, by establishing different standards and criteria. The standards of the overlay zone apply in addition to those of the existing or underlying zoning district.

### ***Housing Reserve Fund***

Housing reserve funds are established and managed by the finance arm of a municipality. The revenue for this fund may come directly from a local government's direct revenues or via an amenity contribution from developers. These reserves provide a source of funding for housing developments that benefit the community.

### ***Inclusionary Zoning***

Typically, inclusionary zoning requires or encourages developers of market housing to construct some proportion as "affordable housing". This proportion varies, depending on the city. Cash-in-lieu, land, and other contributions of an equivalent value are sometimes accepted. Inclusionary zoning is used in American cities, especially in areas of high growth.

Inclusionary zoning can be either mandatory or incentive-based. In mandatory programs, the developer/builder is required to contribute affordable housing (or equivalent) as a condition of development approval. Density bonuses and other concessions such as fee reductions and fast-tracking are generally given as cost offsets.



### ***Infill Development***

The development of vacant land within areas that are already largely developed. Infill projects may range from the construction of a new house on a vacant lot in a 50-year-old subdivision to a new commercial building on a vacant lot in the central business district.

Municipalities can encourage infill development within identified areas through a variety of mechanisms, e.g., by streamlining the permitting process or waiving development fees.

### ***Intensification***

Intensification refers to the degree to which land is used. While frequently used synonymously with density, intensification more broadly refers to levels of concentration or activity in uses such as residential, commercial, industrial, recreation, or parking. It is also a reflection of the effects generated by that development.

### ***Land Banking***

The practice of acquiring land and holding it for future use. Municipalities can establish a land bank as a means to secure land for affordable housing units or to secure funds for affordable housing projects through property sales. Land banking is used for other municipal purposes, including industrial uses and business parks.

### ***Lot Splitting***

A method of land intensification through subdivision of existing lots in established neighbourhoods. The outcome is that an additional lot is created in an area that is already has services and amenities.

### ***NIMBYism***

The Not in My Back Yard (NIMBY) syndrome is a form of local resistance to change in a neighbourhood. NIMBYism limits the ability of local governments and developers to build affordable housing, increase densities, zone for secondary suites, small lot zoning or zoning for manufactured homes. In addition, many forms of social housing have also faced neighbourhood resistance.

Municipal approaches to address NIMBYism often incorporate significant public consultation and awareness-raising efforts.

### ***Non Market Housing***

This refers to housing that is delivered and managed by an organization (municipality, society) on a non-profit basis. The housing may, or may not, be subsidized on an ongoing basis.

### ***Rental Conversion***

Policies to limit the conversion of rental housing to condominiums help local governments preserve existing rental stock. These policies counteract the trend towards the redevelopment of rental housing and other uses. They also preserve rental housing where there is an absence of affordable rental housing development in the private sector. These policies establish controls on the conversion or demolition of rental units, usually requiring developers to replace any lost stock.

### ***Secondary Suite***

A secondary suite is a self-contained dwelling unit that is additional to the principal dwelling unit on a lot. They are usually contained within a single detached house but can also be located in an accessory building. (Note: Customarily, the term is defined in considerably greater detail within the text of zoning and building bylaws.)



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### ***Social Housing***

This refers to housing that is delivered and managed by an organization (municipality, society) on a non-profit basis. The rent (or housing charge) is subsidized, with the very low income household who is housed paying on a “rent geared to income” system.



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# Appendix B:

## Scoping Report: Research





# APPENDIX B

## SCOPING REPORT: RESEARCH

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## APPENDIX B

### SCOPING REPORT: RESEARCH

This appendix contains summary and detailed information for eight cities collected and analyzed through the background research for this study. It also includes a scan of five municipalities in the Edmonton region.

Each of the eight cities described in this appendix has its own evolving approach to linking land use planning measures and affordable housing. There are interesting measures in each city that are unique to its own settlement patterns, provincial legislation, and socio-economic circumstances.

#### 1.0 HALIFAX REGIONAL MUNICIPALITY

The Halifax Regional Municipality (HRM) has a population of almost 380,000. The HRM is a recent amalgamation of Halifax, Dartmouth, and several rural municipalities with widely divergent land use practices.

##### *Summary Highlights*

- The *Municipal Government Act* explicitly provides for incentive or bonus zoning where a municipal planning strategy is in place. Land economics haven't supported use of incentive/bonus zoning yet.
- Nova Scotia has a "statement of interest" regarding housing – this sets out expectations of municipalities (e.g., "must, should") but relies on municipalities to carry through.
- The HRM's planning philosophy is to support affordable market housing and, where possible, support the non-profit sector.
- The draft Regional Plan focusses on housing, more so than did plans of previous municipalities.
- Lot splitting in infill situations is common – led by the market and actively supported by planners.
- Parking standards are modest for multi-family and relaxed further on an individual basis, depending on intended resident profile. Draft Regional Plan provides for lesser parking requirements along transit lines for affordable housing.
- The HRM has been rezoning to facilitate infill and intensification – good take-up.
- HRM donates owned lands to non-profit organizations. Preference has been towards non-profits that provide recreation (a core City service) rather than housing.
- HRM requesting an amendment to the MGA for power to expropriate vacant and boarded buildings and sell them at less than market value to housing non-profits.
- Active "simultaneous processing" in order to facilitate affordable housing projects.



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## 1.1 The Legislative Framework

HRM is regulated by the Nova Scotia *Municipal Government Act* (MGA), which was formulated in 1999. Schedule B of the Act contains statements of provincial interest addressing issues related to community growth and development including housing. The statements are intended to serve as guiding principles to help provincial government departments, municipalities, and individuals in making decisions regarding land use.

The *Statement of Provincial Interest Regarding Housing* aims “to provide housing opportunities to meet the needs of all Nova Scotians” on the basis that “adequate shelter is a fundamental requirement” and “a wide range of housing types is necessary to meet the needs of Nova Scotians”. The statement provides that:

- planning documents must include **housing policies addressing affordable housing, special-needs housing and rental accommodation**. This includes assessing the need and supply of these housing types and developing solutions appropriate to the planning area. The definition of the terms affordable housing, special-needs housing and rental housing is left to the individual municipality to define in the context of its individual situation;
- depending upon the community and the housing supply and need, the measures that should be considered in planning documents include: **enabling higher densities, smaller lot sizes and reduced yard requirements** that encourage a range of housing types;
- there are different types of group homes. Some are essentially single detached homes and planning documents must treat these homes consistent with their residential nature. Other group homes providing specialized services may require more specific location criteria; and
- municipal planning documents must provide for **manufactured housing**.

While the provincial housing statement appears to provide a strong policy framework for municipal action on affordable housing, the MGA recognizes that each municipal situation is unique. Significant flexibility in applying these statements is granted. The Province has not provided detailed guidelines on how municipalities can implement the statement nor is there a mechanism available to the Province or citizens to ensure that municipalities in the province are fulfilling the provisions of the housing statement. (Tomalty 2004)

The MGA Section 220(5) legislates the content of land use bylaw and deems that where a municipal planning strategy so provides, a land use bylaw may provide for **incentive or bonus zoning**.

The MGA was framed with little attention to affordability issues and might inadvertently limit opportunities to work with the private sector on solutions to affordability problems and several provisions establish barriers to affordable housing in HRM. (Tomalty 2004)

## 1.2 Municipal Regulatory Framework

### *The Community Plan*

- HRM was created in April 1996 through the amalgamation of the cities of Halifax and Dartmouth, the town of Bedford and the municipality of the County of Halifax. While a Draft Regional Plan is currently under review, HRM continues to

be governed by the respective municipal plans, with the exception of interim growth control measures in certain areas introduced in January 2004.

- Since amalgamation, HRM views housing to be a matter of provincial responsibility and jurisdiction. HRM, however, continues to annually contribute to the Metro Housing Authority to fulfill its obligations under old federal-provincial-municipal public housing agreements and has periodically played an important role in leasing and selling land at less than market value to non-profit organizations providing social housing and emergency shelters (Metro Turning Point, Adsum House, Metro Non-Profit, Harbour City Homes, Affirmative Industries, etc.).
- Most of the municipal plans provide statements regarding housing, some of which are quite restrictive. Several plans contain general statements about the need to provide affordable housing (or housing that is available to a wide range of family types) but no specific targets or policy instruments have been introduced to carry out this intent.
- The residential housing section of the City of Halifax Municipal Planning Strategy provides general policy statements regarding residential environments addressing:
  - ✧ the provision and maintenance of diverse and high quality housing at prices affordable to residents;
  - ✧ that residential development should be encouraged through retention and infill; and
  - ✧ how the City shall foster the provision of housing for mixed income levels in all neighbourhoods and consider the needs of seniors, special needs, and low-income residents.
- The new Regional Plan will set broad parameters and give directions regarding housing policy. The Housing Functional Plan and secondary planning process will address housing in greater detail.

### **1.3 Zoning and Land Use Bylaws**

- The HRM By-laws were enacted at various times since amalgamation on April 1, 1996. New regional by-laws continue to be introduced. In addition, certain by-laws in place in the former municipalities of the City of Halifax, the City of Dartmouth, the Town of Bedford and Halifax County Municipality remain in force within the geographic areas that encompassed those former municipalities until the by-laws are amended or repealed. A by-law rationalization process continues to be underway.
- HRM has a total of 19 municipal planning strategies and land use by-laws that were prepared over a period of 30 years to address land use and servicing issues on a community basis.

### **1.4 Affordable Housing Strategy**

- HRM does not have a formal affordable housing strategy. A 2004 report, Municipal Land Use Policy and Housing Affordability, prepared for the Halifax Regional Municipality (HRM), included a comprehensive review of land use policies and housing affordability.



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- The Draft Regional Plan outlined that an Affordable Housing Functional Plan will be developed to complement future policies in the HRM.

### 1.5 Definitions of Affordable Housing

There are no definitions of affordable housing in either the Municipal By-laws or draft Regional Plan. Including one definition of affordable housing for the municipality remains a concern for staff as the definition of affordable housing will differ depending on the program and the population group that is being served. The current Regional Council feels strongly that non-market housing is a federal and provincial responsibility and therefore any municipal programs should complement programs introduced by those levels of government. The Regional Plan recognizes a continuum of affordable housing and acknowledges that HRM's role will be in supporting affordable market housing and where possible supporting the non-profit sector. It will not be to manage or deliver subsidized housing units. Some preliminary definitions of affordable housing are presented in the new HRM website:

- **Affordable Housing:** The Canada Mortgage and Housing Corporation (CMHC) definition is that the cost of adequate shelter should not exceed 30% of household income. Housing which costs less than this is considered affordable.
- **Affordable Community:** Built communities where residential dwellings are available in the size, tenure types, design, and location that provide a "reasoned" balance of housing choices for a diverse range of households at differing income levels are considered affordable housing communities.
- **Affordable Rental Market:** One may assume that market affordable rental housing would be those units that are priced at or around the 80th percentile of rents, for units of the same bedroom count in your market.
- **Affordable Homeowner Project:** To be considered affordable, a homeowner project must have unit sale prices which are at or below the average price for similar units in the market.
- **Social Housing:** When market housing costs and assisted housing costs are beyond the resources of low income households then social housing becomes a necessity. These supports are provided through programs of the federal and provincial governments.



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### 1.6 Zoning Practices

- It is not possible under the current provisions of the MGA to require a developer to supply a certain amount of affordable housing as a condition of planning approval.
- A voluntary inclusionary policy could be adopted that sets affordability targets for specific types of development and identifies incentives to encourage developers to comply. There are no plans to implement such a policy, with the exception of the possibility of implementation in the context of brownfield development.

### 1.7 Linkage / Exaction

- No policy or bylaw in practice. Commercial properties are heavily taxed, making such a requirement difficult to propose.

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## 1.8 Bonus Density

- The current MGA allows municipalities in Nova Scotia to implement a bonusing system as an incentive for developers to provide public benefits. The Act allows for the relaxation of a range of zoning requirements in exchange for an increased amenity that would benefit the residents of the development, their neighbours or the public as a whole. The trade-offs could be applied to a variety of land use bylaw requirements including the height of buildings but also land uses, parking requirements, landscaping requirements or any other provision that a land use bylaw would normally control.
- Prior to the Draft Regional Plan, HRM had not taken advantage of the opportunity to create a formal system of bonus zoning. HRM would use the development agreement process to grant higher density than permitted under the zoning bylaw for a site, but did not exchange density increases for affordable housing.
- It has been proposed that the future Regional Plan direct secondary plan review processes to consider adopting policies related to the use of density and other bonus agreements for the construction or rehabilitation of affordable housing. Local policy direction would include conditions, eligible sites, and maximum density ceilings and will be implemented through respective Functional Plans and Community Planning Processes. There has been some concern raised during the community consultations of the draft Regional Plan regarding this proposal.

## 1.9 Comprehensive Development / Site-Specific Zoning

- There is no policy or bylaw currently in practice. As part of the new Regional Plan, however, a mix of medium to high-density commercial and residential uses will be situated within the focal point of each urban and rural centre around the transit stations. There are concerns that before the secondary plans are completed, critical sites within certain centres may be inappropriately developed. Therefore, as an interim land use management control, a Comprehensive Development District (CDD) Zone will be applied to certain lands that are at risk of such development.
- By means of a development agreement, land uses may be approved provided they are conducive to the creation of a focal point for the centre, including commercial uses, mixed commercial/residential uses, institutional uses, recreation uses, parking facilities and transit facilities. This CDD zone will remain in place until the future Community Planning Strategies are completed and could potentially facilitate the negotiation of affordable market housing.

## 1.10 Lot Sizes and Subdivisions

- Lot splitting has been occurring for some time in desirable urban areas such as the South End of the Halifax Peninsula. The Downtown Dartmouth MPS was revised in 1999 with a reduced minimum lot size thereby facilitating some lot splitting.
- This practice is primarily being driven by market demand for smaller lots. The municipality has not been directly facilitating this practice.



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### *1.11 Small Units*

- HRM has an estimated 500 rooming houses and some non-profit organizations estimate that approximately 32 lodging houses (up to 320 rooms) were “lost” in the previous decade. HRM has no policy to preserve or encourage this type of housing stock.
- The HRM Minimum Standards By-law (M-100) introduced in 2002 region-wide minimum standards. The by-law is being enforced on a complaint-basis. Pro-active enforcement has been held back due to concerns that vulnerable individuals would be displaced without alternative housing options. HRM has developed a protocol on how to address these issues with the help of the Province. The by-law also provides for licensing but this has not been implemented to date. There are concerns that many of these rooming houses would have to comply with the zoning and therefore would not meet licensing requirements.
- The zoning provisions for rooming houses also vary widely across the municipality. In most bylaws, the size of the rooming house is defined as being no less than three and no more than six rooms. On the Halifax Peninsula and Mainland south, there is no limit on the number of rooms, which may have lead to overcrowding conditions in the university area where there is a shortage of student housing. This is currently being reviewed and additional limits (i.e., max 6 bedrooms) may be placed on the number of bedrooms in this area.

### *1.12 Manufactured / Mobile Homes*

- Mobile home parks have a poor reputation in HRM due to the development of several large sub-standard projects in the 1970s. As a result, the development of new manufactured home parks has been prohibited in most zoning bylaws despite its inclusion in the MGA.
- Under the provincial statement of interest on housing, new municipal plans in Nova Scotia must allow for manufactured home developments. However, the province's interpretative bulletin states "It should also be acknowledged that this form of housing has some unique features which by their nature would suggest special treatment in the land use bylaw, over and above that for single detached dwellings generally." This means that mobile housing can be treated differently than other forms of residential development and many community plan areas in HRM severely restrict opportunities for mobile homes. (By-Law M-200)
- Mobile home parks are also heavily regulated requiring an annual application for operating licenses in addition to construction and maintenance permits. Some requirements in the by-laws are onerous such as informing the municipality about changes in tenancy or requiring that 7% of the land be dedicated as playground.

### *1.13 Secondary Suites*

- Secondary suites are not currently permitted as-of-right in low density (R-1) residential zones.
- Zoning in areas in the urban core permit two units and many urban neighbourhoods have duplexes or in-law suites, while some suburban areas

permit them through measures such as a development agreement. In the rural areas accessory dwellings may be permitted but given that much of this development does not have access to central water and sewer, provincial septic system regulations may limit their use. The major feature of the new Regional Municipal Planning Strategy are policies that provide for open space design subdivisions served by communal septic systems which may allow for greater housing diversity in rural areas.

- Secondary suites are noted in the Draft Regional Plan as an important source of affordable private rental housing stock within the HRM. HRM staff has proposed allowing secondary suites in low density residential neighbourhoods within urban and rural centres. This consideration would take place at the community planning level through the secondary plan process.

### **1.14 Parking Requirements**

- Parking requirements vary across the different municipal planning. In the City of Halifax, the Land Use Bylaw requires one parking space per dwelling unit in most residential zones. In the downtown area, parking requirements depend on the zone, the use and even particular property. For seniors apartment buildings and row house projects, one space for every five units is required.
- The MGA allows for variances to be granted by the Development Officer to the required number of parking spaces specified by a land use bylaw where policy provision is made.
- Without formal policy direction, parking standards in Halifax have been altered to address affordability or other project-specific concerns. For instance, in the Creighton-Gerrish non-profit transitional housing project, the parking standard was reduced from one space per unit (total of 14 spaces) to zero (four spaces were required for staff) on the basis that the tenants were not likely to own cars.
- As part of the Settlement Patterns chapter of the Draft Regional Plan, it has been proposed that secondary planning strategies incorporate a parking strategy that includes maximum parking requirements for development within walking distance of a transit facility, shared parking among uses that peak at different times, and structured public parking to reduce land consumption. The Housing policy also specifically provides for reducing parking requirements for affordable housing projects located on transit lines.

### **1.15 Rental Conversion / Preservation of Affordable Housing**

- No policy or bylaw in practice. The Draft Regional Plan recognizes that the preservation of quality rental units will become more important due to declining vacancies and increasing rental rates.
- While there has been a growing demand for condominium development in Halifax, developers continue to build rental housing. As such, while rental vacancies are low, there has been little consideration to limit conversion of the rental/affordable housing stock.



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### **1.16 Infill and Intensification**

- No formal policy or bylaw in practice. To facilitate the revitalization of particular neighbourhoods in Dartmouth, rezonings of residential zones were initiated by HRM to allow mixed use and higher density development. This has been relatively successful in encouraging development.

### **1.17 Financial Measures**

#### **Financial Incentives**

- Tax exemptions — HRM offers a property tax exemption to registered non-profit organizations and charities, including those involved in the provision of emergency shelters, short-stay transitional residences, homes for persons with special needs, and non-profit affordable housing projects (Bylaw No. T-200). Affordable housing was added in 2005 to the list of eligible providers. Levels of tax relief vary and tax concession must be renewed each year.
- Residential Property Tax Assistance Program — HRM assists homeowners pay their property tax through a payment plan, a property tax rebate, or deferral of property taxes. These programs are available to all homeowners with a combined household income of \$27,000 or less a year.
- Under the current provisions of the MGA, HRM is not permitted to provide financial incentives to the private sector.

#### **Waiving Development Fees**

- HRM currently does not have a policy on the waiving of fees for housing developments undertaken by non-profit groups. The decision to waive or not to waive fees is typically made at the discretion of development officers handling the project.
- Under the current provisions of the MGA, municipalities are not permitted to waive fees on private developments.
- HRM's Capital Cost Contributions (CCC) policy applies infrastructure charges to master planned areas, increasing the cost of housing from \$3,000 to 5,000 per unit. The current provisions of the MGA under which the CCC bylaw was adopted do not permit differential treatment of specific projects but the Regional Plan considers fine-tuning this tool to encourage more efficient patterns of development that align with regional growth management goals.
- Although there is no provision for waiving fees on affordable housing projects, the MGA does permit the municipality to vary the charges by proposed land use, zoning, lot size and number of lots, as set out in the subdivision by-law, i.e., reduce the charge on higher density or small lot developments. Thus, incentives can be provided for more efficient use of land, development in urban core, and higher density. This is going to be investigated through the Regional Financial Functional Plan.

### **1.18 Land and Equity-Related Measures**

#### **Housing Reserve Fund**

- HRM continues to contribute approximately \$2 million per year to the Metropolitan Housing Authority, a provincial corporation. These funds are



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used by the Housing Authority to subsidise the operation of their housing developments.

- The establishment of a new Housing Reserve may be contemplated in tandem with density bonusing tools, when adopted through secondary plan reviews.

### ***Land Banking and Disposal***

- The MGA prohibits the donation or sale of public land at less than market value to the private sector as a form of assistance in the production of more affordable housing.
- HRM can donate land to non-profit organizations for affordable housing projects or sell them at less than market rates. The province and the municipality have at times donated land for non-profit housing projects. Organizations can identify municipally-owned land and apply for access to the land at less than market value. The Municipality may decide to donate the land, sell it at less than market rates, or allow deferred payments. These provisions have been applied to non-profit housing providers. For example, municipal land worth approximately \$100,000 was donated to the Metro Non-Profit Housing for the Creighton Gerrish project in downtown Halifax.
- Current policies in some urban areas favour recreational uses when disposing of City-owned land. Thus, while housing organizations have received donations of HRM property, if more than one non-profit is interested in a particular property, preference is given to those non-profits that are fulfilling a core mandate such as recreation. Affordable housing is not considered to be one of HRM's core mandates.
- HRM is seeking amendments to the MGA to allow the municipality to expropriate vacant and boarded buildings (August 9, 2005 Council motion) and to sell them at less than market value (which would only include non-profit organizations). The Province is currently considering this request.
  - Council report dated July 26, 2005 put forward a motion (passed unanimously) that Halifax Regional Council request that the Province adopt legislative amendments granting the Halifax Regional Municipality the power to expropriate properties which are deemed to be in a vacant and boarded up condition and to sell these properties at below market value.



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## ***1.19 Planning Processes***

### ***Streamlining Approval Process***

- After amalgamation, Development Services undertook a review of the municipal permitting process in consultation with a number of private sector stakeholders. This review has led to faster permit approval times for projects that meet current zoning conditions.
- A Development Liaison Group (DLG) was formed with representatives of industry and government working to ensure residential and commercial development in HRM occurs in a manner that is beneficial to residents and developers alike. The DLG identifies issues, brainstorms and implements solutions. Innovations include the introduction of standardized application forms with the information requirements clearly spelled out; pre-application meetings with staff and the

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developer to discuss information needs and to flag any planning concerns; and a set of pamphlets to explain the approvals process and the role of the developer in expediting it.

- This resulted in a reduction in approval times from 21 days or more, to less than five days. This approach to improving the development process in HRM won the municipality the 2004 InNOVA Award, a provincial award for municipal innovation.
- HRM's approval time targets continue to be exceeded, however, with an average overshoot of about 50%. The approval time issue appears to be most serious with respect to applications going through the development agreement process.
- At present, HRM does not have any policies to distinguish affordable housing projects from other projects in terms of the approval process, but staff regularly work with non-profits to ensure that they understand the planning process and that in critical situations (e.g., Where funding is subject to short time lines) several processes are initiated at the same time. For example, a recent application from a non-profit was able to simultaneously go through a land transfer agreement, a re-zoning requiring policy amendment and a development agreement process.

#### ***Addressing NIMBYism***

- NIMBYism is a serious issue in HRM affecting the supply of affordable housing by:
  - ✧ limiting the potential for non-profit housing developments by lengthening and complicating approvals, especially multi-family rental projects;
  - ✧ restricting infill and intensification including additions to existing dwellings and multi-family rental projects on vacant land;
  - ✧ opposing land lease communities; and
  - ✧ opposing small lot housing in suburban settings.
- NIMBYism in Halifax, is in some cases, a response, to the poor design and quality of some small lot, low-cost, or social housing projects. For example, there have been problems associated with concentrations of student housing around universities and housing in downtown R-2A zones, which permit additions to the rear of existing buildings of up to 14 dwelling units. Entire neighbourhoods have been down-zoned to prevent more of this type of building activity.
- The role of the planner has been primarily to educate the public and work with non-profit groups to understand the rezoning process and how best to approach the public.



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## 2.0 CITY OF TORONTO

The City of Toronto continues to go through challenges associated with amalgamation. With a population of 2,480,000, there are many types of housing issues. The former City of Toronto (600,000) had a long history of being interventionist in order to facilitate affordable, low income and special needs housing.

### Summary Highlights

- 2001 *Municipal Act* provides “natural person powers” – considerable flexibility for municipalities.
- 1990 Planning Act – allows amenity zoning; allows designation of community improvement areas that includes housing.
- Provincial Policy Statement – aims to ensure municipalities provide range of housing types and densities of housing in Official Plans.
- Toronto planning philosophy – multi-faceted support of affordable housing, market and non-market.
- Official Plan policies aim to make gains in the supply of affordable housing – range of types, densities, targetting of assistance and incentives, retain or replace, large development sites must have portion for affordable housing. Also comprehensive strategy and implementation programs, including targets.
- Very progressive approach to acquiring mix by type and affordability on projects of 5 hectares or more – but sometimes meet challenges at OMB.
- Has a Social Housing Reserve Fund.
- Between 1982 and 1999, in the former City of Toronto, increased density was used to obtain sites capable of accommodating 6,000 non-profit units, and cash-in-lieu of nearly \$19 million.
- “Section 37 Agreements”. In 2000, Council adopted the city-wide Section 37 Implementation Framework that lays out the basis for calculating the public benefits from a rezoning. Section 37 requirements apply to *all* developments that are of a minimum size (10,000 m<sup>2</sup>) where the increase in density is at least 1,500 m<sup>2</sup> or 15 additional units, or where there is additional height.
- Section 37 provides both for the creation of new rental units and to protect or replace existing rental housing as part of the re-development of properties with rental housing. It can also be used to obtain land for affordable housing or cash-in-lieu of affordable rental units.
- Secondary suites are permitted as-a-right anywhere in detached and duplex dwellings. There are some conditions.
- Parking requirements are lower for social housing; also being examined to see whether can reduce by tenure.
- There are restrictions on demolitions and conversions to prevent the loss of existing affordable rental housing.
- The City has several incentives to increase the economic viability of affordable housing. Examples – waive fees, lower tax rate for new “purpose built” rental for 35 years.



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- “Housing First” disposition of City-owned land.
- Toronto is seeking power from the province to insist on minimum densities - this is viewed as a measure most applicable to greenfield situations.

## 2.1 Provincial Legislation

The Municipal Act (2001) provides municipalities in Ontario with enhanced autonomy including natural person powers and spheres of jurisdiction.

- Section 107 allows municipalities to give grants or aid to any person or group “for any purpose that council considers to be in the interests of the municipality”. This includes the authority to: guarantee a loan; sell or lease land for nominal amounts; provide the use by any person of land owned or occupied by the municipality. Private developers are implicitly excluded from the benefits in Section 107 (Jozsa and Tomalty, 2004).
- Section 110 Agreements for the provision of municipal capital facilities give municipalities the authority to use property tax exemptions and other incentives to encourage the construction of facilities including housing. Section 110.(1) states that a municipality may enter into agreements for the provision of municipal capital facilities by any person. This authority can be used as part of a community improvement plan or as part of a package of other planning and development policies.
- By Regulation 189/01, municipalities were given the authority to enter into capital facility agreements for affordable housing with both private and non-profit companies. A municipal housing facility bylaw must be passed in order to give such benefits and the bylaw must contain: a definition of affordable housing; policies regarding eligibility of occupants; and a summary of the provisions outlined in the agreements.
- Section 110.(3) allows municipalities to provide financial or other assistance at less than fair market value or at no cost by: giving or lending money and charging interest; giving, lending, leasing, or selling property; guaranteeing borrowing; and providing the services of municipal staff.
- Section 110.(7) permits municipalities to make full or partial tax exemption of development charges imposed by the municipalities.
- Section 110.(10) allows Municipal Council to establish a reserve fund to be used for the purpose of renovating, repairing, or maintaining facilities that are provided under an agreement under Section 110.

The Planning Act (1990) establishes a regulatory framework for the use and development of land in the Province and provides for Provincial Policy Statements setting out provincial land use policy. Specifically, the Act provides for a land use planning system led by provincial policy; promotes sustainable economic development in a healthy natural environment; and integrates matters of provincial interest in planning decisions made by municipalities, the Ontario Municipal Board or any others empowered to make such decisions. For example, “the adequate provision of a full range of housing” is considered to be a matter of provincial interest. Under the Planning Act, municipalities can develop official plans and zoning bylaws to control private development and guide the planning and development of municipal infrastructure.



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- Section 28 of the Planning Act allows municipalities to designate community improvement areas which includes housing as an aspect of community improvement. Subsections 6 and 7 permit municipalities to sell land to any person (at below market value) and make grants or loans to property owners within a community improvement area.
- Section 37 of the Planning Act states that a) the City may, through a zoning by-law, approve increases in height and/or density beyond what the zoning by-law would otherwise permit, in return for facilities, services or matters (community benefits) as are set out in the by-law; and b) the Official Plan must first contain provisions authorizing the use of Section 37, and community benefits may be secured in an agreement that may be registered on title. In Toronto, Section 37 has been the primary vehicle to secure housing matters, rather than Section 28.

The Provincial Policy Statement was issued under Section 3 of the Planning Act and came into effect on March 1, 2005. The Provincial Policy Statement provides policy direction on matters of provincial interest related to land use planning and development including:

- Part V Section 1.0 Managing and Directing Land Use to Achieve Efficient Development and Land Use Patterns which includes:
  - ❑ promoting efficient development and land use patterns and accommodating an appropriate range and mix of residential, employment, recreational and open space uses to meet long-term needs; and
  - ❑ making sufficient land available through intensification and redevelopment and, if necessary designated growth areas.
- Section 1.4 Housing aims to provide for an appropriate range of housing types and densities required to meet projected requirements of current and future residents of regional market areas by:
  - ❑ maintaining lands which are designated and available for residential development;
  - ❑ maintaining land with servicing capacity sufficient to provide at least a 3 year supply of residential units available through lands suitably zoned; and
  - ❑ directing planning authorities to provide for an appropriate range of housing types and densities by establishing and implementing minimum targets for the provision of housing which is affordable to low and moderate income households.

The Social Housing Reform Act (2000) devolved the administration of the business of social housing provision to the municipal level. The passing of this act brought with it far-reaching impacts on municipal government, municipal taxpayers, social housing providers and consumers.

- Section 4(1) designates the municipalities as service managers for the purposes of the Act.
- Section 6(1) deems the provision of residential accommodation by a municipal service manager a municipal purpose and that a municipal service manager may exercise for the purposes of this Act the powers that it has as a municipality under the Municipal Act, 2001 or any other general or special Act.



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While not legislation as such, the Ontario Municipal Board (OMB), is an open appeal court that has direct ramifications on municipal policy and bylaws. Any group or individual has the right to appeal a decision, a policy, or bylaw at the OMB, in which case all information with respect to that decision or plan must be presented. An applicant can also appeal the lack of a timely decision on their planning proposal by a municipality and bring their proposal directly before the Board. The OMB Board can make the final decision based on their own judgement, which may or may not take into account the history of decision-making in the municipality, the planning process that was completed, or the level of consultation and negotiation undertaken.

- Section 5. The total number of Board is composed of as many members as the Lieutenant Governor in Council may from time to time determine. The Lieutenant Governor in Council appoints the members of the Board.
- Section 37. General jurisdiction and powers. The Board has jurisdiction and power, to:
  - hear and determine all applications and matters brought before it;
  - order require and forbid, the doing of any act, matter or thing which any person, firm, company, corporation or municipality is or may be required to do or omit to be done or to abstain from doing or continuing; and
  - make, give or issue or refuse to make, give or issue any order, directions, regulation, rule, permission, approval, certificate or direction, which it has power to make, give or issue.
- This mechanism is seen to be a hindrance to planning progress and efficiency. The OMB is currently under review by the Provincial Government.



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## 2.2 *Municipal Regulatory Framework*

### **Community Plan**

The new Toronto Official Plan was adopted by Council on November 2002. The policies of the Official Plan are not yet in force, however, and are currently the subject of up coming hearings before the Ontario Municipal Board (OMB). The housing policies in the new Official Plan aim to:

- provide for a full range of housing including form, affordability and tenure across the City and within neighbourhoods, including special needs, supportive and transitional housing;
- make gains in supply of new rental housing and new affordable housing while retaining and replenishing existing stock, especially existing rental and social housing;
- target assistance, and incentives to create new affordable housing, especially affordable rental, but also low-income affordable ownership developed by non-profit organizations, with overall priority for assistance to non-profit and co-operative housing;
- retain existing rental, discourage conversion to condominium or demolition, but if demolition of private or social housing is approved, replace at similar rents and assist displaced tenants financially; and
- ensure that large development sites include a portion of affordable housing.

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The Housing Policies include:

- a full range of housing, in terms of form, tenure and affordability, across the City and within neighbourhoods, will be provided and maintained to meet the current and future needs of residents. This includes: ownership and rental housing, affordable and mid-range rental and ownership housing, social housing, shared and/or congregate-living housing arrangements, supportive housing, emergency and transitional housing for homeless people and at-risk groups, housing that meets the needs of people with physical disabilities and housing that makes more efficient use of the existing housing stock;
- the existing stock of housing will be maintained and replenished. New housing supply will be encouraged through intensification and infill that is consistent with this Plan;
- investment in new rental housing, particularly affordable rental housing, will be encouraged by a co-ordinated effort from all levels of government through implementation of a range of strategies, including effective taxation, regulatory, administrative policies and incentives;
- where appropriate, assistance will be provided to encourage the production of affordable housing either by the City itself or in combination with senior government programs and initiatives, or by senior governments alone. Municipal assistance may include:
  - ❑ in the case of affordable rental housing and in order to achieve a range of affordability, measures such as: loans and grants, land at or below market rates, fees and property tax exemptions, rent supplement and other appropriate assistance;
  - ❑ in the case of affordable ownership housing provided on a long term basis by non-profit groups, especially affordable low rise family housing, measures such as: land at or below market rate, fees exemption and other appropriate forms of assistance; and
  - ❑ with priority given to non-profit and co-op housing non-profit cooperative housing providers.
- significant new development on sites containing six or more rental units, where existing rental units will be kept in the new development, will secure for as long as possible: a) the existing rental housing units, with either affordable or mid-range rents, as rental housing; and b) any needed improvements and renovations to the existing rental housing with no pass-through of such costs in the rents to the tenants;
- new development that would have the effect of removing a private building or related group of buildings containing six or more rental housing units is not in the public interest and should not be approved unless: a) the rental apartment vacancy rate for the City of Toronto, as reported by CMHC has been at or above 2.5% for the preceding two-year reporting period; or b) in cases where zoning approvals are sought, the following are secured:
  - ❑ at least the same number, size and type of rental housing units are replaced and maintained with similar rents;



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- ❑ for a period of at least 10 years, rents for replacement units will be the rent at first occupancy, increased annually by not more than the Provincial Rent Increase Guideline or a similar guideline; and
  - ❑ an acceptable tenant relocation and assistance plan addressing provision of alternative accommodation for tenants at similar rents, right-of-first-refusal to occupy one of the replacement units and other assistance to lessen hardship.
- redevelopment of social housing properties, including those which propose a mix of housing including varying levels of rental assistance, varying housing types and forms and/or the inclusion of affordable ownership housing options, that would have the effect of removing a social housing building or related group of buildings containing one or more social housing units, will secure:
  - ❑ full replacement of the social housing units;
  - ❑ replacement social housing units at rents similar to those at the time of the application, including the provision of a similar number of units with rents geared to household income; and
  - ❑ an acceptable tenant relocation and assistance plan addressing provision of alternative accommodation for tenants at similar rents, including rent-geared-to-income subsidies, right-of-first-refusal to occupy one of the replacement social housing units and other assistance to mitigate hardship.
- the conversion to condominium by severance or subdivision of any building or related group of buildings containing six or more rental housing units is premature and not in the public interest unless: a) the rental apartment vacancy rate, as reported by CMHC, has been at or above 2.5% for the preceding two-year reporting period; or b) all of the rental housing units have rents that exceed mid-range rents at the time of the application; and
- large residential developments provide an opportunity to achieve a mix of housing in terms of types and affordability. On large sites, generally greater than 5 hectares in size: a) a minimum of 30% of the new housing units will be in forms other than single-detached and semi-detached houses, such as row housing, triplexes and multi-unit residential buildings; and b) a minimum of 20% of the new housing units must be affordable where additional height and/or density may be permitted.



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### 2.3 Zoning and Land Use Bylaws

- When the City amalgamated in 1998, it inherited seven official plans and 41 comprehensive zoning bylaws from the former municipalities. Most of the zoning by-laws in force in the City of Toronto remain as by-laws passed by these former area municipalities.
- The City began working on a comprehensive zoning bylaw for the entire City in 2003. The new zoning bylaw will replace the 41 existing bylaws. The focus of the project is to create a bylaw that "speaks the same language" for existing zoning provisions.
- In the absence of new zoning bylaws, the new Official Plan acts as a de facto land use planning document, handling many of the land use planning-related

decisions. The OP sets out broad categories determining where the City would like to see future growth, identifies residential areas and mixed use areas, and details the plans in land use maps.

## 2.4 Affordable Housing Strategy

The first major response of the newly amalgamated City regarding social housing and homelessness was outlined in *Taking Responsibility for Homelessness: An Action Plan for Toronto* (January 1999). Dubbed the “Golden report” after the Mayor’s Homelessness Action Task Force leader, Anne Golden, the report documented the extent of the homeless crisis in Toronto and provided direction with respect to addressing housing and homelessness in the City.

The City recently outlined in a Provincial survey the most important housing issues facing Toronto as being: the lack of affordable rental housing; the need for social housing, alternate housing and supportive housing; the need for new housing models suitable to persons who are very hard to house, such as persons with concurrent disorders or personality disorders; sufficient funding for capital repairs/maintenance of existing social housing stock; the need for new legislation to protect rents; and to protect existing rental housing supply from conversion and demolition.

The City’s Affordable Housing program includes:

- Let’s Build series of initiatives, including a capital revolving fund for affordable rental housing, housing first policy for vacant land, exempting non-profit affordable housing from planning fees and parkland dedication, and through the municipal housing facility by-law, the provision of a range of assistance to private and non-profit developers of affordable rental housing;
- targets for new affordable housing (1,000 units per year depending on funding) established in *From Streets to Homes* report, including support for identification of further vacant lands and buildings suitable for affordable housing, and comprehensive strategies to link homeless people to shelter and housing opportunities;
- a recently approved new Affordable Housing Office and Affordable Housing sub-committee of Council to speed up affordable housing development. The Shelter, Support and Housing Administration division at the City of Toronto administers funding and accountability of existing social housing, funded by senior governments under the Social Housing Reform Act. The new Affordable Housing Office will be reporting directly through the Deputy City Manager. The Let’s Build program is to be administered by this office and the unit will also be responsible for affordable housing policy, co-ordinating housing funding from other levels of government, and preparing a Municipal Housing Statement including the setting of affordable housing targets; and
- in addition, work towards the 2005 Toronto Report Card on Housing & Homelessness is currently under way and is scheduled for release by May 2006.

The City’s affordable housing policy consists of Council-adopted policies including Management Guidelines for the Capital Revolving Fund, Three-year Targets for Affordable Housing Development, the City’s Housing First policy, the Municipal Housing Facility Bylaw, the waiving of planning and development-related fees and charges for non-profit housing development and a framework for delivering federal and other funding through the Community Rental Housing Program, including the provision of rent supplements.



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It also includes the specific housing policies in the new Official Plan which provide for protection of existing affordable rental housing, including replacement in the event of demolition, and the inclusion of an affordable housing component in large developments. The City does not have a comprehensive housing policy framework and overall strategy.

It was recommended at the Policy and Finance Committee Meeting No. 7 that staff prepare, with full community consultation and for this term of Council approval, the City's first Municipal Housing Statement to develop an integrated set of affordable housing goals and a plan to address short and long-term housing sustainability in Toronto. Report No. 3 describes the tools that have been employed to date to improve the overall supply of affordable housing.

## 2.5 Definitions of Affordable Housing

Affordable housing is defined as transitional and permanent housing that adequately suits the needs of low and moderate income households, at costs below those generally found in the Toronto market.

In the Official Plan, the definitions include both rental and home ownership housing, and are the ones used in the Municipal Housing Facility By-law:

- affordable rental housing and affordable rents means housing where the total monthly shelter cost (gross monthly rent including utilities – heat, hydro and hot water – but excluding parking and cable television charges) is at or below one times the average City of Toronto rent, by unit type (number of bedrooms), as reported annually by CMHC;
- affordable ownership housing is housing which is priced at or below an amount where the total monthly shelter cost (mortgage principle and interest – based on a 25-year amortization, 10% down payment and the chartered bank administered mortgage rate for a conventional 5-year mortgage as reported by the Bank of Canada at the time of application – plus property taxes calculated on a monthly basis) equals the average City of Toronto rent, by unit type, as reported annually by CMHC. Affordable ownership price includes GST and any other mandatory costs associated with purchasing the unit;
- mid-range rents are the total monthly shelter costs which exceed affordable rents but fall below one and one-half times the average City of Toronto rent, by unit type, as reported annually by CMHC; and
- social housing refers to rental housing units, including housing provided by non-profit housing co-operatives to their members, produced and/or funded under federal and/or provincial government programs providing comprehensive funding and/or financing arrangements, whether or not in partnership with municipal government.



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## 2.6 Zoning Practices

### *Inclusionary Zoning*

- The former City of Toronto had an Official Plan policy requiring that 25% of new housing be affordable. Until 1997, senior government housing programs helped satisfy this requirement, often with land donated by developers through density bonusing arrangements, resulting in an average social housing production rate of about 2,000+ units a year.



- The policy was often successful when it involved a partnership with a non-profit housing society and direct funding by senior governments. However, the experience was mixed as the policy was not based on a formula of affordable housing as housing that was below a certain rent or sale price. The housing was either subject to the provisions of the government funded social housing program, or was allowed to be based on size criteria, which resulted in lower quality small units.
- The new Official Plan requires that large residential developments (+5 hectares) provide an opportunity to achieve a mix of housing (by type and affordability) irrespective of the availability of other government funding. Specifically, Policy 9 requires that, on large sites where rezoning is required, a minimum of 30% of the new housing units be in forms other than single-detached and semi-detached houses; and a minimum of 20% of the new housing units be affordable. Affordable is defined as rents or housing costs that are linked to the average rent in Toronto by housing type.
- Under the new policy, approvals to construct the market units are dependent on evidence of construction of the affordable units either prior to or at the same time as the market units.
- This new policy has faced significant opposition by the development community and continues to wait for official adoption pending the OMB hearings on the Official Plan. To date, it has only been partially applied on old brownfield sites or sites that require significant rezoning. In one such case, the total number of additional units generated by the increased density was small and the developer provided cash-in-lieu of unit construction. A number of larger sites are currently under review and negotiation.
- Regarding implementation and enforcement of these planning requirements, the City can only require a set period during which the affordable units must remain affordable. With rental housing, this would typically be 10 years. With ownership, the City cannot pre-determine the resale price, but it is considering minimizing speculative gain or unit flipping by requiring a payment-free second mortgage to be taken out on the house. The City can limit the possibility of large gains if a homeowner sells within a set period, such as the first five years, by requiring payment of the second mortgage in the event of re-sale. The buyer would thus only be eligible to retain a portion of any capital gain.
- This measure is still in its early stages of policy development and one that is relatively new for the City and the development community.
- There are also optional opportunities for the provision of affordable housing on smaller sites (less than 5 ha.), where increases in development density or height result in the provision by the owner of the lands being developed of community benefits under section 37 of the Planning Act. (See Bonus Density).

#### ***Linkage / Exaction***

- No policy or bylaw in practice.

#### ***Bonus Density***

- Toronto has used density incentives on both residential and commercial development to secure public benefits since the early 1980s. Originally, the agreements were used to secure land suitable for non-profit developments. By



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1986, the City began accepting cash-in-lieu when suitable sites became more difficult to find. Over time, this became the main form of assistance and the payments were deposited in the Social Housing Reserve Fund.

- Between 1982 and 1999, increased density was used to obtain sites capable of accommodating approximately 6,000 non-profit units, and cash-in-lieu of nearly \$19 million. Density incentives have also been used for the preservation of heritage buildings, securing workplace daycare and other facilities and services.
- In August 2000, Council adopted the city-wide Section 37 Implementation Framework that laid out the basis for calculating the public benefit in order to ensure consistency and clarity where Section 37 was to be used.. The City's 2002 New Official Plan does not directly use density bonusing, but it does set out the basis for determining the community benefits to be provided where there has been an increase in height and/or density than is otherwise permitted by the zoning. Throughout the entire City, Section 37 requirements apply to all developments that are of a minimum size (10,000 m<sup>2</sup>) and where the increase in density is at least 1,500 m<sup>2</sup> or 15 additional units, or where there is additional height.
- The City of Toronto uses Section 37 provisions both for the creation of new rental units and to protect or replace existing rental housing as part of the re-development of properties with rental housing. It can also be used to obtain land for affordable housing or cash-in-lieu of affordable rental units. (Official Plan, Section 5.1.1, Policy No. 6)

The City may approve height or density increases according to Section 37 of the Planning Act. The new Official Plan contains provisions authorizing the use of Section 37. Policy requirements and principles include:

- Section 37 must be implemented through a zoning by-law, usually a site-specific zoning by-law amendment permitting a height and/or density increase for a specific development. Zoning by-laws may permit more height and/or density than is otherwise permitted in return for the provision of community benefits in the form of facilities and services;
- the community benefits must be set out in the site-specific zoning by-law. They will be selected on the basis of local community needs, the nature of the development application, any implementation guidelines or plans adopted by Council and the strategic objectives and policies of this Plan. Priority will be given to on-site or local community benefits;
- there is no "formula" for calculating the value of increased density in the new Official Plan. Most Section 37 agreements are negotiated on a case-by-case basis, and the amount or value of the community benefits varies across the City. The OP allows for a similar formula-based approach through local area studies, but the Plan deliberately does not propose any citywide formula. An approach that institutionalized a rigid value-based formula would likely be challenged in court, and might not survive the challenge, on the basis that it constitutes an illegal tax;
- the community benefits will be secured in one or more agreements that are registered on title to the lands; and



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- certain Official Plan policy objectives, such as protecting existing rental housing or securing replacement rental housing and tenant assistance may be realized and secured through the use of a Section 37 Agreement regardless of the size of project or the amount of height and density increase.

### ***Comprehensive Development / Site-Specific Zoning***

- This measure is related to the Official Plan Housing Policy 9, which requires a housing mix (by built form and unit type and affordability) for large sites. Through comprehensive planning, the affordable housing component of major projects can be established, though the realization of the affordable component is usually secured through a Section 37 Agreement.
- Comprehensive planning is currently being implemented with the major central waterfront revitalization initiative where 12,000 residential units are planned over the next 10 to 15 year period.

## ***2.7 Lot Sizes and Subdivisions***

- The Official Plan promotes the development of a broad range of housing types and smaller lots and a mix of housing types are encouraged. In reality, though, land development economics is such that developers are generally not insisting on large lot sizes within the boundaries of the City. In some cases, though, developers propose much lower densities than is desired by the City to meet its intensification goal in specific locations, and the City is seeking the power from the province to insist on minimum densities for such sites. However, this is not primarily aimed at achieving affordable housing, but rather higher densities where appropriate, and a greater diversity of unit types.
- City staff does not perceive small lot development to be a successful means of achieving affordable housing. House prices or rents that are below average housing costs are the only appropriate measure of affordability.

## ***2.8 Small Units***

- The City has always supported rooming houses and continues to support them as a reasonable and allowable use. However, the demolition and conversion policies that protect the rental housing stock do not include rooming houses, which are not part of the self-contained dwelling stock.
- The City has a Rooming House Working Group, which provides advice on matters related to the rooming house sector. The Working Group has undertaken a comprehensive review of the financing, insurance, municipal regulation, taxation, and development charge issues that affect the ongoing operation of rooming houses and the development of new rooming house stock. This study of rooming houses was completed in 2004, but has not yet been made public.

## ***2.9 Manufactured / Mobile Homes***

- Mobile homes and mobile home parks are not permitted in the City.

## ***2.10 Secondary Suites***

- The Provincial government amended the planning act in the mid 1990s to permit a second suite in single family homes throughout Ontario. This amendment



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was removed from the Act in 1995 leaving the question of where second suites should be permitted up to municipalities.

- A second suite is a self-contained rental unit in a single-detached or semi-detached house often with a separate entrance. Most second suites are basement apartments. They have also been called granny flats, in-law suites and accessory apartments.
- Bylaw amendments were introduced in 1999 (Bylaw No. 446) – known as “Second Suite” bylaw – which included a wide-ranging set of amendments to Official Plans of the City’s former municipalities. The Second Suite By-law was approved by the Ontario Municipal Board in 2000 and contains the following requirements/ parameters:
  - as-of-right anywhere in the City of Toronto;
  - maximum two units per residential dwelling;
  - applicable only in single-detached and semi-detached dwellings;
  - dwellings must be at least five years old;
  - the size of the second suite is less than the floor area of the remaining structure;
  - no additions or substantial alteration to exterior appearance;
  - no roomers or boarders;
  - the units can only be divided horizontally;
  - the second suite cannot be located in an accessory building or attached garage; and
  - minimum two on-site parking spaces must be provided.
- The City has prepared an information kit that provides easy-to-read information on how to create a legal second suite. All new second suites require building permits and must meet Ontario Building Code requirements, zoning bylaws and other laws that may apply.
- A study of second suites was initiated in 2003 to develop a more detailed understanding of the role of second suites in the affordable housing market in the City of Toronto and to identify activities that will support the continued expansion of second suite rental housing stock that is legal and rented.
- Toronto’s supportive and permissive policies have led to a higher proportion of legal to illegal suites in the City.



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### ***2.11 Parking Requirements***

- Having a special definition of social housing permits the City to set a lower parking requirement for such housing. The former City of Toronto’s Downtown area historically had different standards than the rest of the City.
- Currently, the City is examining parking use in existing rental apartment buildings to determine whether parking requirements should differentiate based on tenure. Many rental buildings are known to have less car ownership and tenants tend to have average incomes that are half those of owners.

- This review is intended to examine the appropriateness of lowering standards for rental buildings to be introduced in a new bylaw. Another approach under consideration is lowering all multiple-unit building parking standards where buildings are on a main street or transit node. Condominium developments would then have the option to build more based on the anticipated level of demand.

## *2.12 Rental Conversion / Preservation of Affordable Housing*

- The 2001 Toronto Report Card on Homelessness aims to “monitor the issue of homelessness over time to determine if the problem is getting better or worse and to help the city and its partners develop effective and responsive strategies.” The preparation of the report card does not in and of itself reduce the number of units lost due to conversion or demolition, however it does provide a regular monitoring system to enable Council and the public to understand what is happening in the rental market place and the overall implications on the supply of affordable rental housing. The Report Card specifically monitors the following indicators: demolitions, conversions, number of conventional rental units, number of secondary suites, rented condos, other unconventional or “Secondary Rental Market” units, condition of rental stock, vacancy rates, rents, average weekly wages, and Ontario Works Shelter Allowance.
- The new Official Plan maintains policies on demolition and condo conversion, which are specifically designed to help retain the affordable rental housing stock.
- Policy No. 6 restricts the conversion of rental buildings with six or more rental units to condominium unless the rental units are higher end units that exceed mid-range rents and/or the vacancy rate has been above 2.5% for the preceding two-year period (three annual CMHC rental market surveys).
- Policy No. 6 seeks to refuse demolition or rental units, or replace rental units proposed for demolition and redevelopment. The policy requires the replacement of the same number of units at the same rents and the provision of a relocation and financial assistance plan to lessen the hardship for tenants whose units are demolished.
- Variations of both the condominium conversion policy and the rental demolition policy were in place by the former area municipalities and have been supported by alternately strong or lukewarm provincial legislative frameworks for a number of years. While a number of developers have tried to challenge these policies, only one or two were able to win a case at the OMB, though two have since been reversed by the courts. Replacement levels after demolition of rental units have generally ranged between 85% and 100% for units converted.
- A policy and program to deal with rental demolitions would succeed best in a market and land use environment that would enable site intensification, thus permitting the developer to realize profits on the additional units. A number of redevelopments involving rental demolition and replacement are currently underway: in recent years, the City has approved demolition and replacement of about 2,200 private rental units and another 2,300 social housing units.



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## 2.13 Infill and Intensification

- The new Official Plan details policies and guidelines for intensification applications, especially infill on sites with existing rental housing. Policy No. 5 secures the rental status for a period (typically 20 years) of existing rental housing units where significant new development occurs on a site. Section 37 Agreements are also used to secure improvements to the existing buildings with no cost-pass through to the rents paid by tenants. Using the Section 37 provisions, the City encourages the developer to secure the new building as rental housing (not condominium-registered) in lieu of providing other community benefits generated by the increased density. However, this policy does not guarantee housing affordability or new rental housing construction.

## 2.14 Financial Measures

### *Incentives*

- The City of Toronto established Let's Build, an action-oriented program to facilitate the production of affordable housing. It offers the services of a skilled team of development and housing professionals to assist in the planning and development process, and a tool kit of incentives to increase the economic viability of affordable housing projects. These can include City-owned land, a waiver of planning and development fees, property tax exemptions and one-time financial assistance from the City's Capital Revolving Fund (CRF).
- Since launching in the spring of 2000, Let's Build has helped put more than 650 affordable housing units in the pipeline. The City's Let's Build team assists private sector and non-profit sector partners to develop affordable housing. It also has co-ordinated funding for supportive and transitional housing projects being funded under the federal government's SCPI program for dealing with homelessness. The work of this unit includes:
  - ✧ developing tools to stimulate the construction of affordable housing, and supporting non-profit and private sector sponsors in developing projects;
  - ✧ managing the Capital Revolving Fund and Advisory Committee to make financial assistance available to housing sponsors;
  - ✧ prioritizing city-owned land for affordable housing; and
  - ✧ making other incentives available to community housing sponsors.
- The City now has a basket of financial tools and measures upon which to draw on to facilitate the development of affordable housing.
- A measure that has also had a direct influence on new rental construction is the lowering of the tax rate for new 'purpose-built' rental properties through the creation of a separate property tax class. The mill rate formula was such that new rental housing paid higher taxes than a comparable condominium project. This new property tax class was introduced in 1998 and made taxes comparable or lower than those of condominiums for a period of 35 years. This is not specific to affordable rental, but it does ensure that there are no additional barriers to private sector development of new rental housing.



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## 2.15 Waiving Development Fees

- The City of Toronto has waived development charges, building permit fees, planning application fees, and parkland dedication requirements for non-profit housing. Under the amended Capital Facility provisions of the Municipal Act it is extending these provisions to the private sector on a project-by-project basis where affordable rental housing is provided.
- Under these provisions, the Municipal Housing Facility bylaw (2002) is administered by Lets Build and enables the City to waive fees and charges for an affordable rental housing project where the developer enters into an agreement with the City identifying specific terms (typically affordable rents for 20 years with a five-year phase-out).
- The City commonly waives fees and charges for affordable housing projects, and has recently done so for a few affordable ownership projects being developed by non-profit organizations. The reductions or loans are determined by the Affordable Housing office on a project-by-project basis. Each project is considered unique in terms of what its financial assistance needs are, but also in terms of what it can contribute to the city in affordable housing.

## 2.16 Land and Equity-Related Measures

### ***Housing Reserve Fund***

- The Capital Revolving Fund for AH (1999) is a fund dedicated to assisting affordable housing development in the form of loans and grants. The fund is generated from broad and varied municipal sources, including Section 37 cash-in-lieu contributions for affordable housing.
- Each year the plans for the funding dollars are directed by the annual strategy document and the availability of other capital funding sources. With the new provincial and federal government affordable housing funding, these funds will further leverage the construction of new projects.

### ***Land Banking and Disposal***

- The City of Toronto adopted a Housing First policy in May 1999 to guide the use of surplus City-owned land. The principle is that the first priority in the decision-making process respecting surplus or potentially surplus City-owned real property should be affordable housing development. In most cases, the land is made available in the form of \$1 lease to not-for-profit organizations.

## 2.17 Planning Processes

### ***Streamlining Approval Process***

- The new Affordable Housing office, as well as the Affordable Housing Committee of Council, will review applications of affordable housing projects. This will not replace the regular planning approval process, but will reduce the opportunity for ward councillors to hold up an application, as has been the case in the past.
- This new process will aim to put a higher public profile on such projects. It is not yet evident how this initiative will influence the pace or efficiency of the approval process.



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### ***2.18 Addressing NIMBYism***

- The City of Toronto manages a “Yes In My Backyard” program based on the toolkit and guide developed by the Province. The kit provides resource material for municipalities to use with community providers.
- Policy No. 1 of the Official Plan speaks to the issue of NIMBYism in that it provides for a full range of housing types across the City and within neighbourhoods, establishing the City’s approach not to zone for exclusivity.



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### 3.0 CITY OF HAMILTON

The new City of Hamilton has a population of 710,000 and is absorbed by transitional challenges stemming from the 2001 amalgamation. The focus on affordable housing has been in the inner city and older suburbs.

#### Summary Highlights

- Philosophy – “full range of housing types and prices allowing people to live in their communities throughout their lives”.
- Secondary suites – are considered “residential conversions” and the Zoning Bylaw has been updated to provide more flexibility to allow conversions.
- Parking variances for affordable housing are a common practice.
- Municipal Housing Facility Bylaw (2003). Allows City to make cash or in-kind contributions and make City-owned land available at below market value for affordable rental.

### 3.1 Legislative Framework

- See Toronto document

### 3.2 Municipal Regulatory Framework

#### Community Plan

- In 2001, the former Regional Municipality of Hamilton-Wentworth was amalgamated into a unified City of Hamilton. This amalgamation included the former City of Stoney Creek, Towns of Dundas, Flamborough and Ancaster along with the Township of Glanbrook. A new Official Plan for the amalgamated former municipalities is currently being developed and is expected to be completed in 2006.
- Several ongoing Corporate Projects are integrated with the development of the new Official Plan: Vision 2020, the GRIDS project, Social Development Strategy and Master Plans. All programs are linked through an initiative called *Building a Strong Foundation* (BASF) that takes a cross-disciplinary, integrative and community-based approach to implementing Hamilton’s Vision for a sustainable future. As part of Hamilton’s Vision 2020, an identified housing goal is that there be “a full range of housing types and prices allowing people to live in their communities throughout their lives”.
- A 2004 strategy document, *Keys to the Home*, identified three housing principles for consideration in the new Official Plan:
  - ❏ to supply the people of Hamilton with an adequate mix and variety of housing to satisfy differing social and economic needs;
  - ❏ to establish specific targets for affordable housing, e.g., cost levels, accessibility, conditions; and
  - ❏ to make available sufficient housing stock to meet the demand, and to put measures in place to protect this supply.
- Draft policies for the new Official Plan have been created based on policies in other large Ontario municipalities such as Ottawa and Toronto.



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### 3.3 Zoning and Land Use Bylaws

- The City of Hamilton is creating a new Zoning By-law for the entire City to cover all the former municipalities. The process will be completed in a series of stages. The first stage has begun with Downtown Hamilton, which will have a specific bylaw.
- A Secondary Plan for Downtown Hamilton was completed in 2001 ("Putting People First: The New Land Use Plan for Downtown Hamilton"). As part of implementing this Secondary Plan, new zoning is being proposed for Downtown Hamilton, which reflects the Secondary Plan Land Use designations and Official Plan policies. A public process, From Plan to Action, is under way.
- Preparation of the new zoning districts for residential areas will not be completed until 2007.

### 3.4 Affordable Housing Strategy

- A number of various research reports have each concluded that affordable housing is a key issue in Hamilton.
- The Social Development Strategy (SDS) initiative is the basis for a social vision action plan for the City of Hamilton (2002). This social vision identifies three affordable housing goals:
  - ✧ to increase the supply of affordable housing in the City of Hamilton;
  - ✧ to promote the availability of affordable housing through such measures as rent subsidies, funds for home improvement and assistance with the payment of the first and last months' rents; and
  - ✧ to ensure the availability of emergency and shelter arrangements in order to reduce substantially the rate of homelessness in Hamilton.
- An Affordable Housing Flagship committee has been convened, meeting monthly to oversee the development of an implementation framework of this social vision.
- The City has since initiated a strategic plan, Keys to the Home: A Housing Strategy for Hamilton, and an implementation plan for the plan's recommendations is underway.
- An implementation challenge lies with the division between the two departments responsible for housing – the Public Health and Community Services and Planning and Economic Development Department. Ongoing communication and dialogue between the two bodies is required.

### 3.5 Definitions of Affordable Housing

- Hamilton's strategy documents emphasize that the definition of affordable housing should not be based on a housing "product", but rather on groups who are in "need" of housing. In this way, those with the greatest "need" are those who are living on the streets and those who are vulnerable because of very low income and/or personal circumstances, e.g., persons with serious mental illness.
- The definition of housing "affordability" is linked to the relationship between a household's income and expenditures on shelter, be it for rental or ownership.





Canada Mortgage and Housing Corporation (CMHC) states that households are in core housing need if their housing falls below at least one of the adequacy, suitability or affordability standards and would have to spend 30 percent or more of their income to pay the average market rent of alternative local market housing that meets all three standards.

- The Keys to the Home Strategy document favours this definition – it can be tailored to the local context using local benchmarks of adequacy, suitability, and affordability. As well, it clearly demarcates those households who have "no choice" in terms of their shelter-to-income ratio. This is a widely-accepted definition in the academic community and among housing policy and program delivery officials and is considered appropriate for use in the City of Hamilton municipal context.

### **3.6 Zoning Practices**

#### ***Inclusionary Zoning***

- No policy or bylaw in practice.

#### ***Linkage / Exaction***

- No policy or bylaw in practice.

#### ***Bonus Density***

- Provision for density bonusing was included in the former City of Hamilton official plan, but it has not been put into practice.

#### ***Comprehensive Development / Site-Specific Zoning***

- No policy or bylaw in practice.

### **3.7 Lot Sizes and Subdivisions**

- Small lots are prevalent in Hamilton. The former City of Hamilton developed the R4 small lot zoning designation in the early 1980s. The R4 single residential zone requires a minimum interior lot area of 310 m<sup>2</sup> with a minimum lot frontage of 10m.
- However, rather than enhancing affordability, developers have tended to increase the unit size of houses built on this smaller lot. Tandem regulation to regulate the square footage of the homes is required to ensure affordability.

### **3.8 Small Units**

- At the direction of City Council, staff have revisited a 1994 Roomers and Boarders Task Force Report to assess achievements and outstanding issues. A report containing findings, recommendations and proposed actions is targeted to be released Fall 2005.
- Rooming houses are an important component of the housing stock, typically found in inner city neighbourhoods and in close proximity to many social and community services. They are one type of private rental housing that is relatively affordable to single persons, and thus play a role in housing people that may otherwise have nowhere else to live.



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### 3.9 *Manufactured / Mobile Homes*

- *Keys to the Home* identified manufactured housing as an opportunity to create affordable home ownership in areas where single detached homes may be unaffordable or in infill areas. The strategy document recommended this housing form be considered as part of the City's review and consolidation of the former area municipal zoning by-laws and for the City to identify opportunities that facilitate the development of modular and manufactured homes.

### 3.10 *Secondary Suites*

- Allowing accessory apartments, also known as a secondary suites, in-law suites or basement apartments, is a long-standing planning and housing supply issue, particularly in the former City of Hamilton. In the early 1990s, Hamilton City planning staff released a number of background studies and held a series of meetings on the subject where the concerns of residents (parking, property values, residential dwelling aesthetics, the existing concentration in certain areas and triplex situations) were raised. The major concern of the residents was that uncontrolled and mostly illegal dwelling conversions had negatively affected the "look and feel" of their residential neighbourhoods. This resulted in changes to the zoning by-law that provided more flexibility for allowing accessory apartments, which are considered "residential conversions" in the context of the Hamilton Zoning by-law.

### 3.11 *Parking Requirements*

- Minor variances can be procured for parking relaxations for affordable rental housing projects. This is a common practice.

### 3.12 *Rental Conversion / Preservation of Affordable Housing*

- The former City of Hamilton and City of Stoney Creek have condominium conversion policies within their respective Official Plans. The thrust of the policies are that condominium conversions cannot occur until certain housing market thresholds are satisfied, thus minimizing any adverse effect on the supply of rental housing.
- A total of 1,394 condominium conversions took place in the former City of Hamilton between 1995 and 2003. Since 2000, the rental vacancy rate has not reached the threshold level to permit new condominium conversions.
- Comments on Condominium Conversion applications are made on an ad hoc basis at the request of the planning department.
- It is anticipated that aspects of the conversion policies found in the former area municipal official plans will be brought into the new City of Hamilton Official Plan. The *Keys to the Home* strategy document also recommends the introduction of limited flexibility in situations to provide a replacement alternative for property owners with new rental units elsewhere in the community.
- The City of Hamilton has also been an active participant in the delivery and take-up of CMHC's Residential Rehabilitation Assistance Program (RRAP) recognizing the contributions of RRAP to the dwelling stock, its residents and broader neighbourhood revitalization.



- Please also see Convert/Renovate to Residential Loan Program under Financial Incentives.

### 3.13 Infill and Intensification

- “Residential intensification” is occurring frequently, particularly in Downtown Hamilton, where conversion, infill and redevelopment activities are prominent. This development stems directly from the City’s various program and policy initiatives that are successfully stimulating new residential opportunities in the Downtown (Please see Financial Incentives).
- The Environmental Remediation and Site Enhancement (ERASE) Program approved in 2001 is a good example of residential intensification on “brownfield” sites. In 2005, the expansion of this program to all urban areas, which has been previously limited to community improvement areas, was submitted and is currently under review. The program includes a comprehensive set of programs that are designed to encourage and promote brownfield redevelopment within older industrial areas of the City of Hamilton. The Plan includes redevelopment grants to cover remediation and environmental studies, demolition and site preparation costs. It also includes a grant-in-lieu program that provides a grant for planning and development fees paid (official plan and zoning by-law amendments, variances, site plan applications, demolition permits, inspection fees, etc.) on brownfield redevelopment projects within the project area. The City also provides a single point of contact and serves as an advocate and liaison between City departments and other government agencies.
- The new Official Plan is anticipated to make direct policy references to infill and intensification in existing neighbourhoods.

### 3.14 Financial Measures

#### *Incentives*

In 2001, the City of Hamilton introduced four programs to encourage new residential and commercial development in the Downtown Business Improvement Area.

- The Convert/Renovate to Residential Loan Program offers downtown commercial property owners interest free 10-year term loans to convert vacant commercial space above stores into apartments or to renovate existing apartments in commercial buildings to bring them in compliance with the Property Standards Bylaw and fire code. The program provides up to 20% of the financing required for conversions or renovations. The property owner is expected to have 25% equity, with traditional financing used for the remaining 80% of the funding. The program is not limited to affordable units, but is intended to encourage all types of rental housing. This program has the goal of renovating existing rental apartments in commercial buildings so they meet the Property Standards Bylaw and fire code. Not exclusive to affordable housing.
- The Open for Business Policy was developed to encourage new residential and commercial development in downtown Hamilton. The City initiated programs that have resulted in the refund of numerous building related fees, a moratorium on development charges, a refund of parkland dedication fees and no parking requirements.



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- The Enterprise Zone is a Municipal Realty Incentive Grant Program designed to provide an economic catalyst for downtown Hamilton. Under the plan, tax rebates are made available for developing, redeveloping or renovating residential/commercial lands and buildings within certain boundaries of Downtown Hamilton.
- Multi-Residential Property Tax Class – In 2003, Council reduced the property tax rate for new rental housing to make it equivalent to the residential property tax rate. This improves the economics of operating new rental housing and helps housing providers to raise financing to build rental housing. On average, the savings are equivalent to approximately \$100 per month for an apartment unit. This is not limited to affordable housing, but is intended to make the construction of all forms of new rental housing a more viable economic opportunity.

#### ***Waiving Development Fees***

- Development Charge Exemption – Community Rental Housing Program Projects. In June 2004, as part of the Development Charges By-Law #04-145, Council adopted an amendment to waive development charges for projects that receive funding from Federal/Provincial housing supply programs, including the Community Rental Housing Program. This is a significant action that enhances the capital cost viability and longer-term affordability of new rental housing construction within the Community Rental Housing Program.
- Reduction of Municipal Tax Rate for “New Multi-Residential” In May 2003, Council reduced the property tax rate for new rental housing to make it equivalent to the Residential property tax rate. This improves the economics of operating new rental housing and helps housing providers to raise financing to build rental housing. On average, the savings are equivalent to approximately \$100 per month for an apartment unit. The tax ratio for the “New Multi-Residential” property tax class was made the same as the “Residential” property tax class, reducing the operating costs for new rental developments.
- Municipal Housing Facility By-Law. Adopted by Council on June 11th, 2003, Bylaw No. 03-148 is a legislative tool that permits the City to make cash or in-kind contributions and make available City-owned land at below market value for affordable rental housing projects. This is a critical piece of municipal legislation that enables the City to utilize Federal and Provincial housing program initiatives.
- Downtown Residential Loan Program. This City program was developed to provide a financial incentive to developers in assisting with the costs of converting commercial space in commercial buildings into rental and condominium residential units in Downtown Hamilton. Interest-free loans are provided for a maximum of five years. The maximum loan amount is calculated on the basis of \$20 per square foot of habitable floor space. This program has been very successful with over 120 residential units completed and approximately 660 units currently under construction.
- The Municipal Realty Tax Incentive Grant Program. This Program provides an economic catalyst for developing, redeveloping or renovating residential/commercial lands and buildings located within the Downtown Hamilton Community Improvement Project Area. A nine-year grant is available that will



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not exceed the increase in municipal realty taxes as a direct result of the development/ redevelopment of the land and/or building. The grant does not exceed 100 percent of the municipal realty tax increase during the first five years, 80% in year six, 60% in year seven, 40% in year eight, and 20% in year nine. An amendment to the Program approved by Council in September 2002 and the Provincial Government in November 2002 allowed limited assignment of the grant from a developer to the first-time purchaser of a new residential condominium unit for a period of five years.

- The Main Street Housing Program. The Downtown Renewal Division of the Planning and Development Department in Spring 2005 will be introducing a new housing supply program for properties outside of Downtown but within established Business Improvement Areas (BIAs). The purpose of this program is to create new housing by converting non-residential space into apartments through the provision of a loan/grant.

### **3.15 Land and Equity-Related Measures**

#### ***Housing Reserve Fund***

- The Hamilton Housing Innovations Fund (HHIF) was established in 2003 with \$100,000 funding to trigger community-based responses to affordable housing supply needs. One-time grants or interest-free loans are made available to successful applicants representing not-for-profit or private organizations. The goal is to promote the development of community-based affordable housing supply initiatives in Hamilton. This program promotes the development of community-based affordable housing supply initiatives. Successful applicants are required to fulfill their project goal within 18 months of signing the Memorandum of Understanding with the City, or all monies must be repaid.
- The Hamilton Affordable Housing Partnership (HAHPI) Fund was developed as a capital grant fund. It commenced with a balance of \$1.5 million in 2002, of which approximately half the funds are remaining. This fund and other municipal contributions such as land or administrative resources lever additional housing supply through new development, rehabilitation and non-residential building conversions. With the renewed engagement of the provincial and federal governments, these funds have acted as a lever to gain more funds through partnership initiatives.

#### ***Land Banking and Disposal***

- In April 2002 through Report PD02001, Council adopted the “Consider Housing” policy on all surplus City-owned lands and lands offered to the City by Federal and Provincial agencies to facilitate and expedite for affordable housing opportunities. A housing first policy has since been adopted that explicitly directs the use of surplus lands for affordable housing purposes.
- Through the City’s Municipal Housing Facility By-law (No. 03-148), the City can give, lend or lease property at less than fair market value or at no cost to a housing provider. As City-owned lands are deemed surplus, first consideration of these lands is for housing purposes either through the City-owned Hamilton Housing Company Limited or as a City contribution in a partnership scenario with community agencies, the private sector or existing non-profit housing providers. Lands are sold at market value.



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- This option provides an effective route of disposing of surplus and vacant/ under-utilized City properties that may not have attracted interest in the marketplace and at the same time fulfill the city's affordable housing objectives.
- In reality, however, City lands are currently limited to remnant parcels, contaminated or undesirable sites. Most are not suitable for all forms of development. As the City is not actively acquiring new lands, this policy is not expected to play a large role in facilitating affordable housing in the short term.

### 3.16 Planning Processes

#### *Streamlining Approval Process*

- The Hamilton Affordable Housing Partnership Initiative (HAHPI) is the City of Hamilton's response to its housing supply challenges. There are three key components of HAHPI: to co-ordinate and promote in a comprehensive manner the housing supply initiatives that are already in place from all levels of government; to develop new housing supply initiatives and partnerships in response to new programming and legislative actions by the senior levels of government; and, to facilitate the development of affordable housing in Hamilton through the Housing Partnership (HAHPI) Fund. One full time staff person has been budgeted to effectively implement the detailed components of HAHPI. This is expected to ease the approval process and information access for project managers.
- No specific preferential policy is in place to streamline approvals for affordable housing.

### 3.17 Addressing NIMBYism

- NIMBYism is pervasive throughout the municipality. The Social Development Strategy established a neighbourhood committee process known as Affordable Housing Flagship. This group foresees a role in mitigating the challenges of NIMBYism by responding to community needs and directly involving the community.



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## 4.0 CITY OF WINNIPEG

Winnipeg is growing slowly, but has a substantial population of 648,000. For more than 30 years, the City administration has been strongly supportive of all approaches to facilitate affordable housing. Much of the focus is on the inner city neighbourhoods.

### Summary Highlights

- City of Winnipeg Act enables natural person powers and Part 20 specifically enables fees and charges. Grants, loans, tax credits, tax increment financing, and development agreements.
- Tri-partite agreement since 1981 that facilitates affordable housing. The Winnipeg Housing and Homelessness Initiative is a "single window" approach to facilitate all aspects of funding and approvals.
- Tax increment financing and tax credit programs to facilitate affordable infill development and improve housing stock in older neighbourhoods – Housing Rehabilitation Investment Reserve Fund.
- Municipal Cost Offset Program – reduce or eliminate fees to stimulate reinvestment in designated Housing Improvement Zones. Grant-in-lieu up to \$5,000 per unit.
- Winnipeg has a Housing Reserve Fund.

### 4.1 Legislative Framework

The Municipal Act is the provincial legislation outlining the legislative or statutory framework for land use planning in Manitoba. The City of Winnipeg has its own Act, adopted in 2003, that gives the City the powers of a natural person. Part 20 of The City of Winnipeg Act outlines the land planning rules for the City:

- Part 210(1) authorizes the City to establish fees and charges, which vary depending on the property type or use;
- Parts 204-205 provides that the City may acquire or dispose of property by lease, sale/purchase, assignment, exchange, gift, or expropriation;
- Section 219 establishes that Council may pass by-laws setting programs of grants, loans, tax rebates and tax credits to: prescribe the types, locations or classes of premises eligible for grants; the grant amount; and the types of renovations and costs that are eligible for the grant;
- Section 222 establishes tax increment financing programs in designated areas of the city for the purpose of encouraging investment or development in those areas. Some or all of incremental taxes coming from the area can be placed into a reserve fund. The reserve funds are then used to: provide financial assistance directly to a developer or fund a grant, loan or tax credit program to assist with the development;
- Section 240(1) With applications for zoning bylaw amendments, the city may require owners to enter into a development agreement with the city respecting the development and adjacent property. Such agreements may provide for the use of the land and any existing or proposed building; and
- Section 321(1) states that Council may define what a mobile home is and establish licensing for this type of dwelling.



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In addition to the legislative framework, it is worth noting the urban development agreement established in Winnipeg between the federal, provincial and municipal governments. Since 1981, a successful tripartite partnership has been in place to address economic and social development issues facing Winnipeg.

Currently, the Winnipeg Housing and Homelessness Initiative (WHHI) is a multi-million dollar tripartite partnership to address declining housing stock in designated inner city neighbourhoods in Winnipeg, and homelessness. The WHHI provides “single window” access by local community organizations to a number of federal, provincial and City programs, including Neighbourhood Housing Assistance and housing repair programs. For example, the funding for the Canada-Manitoba Affordable Housing Initiative which supports community-driven efforts to create more safe and affordable housing (e.g., North End Housing Project) flows through the WHHI.

## 4.2 Municipal Regulatory Framework

### *Community Plan*

The City’s Development Plan (Plan Winnipeg) is adopted under The City of Winnipeg Act. Under current legislation, Development Plans are subject to review every five years. Winnipeg’s current plan (2001) will be up for review in 2006. Development Plans are intended to set the medium to long term land development goals and policies for municipalities. Plan Winnipeg: Vision 2020, the City’s development plan, contains several policies, which directly/indirectly support affordable housing by: stimulating downtown and neighbourhood revitalization; using incentives to encourage home ownership; stimulating the development of new and rehabilitated housing. Selected policies include:

- 1A02 Encourage Downtown Living — The City shall encourage downtown living in existing downtown residential neighbourhoods and elsewhere in the downtown by supporting the stability of existing downtown neighbourhoods; providing incentives and building code equivalences; and encouraging mixed-use residential development;
- 1B-01 Support Neighbourhood Revitalization — The City shall encourage targeted private sector investment in neighbourhoods including the provision of infill housing and local services;
- 1C-01 Facilitate Provision of Safe and Affordable Housing — The City shall facilitate the provision of safe and affordable housing giving first priority to Major Improvement and Rehabilitation Neighbourhoods by:
  - ✧ working with the housing industry, financial institutions, volunteer and non-profit organizations, and other levels of government to develop long-term funding strategies;
  - ✧ promoting increased home ownership among low income residents;
  - ✧ proposing tax increment financing and tax credit programs to facilitate affordable infill development and improve housing stock in older neighbourhoods;
  - ✧ encouraging landlords and homeowners to maintain safe housing through information, inspections and, where necessary, by-law enforcement;



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- ❏ supporting, in partnership with not-for-profit community housing groups, the acquisition and redevelopment of vacated houses; and
  - ❏ promoting timely demolition when rehabilitation is not feasible and adopting a strategy for the temporary or long-term re-use of vacant land when houses are demolished.
- 1C-02 Support Integration of Special Needs Housing – The City shall support the integration of special needs housing within residential neighbourhoods by:
  - ❏ seeking, through consultation, an acceptable balance between neighbourhood interests and the needs of rehabilitation, care, and group homes;
  - ❏ addressing the needs of the homeless with the encouragement of adequate, safe, and affordable shelter together with the necessary support services; and
  - ❏ working with relevant stakeholders in the areas of local empowerment, long-term rehabilitation, family support, and skill-building.

### *4.3 Zoning and Land Use Bylaws*

The City of Winnipeg has developed two sets of Zoning Bylaws – one that regulates and restricts the use of land and location of buildings and structures in the Downtown area and another that details regulations for the rest of the City.

In addition to the Development Plan and Zoning Bylaw, Comprehensive Neighbourhood Housing Plans provide an avenue for neighbourhood accountability and decision making in the development process. Through these local area plans, the City outlines specific responsibilities and programs in housing, planning and neighbourhood development and they replace traditional zoning as the criteria for land use decisions.

### *4.4 Affordable Housing Strategy*

Over the years, the City has maintained a fairly broad spectrum of dwelling types and prices and housing affordability has not been seen as a high priority area. More recently, however, Winnipeg has been experiencing low vacancy rates in the rental stock and there has been a shortage of new rental housing. The reduction of private sector development of rental housing can be attributed to federal funding cuts.

Winnipeg developed its Housing policy in 1999 with the aim of revitalizing neighbourhoods and building neighbourhood stability. An indirect outcome of this policy has been to facilitate the creation of affordable housing stock. The Housing Policy introduced the concept of classifying and categorizing all neighbourhoods, or parts of neighbourhoods, based upon established criteria, as “Housing Improvement Zones” (HIZs). These zones are targeted through the use of various incentive tools in order to stimulate housing investment. Neighbourhoods are designated into:

- Major Improvement Areas: older areas that have experienced significant decline to the point where housing and neighbourhood infrastructure require complete renewal; and
- Rehabilitation Areas: areas where the level of decline is beginning to impact the overall stability of the neighbourhood. Some intervention would be required in order to stimulate private reinvestment and improve infrastructure.



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The Housing Policy also led to the establishment of two partnership programs – the tripartite partnership, the Winnipeg Housing and Homelessness Initiative (WHHI) and the bilateral partnership, the Affordable Housing Initiative (AHI). The City has allocated funding and delivers several programs on behalf of the other two jurisdictions:

- Winnipeg Municipal Cost Offsets Program provides financial assistance within targeted neighbourhoods through the reimbursement of civic fees;
- the Winnipeg Housing Revitalization Program aids in financing predevelopment costs associated with renewal;
- assistance is provided to community stakeholders to develop Neighbourhood Housing Plans through the Winnipeg Neighbourhood Housing Plans and Advocacy Program;
- the City encourages unique and innovative approaches to address declining neighbourhoods within the inner city with programs such as the Winnipeg Housing Demonstration Program, which helps in financing quality affordable housing;
- the Winnipeg Minimum Home Repair Program provides owner-occupants with the opportunity to undertake minor repairs to improve the safety of their homes; and
- the City is also responsible for the delivery of Residential Rehabilitation Assistance Program (RRAP).

#### **4.5 Definitions of Affordable Housing**

- There is no definition of affordable housing in the development plan or zoning bylaw.
- Affordable housing is seen to be the responsibility of the federal and provincial governments. The City of Winnipeg may therefore adopt provincial definitions. The Province annually establishes the housing income limits for tenants, total before tax income for all persons in a dwelling, and sets the median market rent, the maximum allowable rent a landlord can charge, under a provincial Affordable Housing program.

#### **4.6 Zoning Practices**

##### ***Inclusionary Zoning***

- No policy or bylaw in practice.

##### ***Linkage / Exaction***

- No policy or bylaw in practice.

##### ***Bonus Density***

- Bonus density has had very limited use in Winnipeg. It was primarily used in the downtown area by providing an additional Floor Area Ratio (FAR) to encourage new developments to connect to the established covered walkway system. More recently, this practice has been dropped due to concerns regarding neighbourhood design and street life activity being affected by the walkway system.



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- Bonus density has not been used to facilitate the development of affordable housing.

#### ***Comprehensive Development / Site-Specific Zoning***

- No policy or practice in place related to affordable housing development.

#### ***4.7 Lot Sizes and Subdivisions***

- Winnipeg has the provision for the range of lot sizes from as small as 25-foot wide lots to large estate size lots. The City encourages the development of minimum lot sizes in order to minimise servicing lots and to maximise densities. There is a much higher degree of tolerance for smaller lots than their used to be and residents are more inclined to accept smaller lots.

#### ***4.8 Small Units***

- Winnipeg established a Rooming House Branch in 1995 with the focus of bringing illegal rooming houses into compliance. The Branch has since been disbanded.
- Provision for small units exists in the current bylaw – they are listed as permitted uses in some areas and conditional uses in other districts. There have been several recent applications for new single room occupancy (SRO) developments. Such projects are expected to offer higher design standards for rooming houses.

#### ***4.9 Manufactured / Mobile Homes***

- There is provision for mobile home parks in the zoning bylaw and new mobile home parks are not restricted in the City, but would require a rezoning. Mobile homes are defined in the zoning bylaw as “a transportable single-family dwelling unit other than a travel trailer” and a mobile home park refers to “a parcel of land upon which mobile home spaces are provided”.

#### ***4.10 Secondary Suites***

- There is no specific accommodation or definitions for secondary suites in the zoning bylaw. Currently, they are primarily treated as a second dwelling unit or duplex, which would indicate the need for additional fees and approvals.

#### ***4.11 Parking Requirements***

- There is no relaxation of the City’s parking requirements for affordable housing. Reductions in the number of stalls required are only provided for seniors’ housing developments.

#### ***4.12 Rental Conversion / Preservation of Affordable Housing***

- There is no municipal policy or limit on conversion of the rental stock.
- A related measure, however, is the Vacant Dwelling Bylaw, which was enacted in 2002 to address the growing issue of abandoned and boarded-up dwellings in Winnipeg’s inner city (Bylaw No. 7983/2002). The Bylaw restricts the amount of time a residential dwelling may be vacant and/or boarded-up and aims to ensure that vacant dwellings meet basic maintenance standards. In effect the



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bylaw also helps to maintain the existing housing stock by ensuring that vacant residential building are maintained.

- The Bylaw places a number of requirements and restrictions on owners/ landlords who vacate and/or board-up a dwelling. Owners of vacant dwellings who do not choose to board-up the dwelling are required to secure the dwelling from unauthorized entry and follow basic maintenance standards for the interior and exterior of the vacant dwelling as well as for the surrounding yard. Owners who choose to board-up the dwelling must meet maintenance and security requirements as well as obtain a permit and pay associated fees.
- The Bylaw, through its costly permit requirements and fines, makes it prohibitive for owners of properties to board-up their dwellings and allow them to fall into decline. The Bylaw has had difficulties in meeting its intended objectives.

#### **4.13 Infill and Intensification**

- There has been a large increase in single family dwelling construction in the 2005 housing market. The City has been encouraging intensification on both greenfield developments as well as in the form of infill.
- Through the Winnipeg Housing and Homeless Initiative, the City has been assisting with the development of infill housing in Winnipeg's inner city. The City provides available lots for development to qualified non-profit housing developers and neighbourhood associations with the intent of maximizing the use of land already serviced by the City, improving the overall look of neighbourhoods and increasing property values for area residents.

#### **4.14 Financial Measures**

##### **Incentives**

The City of Winnipeg has established a number of financial tools and measures (incentives and mechanisms) to help offset the costs of housing including rehabilitation of existing housing stock and the purchase/assembly of land and development of new housing that will stimulate reinvestment within designated Housing Improvement Zones. The City works with provincial partners on a number of these initiatives.

The City of Winnipeg has allocated \$17.5 million over five years under the Winnipeg Housing Policy and the Affordable Housing Initiative to fund housing initiatives in targeted inner-city neighbourhoods:

- The Winnipeg Neighbourhood Housing Program provides financial assistance of up to \$30,000 and other support for community stakeholders to develop and implement affordable housing consistent with Neighbourhood Housing Plans and to strengthen neighbourhood stability. Funds are used to build local capacity, undertake housing initiatives, and provide training and support for home ownership and tenancy. The total assistance is based on an approved proposal and business plan;
- Housing Revitalization: The purpose of this component is to provide grants or forgivable loans for costs associated with predevelopment of housing projects. The fund supports comprehensive development planning to ensure



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project viability. The funding is intended to address gaps in other government funding programs or help lever financing from other sources to respond to neighbourhood housing priorities. Eligible costs include: a) project development costs (assessment and feasibility studies, architectural and engineering services, survey fees, legal and search fees, appraisal fees and other third party costs); b) land acquisition and assembly costs including closing costs; and c) site preparation costs for infill development;

- Winnipeg Minimum Home Repair Program provides financial assistance to owner-occupants to undertake minor critical repairs required for continued safe and healthy occupancy of homes;
- Property Tax Credit and Relief addresses taxation forgiveness during the period of renovation and construction; tax holidays for substantial renovation and new infill construction (Transitional Neighbourhood Tax Investment Program); and tax credits for homeowner renovations (Home Renovation Tax Assistance Program); and
- Winnipeg Downtown Housing Program provides financial assistance to encourage unique and innovative approaches that support downtown housing development and result in quality, affordable housing by providing financial assistance to proponents. The total assistance is based on an approved proposal and business plan.

#### ***Waiving Development Fees***

- Municipal fees and charges related to regulation and development are reduced or eliminated through the Municipal Cost Offset Program to stimulate reinvestment within designated Housing Improvement Zones. While City fees cannot be waived, development charges in Housing Improvement Zones can be virtually eliminated by providing a grant in lieu equal to the value of the fees and charges required in the particular project. Through this program, the City provides financial assistance of up to \$5,000 per housing unit to assist neighbourhood organizations and proponents to plan and implement quality, affordable housing projects by providing financial assistance for pre-development costs and the reimbursement of City fees.

### ***4.15 Land and Equity-Related Measures***

#### ***Housing Reserve Fund***

- While the City does not maintain a housing reserve fund, the City has developed a Housing Rehabilitation Investment Reserve Fund that is applied to projects to offset costs associated with permits and fees during construction as well as some of the soft costs (appraisal, survey certificate, engineering fees etc.). See Financial Measures.

### ***4.16 Land Banking and Disposal***

- No policy or practice in place.



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#### **4.17 Planning Processes**

##### ***Streamlining Approval Process***

- The Winnipeg Housing and Homelessness Initiative provides a “single window” office to coordinate financial and technical resources among the tripartite government partnership. The City provides targeted staff to review housing project applications submitted by neighbourhood organizations for financial support under the City’s Housing Rehabilitation Investment Reserve Fund, as well as financial support under existing or new federal and provincial housing and community support programs. All projects are screened by the Single Window Project Secretariat to ensure consistency with neighbourhood goals and neighbourhood housing plans and priorities.

#### **4.18 Addressing NIMBYism**

- There is no formal policy or practice in place.

#### **4.19 Other Measures**

- The Winnipeg Housing Rehabilitation Corporation (WHRC) was incorporated in 1978. The Corporation’s mandate is to acquire and renovate older buildings to provide shelter on a sale, rental and/or lease purchase basis to persons of low or modest income, primarily in Winnipeg’s inner city.
- During the last two decades WHRC has developed over 700 homes for Winnipeg residents. Winnipeg Housing Rehabilitation Corporation's housing projects include renovating single family homes, duplexes and triplexes. WHRC focuses on the revitalization of Winnipeg's inner city neighbourhoods.



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## 5.0 CITY OF SASKATOON

With a population of 206,000, this small city has a broad range of planning policies and regulations to support affordable housing. Affordable housing is a core City value and planning measures are used as part of an overall strategy.

### Summary Highlights

- The *Cities Act* provides natural person powers and “areas of jurisdiction”. The Planning and Development Act (1983) specifically deals with land use/development.
- Saskatoon’s Development Plan (equivalent to MDP) has a range of policies re: housing (neighbourhood mix, infill, secondary suites, supply, maintenance). Zoning follows through with regulations re: bonus floorspace for affordable housing and reduced parking requirements for accessible dwelling units.
- Secondary suites are a permitted use in all areas of the City (except 11.4m or less lots, where they are discretionary).
- City has been amending bylaws/regulations in order to legalize and upgrade secondary suites. City also added staff resources to facilitate legalization.
- Social Housing Advisory Committee (1989) – a significant player within the City. Strategic Plan (1996) and annual review (“Keeping the Plan Alive”).
- Assertive policy re: conversion of rental. When more than 100 units, notice and purchase offer to tenants ... tenants may continue to occupy for two years.
- City has linked financial measures – grants, loans, tax exemptions, tax abatement phase-in, renovation tax abatement – for affordable and supportive housing.
- City has an active land banking program – profits directed to the Affordable Housing Reserve. Land Bank sells by lottery or tender. However, where a developer/builder is building for households less than 66% of the average local income, it is non-competitive, provided guarantee housing to remain affordable for 10 years.
- Saskatoon’s Affordable Housing Reserve is funded by sale of City-owned lands – 10% of all sales directed to this reserve.
- An inclusionary policy has been considered but not implemented as yet. Bonus density policy in place but land market not robust enough.

### 5.1 Legislative Framework

Since 2003, Saskatoon has been governed by The Cities Act, which now supersedes the Urban Municipality Act (1984). The Cities Act introduced new concepts and principles such as “natural person powers” and “areas of jurisdiction” while at the same time retaining important elements of The Urban Municipality Act. The new Act:

- replaces prescriptive legislation with more enabling legislation that allows a council to tailor its activities to the needs of its community;
- does not increase municipal areas of jurisdiction, but rather gives councils greater flexibility and discretion within their existing areas of jurisdiction;



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- emphasizes measures that require a council to be primarily answerable to its electorate rather than provincial supervision; and
- provides for provincial and Ministerial controls through regulation in areas of provincial interest and broader powers to intervene, audit and investigate.

According to the Section 263, Council may enter into an agreement with the owner or occupant of any property for the purpose of exempting that property from taxation, in whole or in part, for not more than five years; and impose any terms and conditions that the council may specify.

In addition to *The Cities Act*, The Planning and Development Act (1983) specifically legislates planning and development in urban and rural municipalities in Saskatchewan.

- Direct Control Districts are provided for in Section 77-81. Where it is considered desirable to exercise particular control over the use and development of land and buildings within a specific area, Council may designate an area as a DCC.

## 5.2 Municipal Regulatory Framework

### Community Plan

The City of Saskatoon's Development Plan (1998) is the main regulatory instrument by which the City manages its land resources. This includes a desire for balanced growth across the City and equitable access to amenities and resources. It provides broad policies regarding residential land use and housing. The Plan provides the policy framework to define, direct, and evaluate development in the City, ensuring that "development takes place in an orderly and rational manner, balancing the environmental, social, and economic needs of the community." The Plan was developed with the intention to guide the growth and development of the City of Saskatoon to a population of approximately 270,000 (Population 225,000 in 2001 — Statistics Canada). The following sections present policies of direct relevance to affordable housing:

- Section 5.1 Neighbourhood Design and Development section promotes the development of sustainable neighbourhoods that offer a quality living environment that meets the needs of a variety of household types and incomes, in an efficient and environmentally sensitive way. A variety of housing forms, densities and lot sizes, necessary to meet the needs of a range of household types and household incomes, are encouraged within each neighbourhood;
- Section 5.2 Infill Housing Development is to be encouraged on vacant and under-utilized lands in existing neighbourhoods. Infill housing may consist of new development in established neighbourhoods, the conversion of non-residential buildings and sites to residential use, or the redevelopment of existing residential properties.
  - Secondary suites are a permitted accessory use to a one-unit dwelling in all areas of the City where one-unit dwellings are permitted, with the exception of lots less than 11.4 metres wide, where they are permitted at the discretion of Council. Appropriate development and building code standards are applied such as the maximum suite size, off-street parking requirements, and fire safety standards.
- Section 5.3 Housing Supply and Maintenance. The objective of this section is to meet the demand for a broad range of dwelling types, to ensure that supportive housing resources are distributed evenly throughout the community, and to



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promote the maintenance of the City's housing stock to an acceptable standard. The City of Saskatoon shall:

- ❑ provide an adequate supply of serviced residential land to meet predicted market demand;
  - ❑ provide a mix of housing types and forms reflective of the City's population profile, recognizing that this mix will vary by neighbourhood;
  - ❑ continue to promote the long-term supply of supportive and affordable housing, primarily through the Social Housing Advisory Committee (SHAC);
  - ❑ facilitate residential developments that offer innovative or alternative design features, and which broaden the range of supportive and affordable housing choices available to City residents;
  - ❑ facilitate supportive Housing forms and tenures in all areas of the City; and
  - ❑ establish property maintenance standards and provide reasonable enforcement mechanisms to encourage acceptable housing conditions in terms of health, safety and appearance.
- Section 13.0 Local Area Plans provide a more detailed approach to land use planning matters than the Development Plan. Local Area Plans address issues of land use mix and compatibility, residential densities, as well as the suitability of existing development standards, and urban design guidelines; and
  - Section 17.0 Social Development. This section supports the social needs of Saskatoon's residents through appropriate public consultation, a fair distribution of community services, and the on-going consideration of social issues in land use policy and land use decisions. It outlines that the City shall continue to monitor the supply and demand for housing, including the need for supportive and affordable forms of housing that are not being met by the private sector.

### **5.3 Zoning and Land Use Bylaws**

The Zoning Bylaw provides the zoning controls and development standards to complement the Development plan of the City of Saskatoon. The Zoning Bylaw provides for the regulation and control of the major land use types, all sub-categories and transitional uses, in conformity with the development patterns and policies of the Development Plan. Two sections worth noting include:

- 18.1.2 Zoning By Agreement. Council may enter into an agreement with applicants requesting rezoning to set reasonable terms and conditions with respect to the uses of the land and buildings and the forms of development; the site layout and external design; and any other development standards considered necessary to implement the proposal;
- 18.1.3 Bonus Provisions. The objective is to facilitate a degree of flexibility for optimal site utilization as well as to encourage certain desirable elements not normally proposed in the development process. The Zoning Bylaw may provide for adjustment to specific development standards (e.g., density limits, parking standards, building setbacks, building height, number of principal buildings on a



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site) in exchange for commensurate facilities or services, such as the provision of supportive housing units, community facilities, and the conservation of heritage properties; and

- The Property Maintenance and Nuisance Abatement Bylaw 8175 (2003) establishes minimum standards for buildings, structures, and yards throughout the City of Saskatoon. The objective of the bylaw is to provide safe living conditions by eliminating potential hazards. It supports the City's affordable housing by providing "for the proper maintenance and the abatement of nuisances, including property or things that affect the safety, health and welfare of people in the neighbourhood, or affect the amenity of a neighbourhood.

#### 5.4 Affordable Housing Strategy

- The Social Housing Advisory Committee — Strategic Plan (1996) outlines the City's position and actions related to social housing. The City supports social housing as a key element of maintaining the high quality of life of Saskatoon by maintaining its support for the Social Housing Advisory Committee (SHAC). SHAC, established in 1989, facilitates the establishment of housing information resources within the City and explores ways to increase the capacity of the community to address the housing needs identified. It also makes recommendations to the Planning and Operations Committee on initiatives the City should take to improve the distribution and availability of affordable housing. SHAC's objectives are to:
  - ❏ help maintain the right of every citizen of Saskatoon to safe, affordable, appropriate places;
  - ❏ encourage the availability of a wide range of housing so that each citizen can find housing appropriate to their needs; and
  - ❏ provide a sustainable, value-added service to the community that results in stronger citizenship
- The Saskatoon Housing Initiatives Partnership (SHIP) implements an annual community engagement process, entitled Keeping The Plan Alive. The 2004 Saskatoon Community Plan for Homelessness and Housing — Keeping the Plan Alive provides a clear vision of the priority challenges within the affordable housing agenda in Saskatoon, and a broad base of "buy-in" to both those priorities and to the need for collaborative effort to tackle the challenges outlined in the Plan.
- The City Planning department has also been developing a Housing Business Plan (2006), which will be introduced to Council in the fall of 2005.



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#### 5.5 Definitions of Affordable Housing

- The Innovative Housing Incentives Policy (C09-002) defines Low-Income Household as: any household that has a gross annual household income at or below 60% of the current city average as defined by the Community Services Department.
- Keeping the Plan Alive broadly states that "affordable housing need is used to describe people who are currently not well housed in the market place. Whether they are homeless, have special needs, are transitioning toward

independence, or simply low to moderate -income earners; people who cannot access housing in the marketplace on their own are the focus of affordable housing initiatives.”

- The same document also uses CMHC’s core housing need to measure housing need in Saskatoon.

## 5.6 Zoning Practices

### *Inclusionary Zoning*

- Inclusionary zoning has been considered as part of the 1997 Social Housing Advisory Committee Workplan and Report to Council. This concept, of providing a specified proportion of affordable units (or payment in lieu) in any new development has not been executed in Saskatoon.

### *Linkage / Exaction*

- No policy or bylaw in practice.

### *Bonus Density*

- The zoning bylaw makes provision for the practice of bonus density. Section 5.25 Density Bonus for Accessible Dwelling Units grants a density bonus to any qualifying multiple-unit residential development in certain zoning districts that provide accessible dwelling units. The bonus consists of an additional 5m<sup>2</sup> of floor area per accessible dwelling unit to be allowed over and above the maximum permitted floor area of the subject district; and a reduction in the parking requirement, from 1.5 spaces per dwelling unit to one space per dwelling unit.
- In practice, this measure has not been used for the development of affordable housing or other community amenity. The housing market is not sufficiently robust, i.e., land prices are not high enough to entice the private sector into developing amenities.

### *Comprehensive Development / Site-Specific Zoning*

- The use and development of land and buildings within a DCC are regulated and controlled according to guidelines outlined in Section 19 of the Development Plan (2005).
- The City may negotiate amenities through direct control. This is not utilized on a site-specific basis, but rather on a comprehensive development basis, whereby the City can negotiate housing mix and design specifications. The City does not have the leverage, however, to negotiate a particular contribution by the developer or to reduce fees and charges. DCCs are not commonly used.

## 5.7 Lot Sizes and Subdivisions

- Detailed subdivision designs are prepared to complement area/neighbourhood concept plans. Land use and development is to conform with concept plans and subdivision design for the areas in which the projects are located.
- Three new neighbourhood concept plans recently changed subdivision standards, and successfully introduced a variety of lot sizes, with little public opposition.



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### 5.8 Small Units

- Small units are a new practice for Saskatoon. There is some interest in developing projects for singles or single parents, which has led to the construction of a couple of projects with small units. The City does not regulate unit size, but rather, minimum size is determined by health and safety standards.

### 5.9 Manufactured / Mobile Homes

- The Zoning Bylaw makes provision for trailer coaches and mobile homes (5.18). Mobile homes are occupied as permanent living quarters in a mobile home court located in a designated district on an approved and fully serviced site or in select districts. While there is provision for new mobile home development, there has not been much uptake in recent years. This is attributed to the stigma around mobile homes.

### 5.10 Secondary Suites

- Secondary suites provide a much needed form of rental accommodation particularly for lower income groups such as university students and singles. Recognized by the City as a legitimate housing form and the City has been amending bylaws to legalize and upgrade them.
- The desire to legalize suites in existing one-unit dwellings was identified by the residents of the city during the Plan Saskatoon initiative. As a result, in 1999 the zoning bylaw was modified to provide greater opportunity to legalize suites throughout Saskatoon. However, the cost to upgrade to the full extent of the National Building code was prohibitive. The City of Saskatoon, in consultation with the community, thus adopted new occupancy standards for existing suites, which focus on life and health safety code issues. New suites built after January 1, 1999 must fully comply with the National Building Code.
- The City developed new occupancy standards that made it more cost effective for owners to upgrade their existing suites and obtain the necessary permits, while at the same time, ensuring better and safer accommodations for renters. The objectives of the secondary suite policy are to:
  - ✧ provide needed rental accommodation to single persons, students, and small households;
  - ✧ promote infill development and make efficient use of City's existing infrastructure; and
  - ✧ provide home buyers with an opportunity to reduce the cost of home ownership.
- Secondary suites are defined in zoning bylaw as: a self contained dwelling unit which is an accessory use to, and located within, a detached building in which the principal use is a one unit dwelling. Secondary suites have been categorized into two types: type 1 suites are located on sites with a width of 11.43 metres or greater and type II suites are located on sites less than 11.43 metres wide.
- The revised bylaw No. 8222 (2003) regulates secondary suites:



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- ❏ secondary suites may be located only in detached one unit dwellings and shall occupy no more than 40% of the gross floor area of a dwelling, including the area of the basement;
- ❏ the maximum size of a secondary suite shall be 65m<sup>2</sup>;
- ❏ no more than one secondary suite may be located in any detached one unit dwelling;
- ❏ a secondary suite shall contain no more than two bedrooms;
- ❏ no more than three persons may occupy a secondary suite; and
- ❏ one off-street parking space is required for a secondary suite in addition to at least one off-street parking space for the principal dwelling.

### **5.11 Parking Requirements**

- Parking standards are maintained consistently for all forms of residential development in the City. There is no policy or practice to relax requirements for affordable housing.

### **5.12 Rental Conversion / Preservation of Affordable Housing**

- To ensure an adequate level of rental housing, the City implemented a policy to limit the conversion of rental property into stratified condominiums (1995). When vacancy rates are below 3% and the site to be converted contains more than 100 household units, Council will, in addition to the other criteria set out in the policy, review the application to determine whether the conversion would significantly reduce the availability of rental accommodation in the City.
- The policy requires adequate notice and the option to purchase offered to tenants. Additional tenant protections are to be provided such that tenants may continue to occupy the premises for a period of two years after the date of application for conversion.
- More recently, vacancy rates have risen and the policy is under review.

### **5.13 Infill and Intensification**

- Through the Saskatoon Housing Corporation, the City and the Province continue to look for opportunities for infill and intensification in inner city neighbourhoods. Affordable housing development opportunities are targeted for older neighbourhoods seeking revitalization.

### **5.14 Financial Measures**

#### ***Incentives***

The City has established a set of housing incentives to support neighbourhood revitalization and facilitate the development of affordable housing.

- The Downtown Housing Incentives Program provides a 100% incremental tax abatement for five years to apply to all housing projects in the downtown not targeted to specific types of residents (such as seniors).



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- The Innovative Housing Incentives Policy provides a capital contribution of up to 5% of the total project costs or 10% of total funding contribution by government for the residential portion of a housing project for households with a gross annual household income at or below the Maximum Income Level (MIL) as defined by Saskatchewan Housing Corporation (\$39,500 in 2004).
- The Property Tax Exemption Program allows for new residential, adaptive reuse of non-residential properties that have been vacant for one year to be totally exempt from any property tax increases for a full five years.
- The Tax Abatement Program allows for specific types of residential living, such as seniors only or student housing to see a phase-in of tax increases. The program ensures that property tax increases will be phased in over a five-year period.
- The Renovation Tax Abatement Program is designed to reduce taxes for renovating existing housing projects. Approved projects receive tax breaks of up to \$50,000. Tax abatements do not exceed 25% of total assessed taxes to a maximum of \$10,000 per project per year for five years, or a total abatement value of \$50,000.

The Saskatoon Housing Initiatives Partnership (SHIP) is a non-profit organization formed by a group of individuals concerned about affordable housing from the private, public, and non-profit sectors. These partners are committed to addressing housing need because of a shared understanding that safe, stable, appropriate and affordable housing is fundamental to the physical, social and economic health of our community and its members. Together SHIP members work to provide creative solutions for low, moderate-income, and special needs housing in Saskatoon. SHIP manages the following financial measures for the City of Saskatoon.



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- The Revolving Equity Fund supplies patient capital to projects that serve Saskatoon families in need of housing. SHIP solicits investment from corporations, foundations, and government to make available for the development of affordable housing through a second mortgage mechanism. Whether new ownership housing, rental units, or shelter facilities, projects are made more affordable by deferring a portion of the debt. The fund offers financial assistance to these projects via a second mortgage that does not require monthly payments until enough equity has been built up in the project through its regular mortgage payments.
- The SHIP Land Trust aims to improve the economics of affordable housing construction by deferring the cost of the land to the project. SHIP solicits land and property or cash donations to purchase land for the Trust and this land is then available to proponents of affordable housing projects free for a period of time. The length of time a project defers its land payment depends on the needs of that project. For example, a home-owners co-operative may require only a three year deferral while an affordable rental project may require a 15-20 year land payment deferral.
- The Community Investment Deposit is a Guaranteed Investment Certificate (GIC) with RRSP eligibility. This GIC product offers 1.5% interest where 1% goes to the Investor (return) and 0.5% to SHIP (unencumbered). This model is taken from VanCity Credit Union where they currently have \$4 million on deposit (1% of their portfolio) generating \$160,000 for community development. SHIP is

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working with a financial institution to manage the certificates and work on the sales training and marketing materials. A number of terms can be available with varying rates.

#### ***Waiving Development Fees***

- Planning and development fees and charges are prescribed and there is no provision to waive or reduce fees for certain types of development.

### ***5.15 Land and Equity-Related Measures***

#### ***Housing Reserve Fund***

- The City's housing activities are funded by the Affordable Housing Reserve (AHR), formerly known as the Social Housing Reserve. The AHR receives on-going funding from a dedicated source, and is therefore much like a Housing Trust. Since 1987, about \$6.4 million has been spent on housing activities and a total of 1,328 housing units developed including social (public) housing, private sector market affordable housing, and new homeowner co-operatives.
- The Reserve was initially set up to provide a 5% municipal contribution to Federal and Provincially funded social housing projects. With the withdrawal of new funding for social housing in 1993, the Reserve has been adapted to address local housing activity in new and innovative ways. Funds are primarily intended for capital costs – defined as 5% of total project costs, and is given as a lump sum at the initiation of the project to provide cash flow to the developing agency.
- The Reserve is administered by City Staff, but recommendations for project funding are provided by the City's Social Housing Advisory Committee (SHAC).
- The Reserve has also supported other activities related to building the capacity of the community to meet housing needs, including providing the initial funding to establish the Housing Facilitator position, funding to help the Planning and Building Department, establish a Social Housing Database, and purchase of land for demonstration projects.

### ***5.16 Land Banking and Disposal***

- The City of Saskatoon for many years has had an active program of land banking. Funds for the Affordable Housing Reserve are generated from a portion of the revenues from the sale of City owned lands. This is not a levy on top of the sale price of land, but is a redirection of the "profits" from land sales – the difference between the original cost of purchase and servicing and the market sale price.
- The Land Bank makes land available at favourable rates in exchange for the development of affordable housing. Usually, the process for selling City-owned land is via lot draw (for residential lots) or tender (for commercial properties). Non-profits wishing to acquire land for affordable housing development may be able to negotiate a direct sale. Developers (either for profit or non-profit) wishing to build housing that meet the City's affordability criteria (affordable to households up to 66% of the average local income) can purchase land directly from the City's land bank without having to go through the competitive bidding process, saving both time and money. In return, the city is guaranteed that housing built through this process will remain affordable for at least 10 years.



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- The Saskatoon Land Bank has been instrumental in setting up the Social Housing Reserve – 10% of all lot sales went to the reserve fund.

### **5.17 Planning Processes**

#### ***Streamlining Approval Process***

- Saskatoon does not typically have a problem with the approval process. Turnaround times are usually realistic and do not require fast tracking. In addition, the City maintains close relationships with providers of affordable housing and staff offers detailed information of approval requirements, important dates, and schedules. This level of open communication ensures that affordable housing projects get approved in a timely manner.

### **5.18 Addressing NIMBYism**

- The issue of NIMBYism is addressed at the level of local area planning. Clear agenda setting, the inclusion of all neighbourhoods, and strong public consultation mitigates the potential for strong community opposition. Saskatoon's experience with infill and intensification has generally been that of revitalization of neighbourhoods and vacant sites; efforts that have been welcomed by the neighbourhood.



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## 6.0 CITY OF CALGARY

The City of Calgary, with more than 970,000 residents, has been growing both horizontally and vertically at a rapid rate. Affordable housing has not been a high priority for the City's planning department as the Calgary Housing Corporation is seen as the main agent of planning for, and helping to supply, affordable housing for Calgarians.

### Summary Highlights

- The City's philosophy centres on ensuring good supply (numbers, type, density); The City administration feels it cannot address issues of occupancy, cost, or tenure under current legislation.
- Interprets affordable housing as a "grey area", one that is not explicitly allowed or prohibited in MGA. If incentive-based, rather than requirement, may be doable.
- The City produced an Affordable Housing Action Plan in 2003 and undertakes a biennial housing needs assessment.
- In 2003, the City produced guidelines related to low-density residential infill in established neighbourhoods.
- The City provides financial grants to affordable housing projects through Corporate Housing Capital Reserve.
- Planning approval system uses a development control model that allows substantial discretion to planners in granting approvals, but not especially targeted at affordable housing.

### 6.1 Legislative Framework

The Alberta Municipal Government Act (2000) is the provincial legislation that provides the framework for municipal powers. According to Jozsa and Tomalty (2004), the MGA is an enabling legislation that does not prohibit municipalities from providing tax incentives to private businesses and disposing of land at below market value to the private sector. Housing is not specifically mentioned in the Act.

- Section 347(1) states that council may, generally or with respect to a particular taxable property or a class of taxable property, do the following, with or without conditions: cancel or reduce tax arrears; cancel or refund all or part of a tax; and defer the collection of a tax.
- Section 347(1) only implicitly gives municipalities the power to give tax breaks to developers building affordable housing. This provision is usually applied to commercial uses.
- Section 70(1) allows municipalities to dispose of land at below market value to anyone they please. The land does however have to be first advertised so that other members of the public have the opportunity to purchase the land. Advertising the land for sale at below market value to the public adds transparency to the process, subjecting it to public scrutiny.
- Section 264(2), explicitly states that municipalities can borrow at preferential rates on behalf of a non-profit organization. However, the municipality is not permitted to obtain such a loan on behalf of a private business.



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The Condominium Property Act (2000) limits municipalities' authority to introduce policies that limit the conversion of rental property.

- Section 10(1) – Certificates to accompany condominium plan states that every plan presented for registration as a condominium plan shall be endorsed with a certificate of the municipal authority or of a person designated by the municipal authority stating that the proposed building has been approved.
- With respect to a building that was constructed prior to August 1, 1966 or for which the building permit was issued prior to August 1, 1966, the municipal authority may prohibit the issue of the certificate if it considers it proper to do so. With respect to a building for which a building permit was issued on or after August 1, 1966, the municipal authority should direct the issue of the certificate if it is satisfied that the building conformed to (i) the development scheme, development control bylaw, zoning bylaw or land use bylaw, and (ii) any permit issued under that scheme or bylaw, that existed at the time the building permit was issued.

## 6.2 Municipal Regulatory Framework

### Community Plan

The Calgary Plan is the City's Municipal Development Plan (MDP) developed in 1998. As the strategic plan that guides the development of Calgary, the Calgary Plan is one of the primary reference points that Council and the Administration look to for direction. The Plan outlines four residential development goals:

- provide affordable, appropriate housing options for Calgarians;
- ensure all communities remain viable—socially and economically—over the long-term;
- make more effective use of existing infrastructure; and
- ensure new communities are more efficient to service (e.g., transit service, infrastructure).

This plan advocates two major approaches to residential development:

- to increase the range of housing types available, especially in new communities; and
- to increase housing densities throughout the city – including intensification in existing communities and higher densities in new communities than currently found in "typical" suburban communities.

These approaches are necessary to reduce the rate and extent of land required for development, to reduce the extent of population loss within communities as they mature through the life cycle, and to provide housing choice within communities, including affordable housing.

The residential policies include:

- 2.2.2A Encourage sensitive intensification of housing in all neighbourhoods, in accordance with local plans;
- 2.2.2B Encourage innovative approaches to the design and development of new communities in order to:



- o increase overall residential densities and the efficiency of the development of land;
  - o increase the variety of housing types available within a community; and
  - o provide capability for new housing units to be added beyond the initial build-out of a community, where appropriate within the community.
- 2.2.2C Endeavour to ensure, through new community plan/area structure plan processes, that new communities will work to achieve a target of an overall density of 6-8 units per gross residential acre over time;
- 2.2.2D Support the accommodation of a more balanced and stable population structure in the inner city and respond to neighbourhood life cycle changes by:
  - o promoting the development of a more varied housing mix;
  - o providing services and facilities that cater to families with children; and
  - o taking other measures as deemed appropriate.
- 2.2.2E Increase the efficiency of land use in the inner city, (e.g., increased use of vacant and under-used land, infill and selective redevelopment);
- 2.2.2F Examine infrastructure and service standards that add to the basic cost of housing and consider opportunities to relax them where appropriate;
- 2.2.2G Encourage research and experimentation to reduce the cost of housing through innovation in housing types and construction methods;
- 2.2.2H Review existing subdivision standards and engineering requirements and monitor the effect of changes in them, with the objective of allowing experimentation with community design, building design and with various lot sizes and layouts; and
- 2.2.2I Investigate on an on-going basis ways to speed up the development process.

The Plan's residential policies provide general guidelines for the development industry. There are no prescriptive policies or requirements in place to enforce a particular housing form.

Two major documents/processes are related to the Calgary Plan:

- the Short-Term Growth Management Strategy (STGMS), originally adopted by Council in 1985, helps the City meet its Calgary Plan objectives. It strives to maintain a minimum 30-year land supply within city limits, a 15-year planned land supply and a five-year serviced land supply. Two major reports, the Suburban Residential Growth Information Update and the Industrial Area Growth Information Update, are prepared annually in order to help monitor the land available for growth; and
- Imagine Calgary is a City-led, "community-owned" initiative to create a long term sustainability vision for Calgary. The project began in the Spring of 2004 involving an extensive public engagement process. The Calgary Plan review team will take the Imagine Calgary vision as the starting point for the new municipal development plan.



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### 6.3 Zoning and Land Use Bylaws

- The current Land Use Bylaw 2P80 has provided the regulatory framework for all land use and development in Calgary for the last 24 years. During this time, it has been amended frequently in an effort to address changing trends in development, to fix technical problems as they arise, and to accommodate new Council policies.
- Calgary City Council has identified a review and update of the Land Use Bylaw as one of its key priorities. The new bylaw is scheduled to be rewritten and adopted by January 2007.
- Additional documents of relevance include the 1995 Sustainable Suburbs Study and the Calgary Transportation Plan, both land use documents that support the planning goals outlined in the Calgary Plan.

### 6.4 Affordable Housing Strategy

To address the need for affordable housing, The City has developed an Affordable Housing Action Plan that was approved by Council in June 2003. The Action Plan identifies the City's roles in the provision of affordable housing: to provide leadership and to develop opportunities for new initiatives through partnerships with the community, industry and other levels of governments. The City's involvement in affordable housing includes the following eight roles:

1. Management & Operations: to be the primary provider (through the City's Calgary Housing Company) of non-seniors, non-market rental housing in Calgary. The CHC manages and operates approximately 7,300 homes;
2. Administration: to effectively coordinate and administer Federal and Provincial government programs that help to provide more affordable housing, such as the Residential Rehabilitation Assistance Program (RRAP);
3. Direct Funding & Development: to increase the supply of safe and affordable housing, which is a key long-term solution to homelessness, and to contribute municipal resources to the development of new affordable housing projects, leveraging other contributions;
4. Strategic Partnerships: to cultivate partnerships with the public, private and non-profit housing developers to provide more affordable housing, and to address issues related to homelessness;
5. Planning & Regulation: to encourage the provision of safe and affordable housing through policy development and planning approvals;
6. Community Development & Education: to work with communities and non-profit organizations by supporting their projects and to raise awareness and educate the public about affordable housing through activities such as National Housing Strategy Day, Homeless Awareness Week and various communications initiatives;
7. Research: to conduct and share research data on affordable housing and homelessness, such as the Biennial Count of Homeless Persons, Research Briefs on housing need, and Research Summaries on affordable housing and homelessness; and



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8. Advocacy: to encourage the provincial and federal governments to foster the development and funding of affordable housing and related support services.

## 6.5 Definitions of Affordable Housing

- The City of Calgary defines housing as affordable when it meets the needs of households earning less than \$37,600/year and housing costs do not exceed more than 30% of before tax income for rental accommodation (based on 65% of Calgary's 2001 median income). The "affordable housing continuum" includes: emergency shelters, transitional housing, subsidized or social housing, rental housing and home ownership.
- While this definition has been adopted by Council, it cannot be used in a land use planning context. Staff reported that the City cannot address issues of occupancy cost or tenure under the current legislation or within the regulatory environment. New policy documents broadly define affordable housing as "housing that can meet a broad range of user needs and can be built at a lower cost than traditional market based housing. Land use cannot provide it but can facilitate the development of housing at lower costs."

## 6.6 Zoning Practices

### *Inclusionary Zoning*

- No policy or bylaw in practice.

### *Linkage / Exaction*

- No policy or bylaw in practice.

### *Bonus Density*

- Density bonusing has been practiced in the Downtown area for the negotiation of indoor amenity spaces and plazas and to integrate new developments to the covered walkway system.
- Affordable housing was not defined as a public amenity in the MGA. As such, bonusing for affordable housing remains in a legal grey area for the City, one that has not been explicitly allowed or prohibited in the MGA.
- It would seem that within the current regulatory context, bonusing would be permitted as it is an incentive-based measure as opposed to a requirement. However, affordable housing may not always be seen as a benefit to a community.
- Other concerns are linked with how the development industry may respond to the practice and their perception that the City has artificially downzoned districts to create the opportunity for bonusing. Another is the fact that density is only applicable to certain areas of the City where medium and medium-high density districts are permitted. If the bonusing places a building or project into the next highest land use district, then Council approval would be required. Yet Council cannot make decisions based on affordable housing as they are not mandated to consider occupancy or tenure related aspects of land use development.



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### ***Comprehensive Development / Site-Specific Zoning***

- Direct control districts (DCDs) are commonly applied to achieve relaxations for design and development standard regulations. DCDs have not been applied to negotiate affordable housing development.

### ***Lot Sizes and Subdivisions***

- Calgary's low density residential districts allow for small lot development and are intended to provide mixed densities within new subdivisions as well as in inner city established communities. Low density districts allow for single family development on 25-foot wide lots.

## ***6.7 Small Units***

- The City does not have a minimum unit size for its land use districts.
- The current bylaw structure does not necessarily encourage smaller unit development. In the new zoning bylaws, the City is considering a switch to Floor Area Ratio (FAR) as opposed to units per acre/ha to create a disincentive for large units and indirectly encourage the development of smaller units. Another consideration is to include a minimum number of units per site.

## ***6.8 Manufactured / Mobile Homes***

- The zoning bylaw defines mobile homes as follows:
  - o mobile home means a year-round portable residential structure containing one dwelling unit that is constructed in one or more parts on a permanent undercarriage or chassis; is specifically designed with the capacity of being easily transported from time to time and from one habitation location to another; and is designed to be occupied without being placed on a permanent foundation; and
  - o mobile home park means a site which provides rentable spaces for mobile homes.
- Mobile homes are only permitted in mobile home park districts. The new zoning bylaw will include two districts – one for parks and one for lots – in order to expand the opportunity for new mobile home development.
- However, mobile homes are not perceived to be a truly affordable housing alternative from either the City's perspective (amount of land they take up) or the homeowner's perspective (high costs of rental spaces).

## ***6.9 Secondary Suites***

- Secondary suites are considered to be a duplex under the current land use bylaw. They are not permitted in single detached residential areas, but can be developed in R2 residential districts (duplex zones) as infill housing.
- The main challenge noted is the enforcement of the Alberta Building code which considers second suites as completely independent units. The code requirements for separate HVAC systems and fire separation are among some of the requirements considered too onerous to facilitate the development of more suites. The Province is currently considering changes to the Building Code to make it less restrictive.



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- Illegal suites are considered to be relatively common. Yet the City maintains an enforcement-upon-complaint only policy.

## 6.10 Parking Requirements

- Calgary's Land Use Bylaw outlines special provisions for the downtown parking area where instead of requiring the usual minimum parking standards, the City imposes maximum parking standards. However, no special requirements for affordable housing exist.
- Staff notes that there are no guarantees that an affordable housing building that is granted parking requirement relaxations will remain affordable in perpetuity. Unless the City directly owned the building (e.g., through the Calgary Housing Company), it cannot ensure that the building is not converted into market housing. This would effectively become a permanent relaxation for a temporary use.
- In addition, as affordable housing is not deemed to be a rationale for planning decisions, it would even be considered inappropriate to use this as a reason to minimise the parking requirements for buildings located near a transit station.

## 6.11 Rental Conversion / Preservation of Affordable Housing

- According to the Condominium Property Act, municipalities do not have the authority to limit the conversion of rental housing built after 1966. Cities can limit rental conversion for buildings constructed prior to 1966. This stock is limited however.

## 6.12 Infill and Intensification

- Low density residential development includes infill housing and additions or renovations as outlined in the Municipal Development Plan. Infill housing has been increasing in Calgary and has made a positive contribution to the revitalization of a number of established communities.
- Low Density Residential Housing Guidelines for Established Communities (2003) have been developed to address some community concerns regarding larger houses being built on both narrow lots (less than 12m in width) and wide lots. This document updates a 1998 document developed to establish general design guidelines and to encourage the building of more sensitive infills.

## 6.13 Financial Measures

### *Incentives*

- The City of Calgary Municipal Fee Contribution Grant targets non-profit groups and private sector builders of affordable housing. This capital/financial grant is offered to applicants that can a) demonstrate their project meets the City of Calgary Affordable Housing needs targets and long term affordability, and b) demonstrate a sound business case for development, management and operation. The project was developed as a pilot project in 2003 to be administered by the Corporate Properties office.
- The Affordable Housing Strategy outlines a primary contribution of the City to be that of financial assistance for capital projects, preferably in the form of land. Council's Affordable Housing Team establishes priorities for the allocation



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of City financial and staff resources and is guided by the results of a biennial housing needs assessment undertaken by the City in consultation with other affordable housing stakeholders. Where possible, affordable housing should be provided in a mixed market/non-market environment. Current practice for non-profit access to subsidy for offsetting operating deficits are as follows:

- ✧ no land is given away;
- ✧ Corporate Properties sells land or leases at market value;
- ✧ cost of land is accounted for in the Corporate Housing Capital Reserve;
- ✧ any social benefits, etc., are funded by the Corporate Housing Capital Reserve; and
- ✧ full and regular disclosure of revenues and expenditures in the appropriate program budgets.

#### ***Waiving Development Fees***

- Calgary does not have a program or policy in place to waive or reduce fees for affordable housing.

### ***6.14 Land and Equity-Related Measures***

#### ***Housing Reserve Fund***

- The Corporate Housing Capital Reserve was established to support development initiatives that enhance or increase the supply of affordable rental housing and social/special needs housing.

### ***6.15 Land Banking and Disposal***

- The Affordable Housing Strategy outlines that one of the City's roles is the contribution of civic assets generally in the form of leased land, to leverage other resources. One of the principles for partnerships/joint ventures in affordable housing includes shared equity arrangements with a public, private or non-profit entity to construct and operate the project. Land and/or improvements may be donated at no charge, or provided at less than market value. Rents at low end market or subsidized rates should also address social supports necessary to create and maintain affordable and special needs housing.
- As part of its affordable rental housing strategy, the City of Calgary conducted a preliminary evaluation of City-owned properties to determine what lands, deemed surplus to civic needs, could be utilized to locate long-term rental housing projects. A short list of potential sites was identified to provide an early response to any housing initiatives that may develop in the near future. These sites were identified using a list of evaluation criteria including proximity to desired amenities such as schools, transit and essential shopping and the need to distribute affordable housing throughout the city.

### ***6.16 Planning Processes***

#### ***Streamlining Approval Process***

- Calgary is one of the fastest growing cities in Canada and the planning application load is considerable. The City's planning approval system uses a development control model that allows substantial discretion to planners in



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granting approvals. The City does not have a program in place, however, to streamline approvals for affordable housing.

### **6.17 Addressing NIMBYism**

- No official policy, program, or practice in place.

### **6.18 Other Measures**

- The primary contribution of the City of Calgary in relation to affordable housing is its role as the primary provider of non-market non-seniors housing through the Calgary Housing Company (CHC). The CHC is a subsidiary of The City of Calgary, formerly known as Calhome and the Calgary Housing Authority, that operates and manages both subsidized and affordable housing. Through its housing portfolio of over 7,300 housing and rent supplement units, a variety of housing is available for low-income households. Housing types include duplexes, townhouses, high-rise apartments and shared living accommodations.



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## 7.0 CITY OF BURNABY

With a population of more than 203,000, Burnaby has positioned its planning measures and processes to facilitate more affordable housing as the City redevelops and intensifies.

### Summary Highlights

- Burnaby's planning philosophy to use all tools to support affordable housing.
- The Official Community Plan has a strong policy platform provides good basis for regulation.
- In BC, Burnaby was the city that spearheaded changes to the Local Government Act to introduce comprehensive development (CD) zoning as a means to secure community amenities through market development.
- Burnaby commonly uses CD zoning. The City negotiates amenities, including affordable/special needs housing. In return, it provides developers with flexibility in standards (setbacks, parking requirements, etc).
- Burnaby uses inclusionary zoning on a site-specific basis, usually large sites. Until recently, the requirement has been for 20% of the land area to be set aside for future use by a non-profit housing society.
- Burnaby also uses a "Community Benefit Bonus". This provides for additional floorspace bonusing in certain areas. In these instances, the developer **MUST** include affordable/special needs housing equivalent in value to the increase in the value of the floor area bonus. This is secured through "housing agreements".
- Owing to increasing land values, many owners of detached homes in established neighbourhoods have come forward to "lot split", thereby creating smaller infill lots. In this situation, the market is leading the city administration. The City has initiated a process whereby neighbourhoods (not individuals) can initiate a zoning change for increased density. City has established a mechanism for determining property owner/resident level of support.
- Suites in strata townhouses and apartments have been allowed near Simon Fraser University – "multifamily flex units". Also DCCs waived as the secondary units were considered as "student housing".
- Parking requirements are always reduced for non-profit housing providers and seniors' housing. Study under way of reduced parking requirements near SkyTrain stations.
- Moratorium on conversion since 1970s. Has been a key policy/regulation.
- No formal policy but City acquires property under certain circumstances and makes available to special needs groups.
- Informal fast-tracking for affordable housing projects.

### 7.1 Legislative Framework

In British Columbia, the *Local Government Act* (1996) and the *Community Charter* (2004) outline municipal powers. The Local Government Act addresses planning and elections issues, while the Community Charter outlines municipal operations including broad corporate and regulatory powers, and financing.



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### ***The Local Government Act***

Sections 904 and 905 address affordable housing and have not been affected by the implementation of the Community Charter. Section 904 states that a zoning bylaw may establish different density regulations for a zone. The bylaw establishes a general density regulation for a zone, but higher densities can be built in the zone if certain conditions are met, including the provision of affordable housing. In this case, the owner is required to enter into a housing agreement (under section 905) with the municipality before a building permit is issued for the property. Initially geared to the non-profit sector, these sections are also applicable to the private sector.

- Section 904. Zoning for amenities and affordable housing. Refers to zoning bylaws that may establish different density regulations for a zone, and establish conditions that entitle an owner to a higher density. Conditions include:
  - a) the conservation or provision of amenities;
  - b) the provision of affordable and special needs housing; and
  - c) that the owner enter into a housing agreement in relation to property to which the condition applies.
- Section 905. Housing agreements for affordable and special needs housing. Housing agreements may include the terms and conditions agreed to by the local government and the owner regarding the occupancy of the housing units identified in the agreement, including but not limited to:
  - a) the form of tenure;
  - b) the availability of the housing units to classes of persons;
  - c) the administration and management of housing units; and
  - d) rents and lease, sale or share prices that may be charged.

#### **Other sections of relevance**

- Section 933. Development cost charges generally. Allows municipalities to waive or reduce development cost charges for non-profit rental housing, including supportive housing. Municipalities are not permitted to provide these concessions to private developers.
- Part 5, Division 4, Assistance, allows local governments to provide a grant, benefit, advantage or other form of assistance, including an exemption from a tax, fee or charge to the non-profit sector. Municipalities could provide these forms of assistance to the private sector.
- Division 5, Disposing of Land and Improvements, Section 186 states that if a local government intends to dispose of land, it must make the land available to the public for acquisition. In other words, the public must have the opportunity to bid on the land with the exception of giving the land to a not-for-profit corporation or a person or company with which the municipality has entered into a partnering agreement that has been the subject of a process involving the solicitation of competitive proposals. This section implicitly includes a housing agreement.



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### *The Community Charter*

The Community Charter provided municipalities in BC a wider range of authorities that were not available through the Act. Selected sections that indirectly address the development of affordable housing are:

- Section 21, Partnering Agreements, states if a business enters into a partnering agreement with the municipality, that the Council may provide assistance or tax exemptions to that business in accordance with the agreement;
- Section 225 permits tax exemptions for anyone with whom the municipality has entered into a partnering agreement; and
- Section 226, Revitalization tax exemptions, gives council the power to designate an area of the municipality as a revitalization area either in the annual financial plan or the official community plan. Council may also enter into an agreement with an owner of property in the revitalization area respecting the provision of an exemption and the conditions on which it is made.

## *7.2 Municipal Regulatory Framework*

### *Community Plan*

The City of Burnaby established a number of residential goals in “Chapter 4 – Residential” of its Official Community Plan that directly and indirectly address the provision of affordable housing:

- Goal 1: To provide a varied range and choice of living opportunities within the City;
- Goal 2: To establish increased opportunities for ground-oriented housing. Secondary suites are referred to in this section as a way to provide more affordable ground-oriented housing in existing neighbourhoods as well as a revenue source for homeowners;
- Goal 3: To maintain and improve neighbourhood livability and stability. This goal includes reference to smaller lot subdivisions as a means to contribute to the improvement of the neighbourhood infrastructure; and
- Goal 4: To help ensure that the needs of people with special and affordable housing requirements are met. The discussion related to this goal includes:
  - o retaining the apartment rental stock through a moratorium on conversions of rental units to condominiums;
  - o providing a density bonusing policy for rental housing;
  - o forging partnerships with non-profit groups and funding agencies towards the development of affordable housing reviewing the regulations affecting secondary suites in single family dwellings;
  - o seeking new ways to ensure that land remains secured for non-profit affordable housing through housing agreements, covenants being registered against the property, or having the title deposited in a community land trust for affordable housing; and
  - o facilitating the development of housing to meet specific identified needs. (Also in Chapter 11 – Social Planning)



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### 7.3 Zoning and Land Use Bylaws

Burnaby's Zoning Bylaw 4742 was developed in 1965 and has been continuously updated and amended over the years. One of the most prominent tools in practice by the City and detailed in the Zoning Bylaw is density bonusing:

- Bylaw 6.22 Density Bonus — Sets the conditions by which the maximum floor area ratio that may be developed in RM zoning districts may be increased:
  - a) the lot must be located in a town centre area and be approved for density bonus in the community plan for Brentwood Town Centre, Lougheed Town Centre, Edmonds Town Centre or Metrotown;
  - b) the lot must be rezoned to Comprehensive Development District; and
  - c) the comprehensive development plan for the lot must include the provision of affordable or special needs housing equivalent in value to the increase in the value of the lot attributable to the increase in floor area ratio.
- The following units are eligible for consideration as affordable and special needs housing in an application for a density bonus:
  - a) units developed under senior government non-profit housing programs;
  - b) price controlled limited-equity market units;
  - c) units controlled or managed or owned by non-profit housing groups providing affordable housing;
  - d) guaranteed rental units; and
  - e) housing for people with special needs such as those with physical or mental disabilities or victims of violence.
- The owner of a development that includes the provision of affordable or special needs housing may be required to enter into a housing agreement.

### 7.4 Affordable Housing Strategy

- The City has taken several actions that directly address the development of affordable housing in Burnaby and there continues to be zoning bylaw amendments to further facilitate the development of infill projects. However, the City does not have a comprehensive affordable housing strategy.

### 7.5 Definitions of Affordable Housing

- There is no definition of affordable housing in the Official Community Plan (OCP), zoning bylaw, or other strategy documents.

### 7.6 Zoning Practices

#### *Inclusionary Zoning*

- Burnaby does not have a city-wide inclusionary zoning policy. However, the City has been able to facilitate the development of non-market rental and special needs housing projects by requiring such housing in the community plans for large, publicly owned land holdings. In almost all cases, these requirements occurred in conjunction with senior government housing programs.



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- The requirement for non-market housing was included in the plans for three large, publicly-owned land holdings (Oaklands, Cariboo, and George Derby), areas primarily planned for low-density multifamily development in the late 1980s / early 1990s. The City required that 20% of units be allocated to affordable housing and public land was allocated for this purpose. Due to provincial cutbacks for non-market housing (required for rental subsidies and operational costs components), there have not been any projects built in more recent years.

#### ***Linkage / Exaction***

- No policy or bylaw in practice.

#### ***Bonus Density***

- In 1998, Burnaby approved a system of bonusing, Community Benefit Bonus (CBB) program, to build affordable housing and provide amenities on distinct parcels in the Town Centre areas. Bonus density is used here in conjunction with comprehensive development zoning.
- Each Town Centre Development Plan identifies the provision for bonus density as an option and provides priorities in terms of amenities and/or housing options for the area. The plans also offer guidelines in terms of potential locations appropriate for the bonus.
- The need for an onsite amenity or affordable housing is identified on a site-specific basis. Existing Town Centre development plans are amended to provide the framework for amenities and affordable housing options.
- The City of Burnaby adopted Vancouver's formula for calculating contributions: Contribution = bonus floor area (in ft<sup>2</sup>) × market land value (in \$ per buildable ft<sup>2</sup>). Thus, the value of the amenity received is equivalent to the increased value of the property arising from the density bonus. The application of the basic principle — value of amenity or housing = market value of bonus space — may need to be marginally adjusted for a particular site or project characteristics through a negotiated process with the developer and the city. Conditions of the density bonus are outlined in the zoning bylaw.
- The housing gained is in the increased density area, preferably on the site benefiting from the bonus, but if this is not possible, within the same town centre area.
- Housing provided through the CBB is secured through a housing agreement registered on title. The housing agreement includes details of ownership, the value of the bonus, the size of the units, and other pertinent details. Each housing agreement is negotiated separately with the developer.
- With the Madison Centre development, the bonused housing units were turned over to a non-profit society by the developer. At the Renaissance development, the City took title of the units and issued an RFP for a housing operator. The latter approach has been noted by staff to be the preferred approach.

#### ***Lessons Learned / Factors of Success***

- o The bonusing is highly dependent on a strong real estate market. In areas or times where developers are not building out to the maximum density, this initiative will have little impact.



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- o Ensure that societies operating the units are selected early, at the design stage, to allow input to the developer about the specific needs of the target population. The most successful projects use local organizations to administer the housing or a group with experience in the community.
- o The legal framework must be clear and include a comprehensive housing agreement that specifies details such as unit design and finishing quality.
- o A developer committed to the project's success is critical.
- o These projects involve significant staff resources on the part of the City.
- Nineteen new rental units in three developments have been created through the CBB program. The units in two of the developments are based on universal design and are occupied by individuals with mental and/or physical disabilities. The units are located in the town centres near shopping and public transportation.

### ***Comprehensive Development / Site-Specific Zoning***

See Bonus Density.

- Land use development guidelines in the Town Centre Development Plans provide some direction for future development. However, CD Zoning is a common practice for Burnaby whereby developers typically undergo land assembly followed by lot rezoning to a CD zone. This gives the City significant control in that it can negotiate what the comprehensive development will include in the form of amenities or affordable / special needs housing.
- Burnaby uses CD Zoning to amend setbacks and promote multi-unit dwellings on smaller lot sizes in new development areas. With the exception of density bonusing, however, the Local Government Act precludes municipalities from increasing density above the maximum identified in a particular zone.
- An example of this practice is "Villagio on The Heights", a 29-unit project with eight single-level units and 21 two-level townhouses completed in 2003. CD zoning allowed flexibility in building design and setbacks, such as reduced front and rear yard setbacks that created a larger court yard area, and a strong street-front presence with clearly defined public, semi-public and private areas. Prices ranged from \$179,900 to \$240,000, affordable for the GVRD.

### ***Lessons Learned / Factors of Success***

- o The project's success can be partly attributed to the up front community planning work which fostered acceptance of appropriate neighbourhood change.
- o The City benefits through higher taxes from additional units per acre.

## ***7.7 Lot Sizes and Subdivisions***

- Burnaby has four Town Centre areas and 13 Urban Village Areas. Housing In Urban Village areas can include small lot development, urban townhouses, housing over stores, and higher density multiple family forms. New Urban



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Village areas, existing centres with a locally-oriented commercial base, can be adopted in other areas still requiring a local area planning process.

- This District provides for single family and two family dwellings on small lots in defined residential neighbourhoods which have been approved by City Council for a zoning change to this District following a neighbourhood consultation process. (B/L No. 11154)
- Neighbourhoods in Burnaby can also initiate a zoning change to increase density. If the increase is granted, the new zoning would allow existing large lots with single-dwelling units to be developed into smaller lots. Permitted uses on the smaller lots include:
  - o single dwelling units;
  - o semi-detached dwellings and front-to-back duplexes;
  - o group homes;
  - o home occupations; and/or
  - o accessory buildings and uses.
- The first community-initiated rezoning was implemented in 1994 when residents in a neighbourhood with a mix of large (66 foot) and small lots approached council to ask permission to subdivide the large lots into smaller ones. Council accepted the increased rezoning request because it was resident-initiated and staff was instructed to set up a working group to assist with the rezoning. The working group included people from the neighbourhood representing owner-occupiers, absentee-owners and renters covering the range of lot sizes and housing conditions.
- The goals of this initiative were to:
  - o allow increased density in single-dwelling neighbourhoods where residents support the change; and
  - o increase the range of housing choice in single and two-family neighbourhoods.
- Area rezoning requests are evaluated by Burnaby's Housing Committee based on the age of the housing stock, size of existing lots, stage of development in the area, appropriateness of area boundaries, character of adjacent areas, and consistency with the residential growth management strategy.
- If initiatives merit the rezoning and city council agrees, staff are then authorized to determine the level of support in the neighbourhood to ensure at least 50% of all property owners and residents in a defined area have indicated support. Where the response rate is less, at least 70% of respondents and at least 50% of responding property owners and residents support the rezoning.
- Approximately 800 units have been built on new small lots, creating 400 new units and 400 replacement units for houses that existed on previous large lots. Ninety percent of the new units are duplexes, even though it is possible to build single-dwelling units. The duplexes are between 1200-1400 ft<sup>2</sup> per unit, and the maximum size of a single-dwelling unit on a small lot is 2400-2800 ft<sup>2</sup>, with one-third of the square footage in a cellar. Duplexes can be more affordable than townhouses and they have no monthly maintenance fees. Since the area is



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already rezoned, there is no rezoning cost to the individual builder, making the approval process cheaper and quicker than a site-specific rezoning process. The majority of rezoned neighbourhoods are close to transit and shopping.

#### ***Lessons Learned / Factors of Success***

- Ensure the process is transparent.
- Ensure there are clearly articulated guidelines to define the public consultation process and the criteria for evaluation.
- Beware of the impact of pressure from builders on residents to rezone neighbourhoods.
- This process typically applies to existing older neighbourhoods with large lots and small houses ready for redevelopment.
- Staff time and resources to manage the area rezoning applications is significant.
- City benefits through higher taxes from additional units per acre

#### ***7.8 Small Units***

- Boarding, lodging or rooming houses are permitted under R5, R6 residential districts and RM1, RM2, RM3 multifamily residential districts. While the provision exists, there is only one building in Burnaby that fits within the boarding, lodging or rooming house category.

#### ***7.9 Manufactured / Mobile Homes***

- Mobile home parks are regulated under Burnaby's Mobile Home Park Bylaw, 1972 – No. 6196. There have been no new mobile home parks developed in recent years and the City has not been pursuing increased development of this housing form.

#### ***7.10 Secondary Suites***

##### **In existing Single Family Neighbourhoods**

- While a review of the secondary suites policy was proposed in the City's OCP, secondary suites continue to be illegal in Burnaby. There has been little progress in terms of standardising this policy in existing single family neighbourhoods. Burnaby has an enforcement-on-complaint only policy.
- Provisions are made in the zoning by-law for "in-law suites" which are rooms in a single family dwelling that are used by relatives of the owner or tenant as well as by caregivers.

##### **In New Development Projects**

- An example of an innovative approach to secondary suites development is the new zoning for the mixed-use development UniverCity which allows suites in strata townhouses or apartments. These "multi-family flex units" are dwellings containing a defined area for potential rental accommodation. The definition of these flex units is a strata titled apartment or townhouse dwelling unit that has a gross floor area of not less than 74m<sup>2</sup> (796.5 sf) and contains a defined area for potential rental accommodation. Conditions include:



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- a) is not less than 24m<sup>2</sup> (258.3 sf) and not more than 35% of the gross floor area of the apartment or townhouse dwelling unit in which it is located;
  - b) unit is not a separate strata lot;
  - c) contains a secondary kitchen area with a compact range or microwave oven and built-in cooktop, compact refrigerator, sink, counter, cabinets, and venting; and contains at least one closet, and a bathroom with a toilet, sink bathtub or shower;
  - d) is wired for independent telephone connection prior to occupancy and remains so;
  - e) has a separate lockable entrance door providing direct access to the exterior of the dwelling unit; and
  - f) if the unit is available for rent, it must be registered with the student housing registry at the university.
- These multifamily flex units have only been applied at UniverCity development project at Simon Fraser University.

### *7.11 Parking Requirements*

- Off-street parking requirements are regulated by Section 800.4 in the Zoning Bylaw. Required parking spaces are reduced for non-profit housing providers and seniors housing.
  - o Single family, two family and rowhouse dwellings — 1 space/dwelling unit.
  - o Apartments — 1.6/dwelling unit.
  - o Townhouses — 1.75/dwelling unit (includes 0.25 spaces/unit for visitor parking).
  - o Non-profit housing — 1.5/dwelling unit. Non-profits are also granted a reduction in the number of visitor units required (includes 0.2 spaces/unit for visitor parking).
  - o Boarding, lodging, rooming houses and similar uses — 1/2 sleeping units.
  - o Senior citizens' housing — 1/5 dwelling units where established bus route and commercial facilities are in proximity of building (0.4 km) or 1/4 dwelling units where such development is at a greater distance.
- Burnaby has also been undergoing a review of parking requirements near SkyTrain stations in an effort to reduce car ownership in accessible areas. Funds for this research were provided as part of the Green Municipal Enabling Fund. Results of the study are scheduled to be completed in 2005.

### *7.12 Rental Conversion / Preservation of Affordable Housing*

- Burnaby has had a condominium conversion moratorium on housing since the 1970s. Without such a moratorium, there would have been some risk of conversion to at least a portion of the rental stock in Burnaby.



### **7.13 Infill and Intensification**

- See Bonus Density and Comprehensive Development / Site-Specific Zoning.

### **7.14 Financial Measures**

#### **Incentives**

- No policy or bylaw in practice.

#### **Waiving Development Fees**

- While there is no formal policy or bylaw in practice, a condominium project at Simon Fraser University provides units with a component that can be easily adapted into a secondary suite with a private entrance. This arrangement allows the owners to rent a portion of their unit while offering rental accommodation close to Simon Fraser. While condominiums with a purpose-built secondary suite are considered to be two units, and thus subject to double the DCCs, this project was able to reduce the costs of the DCCs by considering the secondary units as student housing.

### **7.15 Land and Equity-Related Measures**

#### **Housing Reserve Fund**

- No policy or bylaw in practice

#### **Land Banking and Disposal**

- While no formal policy exists, the City has made land available to non-market housing providers including a women's shelter, youth group homes, and supportive housing developments. In some cases, the City purchases land to prevent the redevelopment into duplex housing in a multifamily or higher density zone or to hold onto the site for future development into park or other community use. In such cases, the housing on such sites is rented at affordable rents through the City's licensing branch.

### **7.16 Planning Processes**

#### **Streamlining Approval Process**

- An informal fast-tracking program exists for affordable housing projects where different departments endeavour to speed the process for the non-profit provider.

### **7.17 Addressing NIMBYism**

- The City's practice is to work with non-profit housing operators to be good neighbours and assist them in bringing community on side with the project.



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## 8.0 CITY OF VANCOUVER

Vancouver's population is approaching 600,000. Almost all growth is taking place through brownfield redevelopment and neighbourhood intensification.

The City's planning policies and practices are well tuned towards ensuring a mixed-income community. The City has been active since 1951 in facilitating the development of non-market housing. There are more than 20,000 units in City.

### Summary Highlights

- Vancouver's City Charter legislation allows City to be specific about zoning for numbers, type, size, affordable and special needs housing.
- The City has long-standing commitment to facilitating the supply of subsidized and lower cost market housing through a mix of requirements and incentives.
- Housing statements are found in city-wide policies, local area plans, and housing action plans.
- Income mix policy (1988) requires developers of large parcels (typically, 200+ units) to set aside sites for non-market housing – 20%. Have acquired 30 sites with a capacity for more than 2,500 units; about a third have been built.
- City takes title, leases to non-market providers. With erosion of senior government funding, the City accepts cash-in-lieu and tenures innovations (e.g., life lease). It should be noted that the City sometimes waives these provisions if other public amenities are considered to be higher priority.
- Density bonusing policies are written into local area plans – more height, more density, less parking. The exchange is often to preserve heritage but sometimes for affordable housing.
- The City has been supportive of small unit development in a desire to replace substandard SROs (single room occupancy hotels). The stated minimum size is 400sf, but relaxable to 320sf.
- Vancouver treats secondary suites on an "as-of-right" basis and conditional only to the extent that the City requires a covenant that the unit will not be strata-titled.
- Parking relaxations for affordable housing.
- Several assertive policies and bylaw re: rental conversion, particularly of SRAs (Single Room Accommodation).
- All municipalities within the Regional District are required to exempt social housing from infrastructure charges. Vancouver offers further exemptions – no Development Cost Levies (DCLs) for all rental targetted to low-income, and lower DCLs where City is involved in some way (e.g., land, grants).
- City regularly purchases land and provides sites for affordable housing. Usually leased at 75% of value, or sometimes much lower.
- The City's practice is a "front of the queue" for rental and non-market housing, reducing approval times by several weeks.



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## 8.1 Legislative Framework

As described for the City of Burnaby, in British Columbia, the Community Charter (2004) outline broad municipal powers.

### *The Vancouver Charter*

The City of Vancouver operates under the *Vancouver Charter*, an Act of the Provincial government that sets out the City's powers and responsibilities. Under the Charter, City jurisdiction includes the power to borrow or grant funds, decide spending priorities, collect certain types of taxes, provide infrastructure and services, direct the physical development of the city, and provide various social and cultural services such as libraries and community centres.

- Section 565.1. Zoning for amenities and affordable housing. This provision allowed the City to establish different density regulations for a district or zone and set the conditions related to the provision of affordable and special needs housing, including the number, kind and extent of the housing. This includes the condition that owners enter into a housing agreement with the City. Zoning by-laws may also designate an area within a zone for affordable or special needs housing, as defined in the by-law, if the owners of a property consent to the designation.
- Section 565.2. Housing agreements for affordable and special needs housing. This identifies that Council may enter into a housing agreement with property owners regarding the occupancy of the housing units in terms of the form of tenure, the classes of persons to whom the units are made available, the management of the units, and the rents and rent increase rates.

## 8.2 Municipal Regulatory Framework

### *Community Plan*

In 1995, Vancouver adopted CityPlan, the city-wide plan developed to provide a framework for deciding priorities and actions. The City Plan direction related to addressing housing costs is: to increase the supply of subsidized and lower cost market housing throughout the city through the use of senior government programs, private sector incentives, and City regulations and subsidies. To achieve this, City Plan outlined that Vancouver will:

- maintain or increase the ratio of subsidized housing to market housing as the city grows;
- continue current City initiatives supporting subsidized housing and explore new funding sources for this housing;
- use incentives to encourage the private sector to provide lower cost housing or require a percentage of new units to be more affordable;
- maintain a stock of rental housing;
- ensure City regulations do not unduly increase housing costs; and
- support actions to increase the housing supply, helping to minimize price increases due to scarcity.

While it provides broad-brush directions, CityPlan does not provide specific direction for planners in relation to affordable housing or other city-wide issues. The community



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visioning process required at the neighbourhood level has not occurred as expected and few communities have detailed a local area plan. As such, affordable housing takes direction from a range of plans and documents developed over the years that identify policy for certain areas or for the city as a whole.

An example of a local area planning process that provides direction on affordable housing is the draft Victory Square Concept Plan (June 2005). This plan provides specific policies for the Victory Square area of Vancouver's Downtown Eastside and in itself builds on a number of strategy documents including: Central Area Plan (1991), Victory Square Policy (1990), A Program of Strategic Actions for the Downtown Eastside (1998), Four Pillars Drug Strategy (2001), A five-year Heritage Incentive Program for Chinatown, Gastown and Hastings Street (2003 – 2008), Downtown District Interim Policies for New Residential in Area C and F and for Conversion of Existing Office Spaces to Residential Use (2004), and Draft Downtown Eastside Housing Plan (2005).

A key policy in the Victory Square Plan related to affordable housing is to: encourage residential development by:

- not limiting the residential portion of the density to 3.0 FSR;
- replacing existing low-income housing units on a one for one basis;
- regulating that at least 50% of residential units east of Victory Square Park should be low-income housing; and
- securing funding for low-income housing from Development Cost Levies (DCLs).

### **8.3 Zoning and Land Use Bylaws**

Vancouver's Zoning and Development Bylaw (No. 3575) was adopted in 1956 and is amended regularly. Official Development Plan Bylaws regulate land use in ten Vancouver districts such as Downtown, South East False Creek, and Coal Harbour. While there is no specific definition of affordable housing, the following are some relevant definitions included in the Bylaws:

- the Zoning and Development Bylaw refers to secondary suites as a "multiple conversion dwelling" where a suite is added to a one-family dwelling, whereas a new one-family dwelling with a suite is defined as a "two-family dwelling";
- One-Family Dwelling with Secondary Suite, means a building containing only two dwelling units, of which the secondary suite is smaller than the principal residence, but which does not include a two-family dwelling, multiple conversion dwelling, or infill one-family dwelling; and
- Rooming House, means a building containing three or more sleeping units, but does not include a multiple conversion dwelling or a special needs residential facility.

Other definitions that relate to the development of affordable housing will more regularly be found in the Official Development Plans in different neighbourhoods.

### **8.4 Affordable Housing Strategy**

While the City does not have a comprehensive affordable housing strategy, it has developed a number of action plans and dedicated significant resources towards research and planning for low-income residents. In 1989, Council approved the following affordable housing objectives:



- maintain and expand housing opportunities in Vancouver for low and moderate income households, with priority being given to Downtown lodging house residents, elderly people on fixed and limited incomes, the physically and mentally disabled, and single-parent families with children;
- encourage the distribution of acceptable housing forms and affordable shelter costs equally among all residential neighbourhoods of Vancouver rather than concentrating them in a few areas;
- facilitate the provision of a wide range of housing forms and shelter costs to meet the housing needs of existing and future Vancouver residents of all backgrounds and lifestyles;
- adopt a broad objective to maintain, upgrade, and increase the existing stock of low-cost housing in the Downtown; and
- ensure one-for-one replacement of Single Room Occupancy (SRO) units in Downtown South and endorse the principle of developing new social housing, constructing unsubsidized SRO replacement projects, and retaining and upgrading the existing SRO stock, as required in the absence of new replacement housing, with priority given to housing the existing long term Downtown South residents (1991).

More recently, two reports submitted by staff – the Homelessness Action Plan (October 2004) and the Housing Plan for the Downtown Eastside (May 2005) – identified specific strategic actions and directions for the City regarding affordable housing. .

### **8.5 Definitions of Affordable Housing**

“Core housing need” is the definition most typically used by the City to determine the population in need of affordable housing. Households are defined as being in core need if they live in housing that is unaffordable, inappropriate or inadequate AND cannot afford to rent housing that does meet all three standards.

The City typically uses core need income thresholds (CNIT) which represent the income required to pay the average market rent for an appropriate sized unit in the private market. Average rents are derived from CMHC’s annual Rental Market Survey and the size of unit required by a household is governed by federal/provincial occupancy standards. BC Housing uses the same statistics. In Vancouver, the CNIT in 2003 for a one bedroom unit was \$31,000 and \$37,500 for a two bedroom.

Non-market housing is informally defined as housing subsidized through government programs for families and individuals who cannot afford to rent market housing, or for whom the market does not always provide housing, such as people with disabilities. The term non-market housing is often used interchangeably with social housing.

### **8.6 Zoning Practices**

#### ***Inclusionary Zoning***

- In 1988, the City developed and adopted an “income mix policy” to address the growing housing needs of low-income households. This income mix policy required developers of large redevelopment projects to set aside sites for non-market housing, which were then developed as non-profit or co-operative housing with capital contributions from federal or provincial governments. The



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City would negotiate the inclusion of 20% non-market housing in projects when the developer applied for rezoning from industrial or other non-residential use to residential use.

- In this case, the inclusion of affordable housing is a city policy identified in certain plans such as the False Creek North development plan, upon which the City was able to leverage the non-market units through a rezoning. The inclusionary practice is not, as such, attributed to a mechanism in the zoning bylaw.
- Since its inception, the income mix policy has been applied to over 30 sites and has created a capacity for more than 2,500 affordable housing units, about a third of which have been built.
- This policy was typically applied to large projects of 200 or more units. The City would identify sites for non-market housing in suitable locations with respect to the overall development schemes. A legal agreement would be signed between the City and the developer determining the number of sites (usually 20% of the base density of the new development) and the timetable for making the sites available.
- The City would buy the site from the developer and lease the site to the non-profit sponsor for at least a 60-year term. If the province does not supply capital funding, the developer must continue to submit the site to every subsequent proposal call until they are either granted funding or the City chooses to proceed with an alternate use of the site. The City would hold the option on the site for 80 years.
- City Council modified the implementation of the policy in the early 1990s as a result of the erosion in government funding. For example, some developers have been allowed to provide a payment-in-lieu of land for non-market units. In other cases, units may be provided at market rents in order to permit cross-subsidization of units with lower rents. The City is open to alternatives to non-market housing options such as non-subsidized life-lease housing.
- The provision of non-market housing is one of several public objectives the City seeks in redevelopment including: the addition of parks, community centres, sites for schools, and daycare centres. If the cost of meeting these public objectives would make the project not feasible, then the requirements to include non-market housing is waived.

### ***Lessons Learned / Factors of Success***

- Vancouver's income mix policy is predicated upon several conditions:
  - a demand for the conversion of industrial and other non-residential land to residential use;
  - rising land prices; and
  - the ability to use provincial or federal funding to bring down housing costs (capital and operational funds) so they are affordable to lower income households.
- Without future federal or provincial funding, the ability of the City to significantly contribute or facilitate future development of affordable housing units through an inclusionary policy will be hindered.



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### **Linkage / Exaction**

- No policy or bylaw in practice.

### **Bonus Density**

Density bonusing policies are available in a number of local area plans (ODP) in Vancouver such as the Downtown District ODP and Oakridge/Langara planning policies:

- Action 9.1.2 in the Housing Plan for the Downtown Eastside provides height and density relaxations for the creation of non-market housing. The maximum residential floor space ratio (FSR) of 3.0 can be relaxed to a maximum of 5.0 for social housing projects with height limit relaxations as well;
- the Oakridge/Langara planning policies provide opportunities for an increase of up to 20% in density to encourage the provision of city desired public benefits. The public benefit priorities include improvements to existing parks and the walking environment, affordable housing and neighbourhood traffic calming;
- rezoning projects eligible for a 20% density bonus may also provide the benefit either in-kind or in cash. The contribution amount due is based on the total increase in land value attributed to buildable land value, multiplied by the floor area of the density bonus. For example, if the bonused floor area is 10,000 sf and the market land value is \$70 per sf, the in-kind or in-cash contribution will be \$700,000. Adjustments for particular site or project characteristics are negotiated as appropriate; and
- in reality, density bonusing has most frequently been used in Vancouver for the preservation of heritage buildings, the development of church sites and cultural centres. Affordable housing is rarely exchanged for increased density by the private sector developers. One recent example where it has been applied is a purpose-built rental project on 788 Richards Street in Downtown Vancouver. The City will own and sub-lease the 46 units to a non-profit housing provider in exchange for 75,000 sf of additional density.

### **Comprehensive Development / Site-Specific Zoning**

- Comprehensive Development (CD) zones are a major component of the Zoning and Development Bylaw with unique and individually approved Official Development Plans (ODP) for a number of areas including: False Creek, False Creek North, Downtown, Central Waterfront, Downtown Eastside/Oppenheimer, First Shaughnessy, Southeast Granville Slopes, and Coal Harbour zoning areas.
- A separate CD By-law exists for each area or site zoned CD-1, tailor-made to the intended form of development. The intent behind the various CD districts in some cases reflects a desire to retain or provide new affordable housing (Downtown Eastside/Oppenheimer CD). In other cases, it may address the intent to preserve residential character and to provide infill development (First Shaughnessy CD district and ODP).
- Council also commonly uses rezoning of specific sites for extraction of community amenities. Such public benefits can include housing.

## **8.7 Lot Sizes and Subdivisions**

- There is no official policy or direction to encourage small lot development or subdivision. Outlined in the Zoning and Development Bylaw (Section 4.1.2



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— Small Lots), they are defined as lots less than 9.8 m (32 ft) wide or less than 334 m<sup>2</sup> (3,595 sf) in area.

- Small lot applications must achieve Design Guideline compliance in assessing discretionary floor space increases — an increase of 0.7 FSR from 0.6 FSR in an RS-5 zone may be permitted. The guidelines ask that new development reflect the immediate context of adjacent sites and contribute to the compatible transition of houses and gardens along the street.
- NIMBYism is a significant challenge in West side areas of the City in the development of small lots. And due to the land values in certain parts of the City, home ownership affordability is scarcely affected.
- The Seniors Housing Demonstration Program of the late 1980s evolved into a Neighbourhood Housing Demonstration Program in the early 1990s and it became one avenue to broach rezoning in advance of a completed community vision or local area plan. Site-specific rezonings for housing demonstration projects were considered where an application demonstrated a new housing form in a neighbourhood, improved affordability, and a degree of neighbourhood support. Any increase in land value, beyond the normal profit allowed by the City's standard bonusing process, would also be converted into "improved affordability". This program has been used for the development of ground oriented medium density housing, such as rowhouses in traditionally single detached neighbourhoods. However, it has been under utilized, attributed in part to the affordability condition in the program.

### 8.8 Small Units

The Single Room Occupancy (SRO) housing stock provides the lowest cost rental units in the city. In recent years, the City has encouraged both the retention/upgrading of the existing stock of SRO housing and its replacement with better, more livable housing. A typical SRO unit consists of one room about ten by ten feet, with no private bathroom. Residents share common bathrooms, and sometimes cooking facilities with other tenants.

- The Zoning and Development By-law currently sets the minimum size for self contained dwelling units at 400sf, relaxable to 320sf. There are 9 buildings, however, with fully self-contained dwelling units (living/sleeping area, kitchen, and 3-piece bathroom) between 275 and 320 sf. About 20% of the existing social housing units are sleeping or housekeeping rooms smaller than 275 sf.
- The City supports small unit development in its desire to replace substandard SROs with better quality housing while stretching available funds to provide better housing sooner for more people. If built by the private sector and secured by Housing Agreements, it is also a way to ensure that some of the housing is available with rents at about shelter allowance levels (\$325 per month in 2005). This is an advantage over the existing SROs which are not rent controlled and 75% of the units have rents higher than \$325. In 1998, this figure was around 50%.
- In 2005, Downtown Vancouver had over 6,000 SRO units, but it was estimated that 4% of the stock had been lost to conversion or demolition in the two years previous. SROs were being renovated to upscale tourist hotels or were being demolished to make way for expensive residential developments. A replacement



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housing program (Bylaw 41) was implemented to stem this decline in the Downtown Core.

- The 2005 Draft Housing Plan of the Downtown Eastside proposed a set of policies and actions on SROs including:
  - the replacement of SROs with a range of better quality housing, including traditional-sized social housing, small suites, micro-suites and renovated SROs. (Small suites are 275-320 sf and micro-suites are 180-274 sf);
  - bylaw amendments to permit the relaxation of suite sizes to 275 sf and to ensure that new units contain bathrooms and cooking facilities. Council recently voted for a 320sf unit size minimum;
  - review the Parking By-law to ensure standards are appropriate for small and micro-suites, targeted to low-income singles; and
  - consider grants for small and micro-suites secured by a housing agreement for low-income people.

## 8.9 *Manufactured / Mobile Homes*

- There are no manufactured homes sites remaining in the city.

## 8.10 *Secondary Suites*

- A secondary suite is defined as a non-strata titled dwelling unit contained within a principal dwelling; usually, but not always, located in the basement.
- There are 25,000 or more secondary suites estimated to be in the city. These units provide affordable housing in Vancouver where property values and rents have ranked the highest in the country. Secondary suites are seen to be essential to the City's ability to provide for low- or modest-income renters, with as many secondary suites in the city as non-market housing units.
- In the mid-1980s, the City embarked on a process to identify neighbourhoods that wanted suites and those that did not. Several areas of the city were rezoned to allow suites (the RS-1S zone), and several opted to remain as single-family areas. Family suites (secondary suites occupied by relatives) were introduced city-wide in all RS zones, and phase-out suites were introduced to provide for upgrading or closure of some suites over a 10 year time period.
- In 2004, the City adopted new policies and amended the zoning bylaws to:
  - allow secondary suites as a conditional approval use permitted in all areas of the City which allow one-family dwellings;
  - change regulations and building standards for suites, to reduce the hurdles faced when legalizing a suite; and
  - focus enforcement on fire, life-safety, health and standards of maintenance issues, and the closure of multiple suites (one-family dwellings with two or more secondary suites) upon complaint.
- Secondary suites are treated on an as-of-right basis and are conditional only to the extent that they require a covenant that they not be strata-titled.



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- Following enactment of the by-law changes, interest in suites has increased significantly, notably in respect to the legalization of existing suites. Requests for special inspections and applications related to existing buildings more than doubled from 71 to 150 between 2003 and 2004.
- A 2005 staff report recommended additional changes to the Zoning and Development By-law 3575 (Secondary Suites). Staff proposed:
  - revising the definition to eliminate the need for internal access between the to dwelling units;
  - relaxing the requirement for accommodation below grade from 0.8 m (2.62 ft) to below the finished grade of the adjoining ground to 1.5 m (4.94 ft); and
  - establishing the same minimum site area relaxations and external design regulations for dwellings with suites as one family dwellings.

### **8.11 Parking Requirements**

- Recent amendments to the secondary suite bylaws addressed parking requirements in existing dwellings with secondary suites (constructed before 2004) to a minimum of one space. Buildings constructed after April 2004 are required to have one space for every dwelling unit.
- A variety of relaxations are applied to non-market housing projects, depending on the level of the subsidy and the housing group. For example, non-market seniors housing are required to develop one space for every six units. Some low income singles projects have been approved at levels as low as one parking space for every 10 units, particularly in instances where residents are not likely to own a vehicle and parking is used primarily by staff.

### **8.12 Rental Conversion / Preservation of Affordable Housing**

- Since 1988, developers are required to pay \$1,000 per unit for a demolition permit in order to discourage demolitions. In six neighbourhoods, the City also charges a Development Cost Levy with a portion of the funds going to replacement housing.
- In an effort to reduce the pace of redevelopment, the City also has a Rate of Change policy, whereby the approval of land development depends on the rate of change in the neighbourhood. In some apartment zones or in different neighbourhoods, the permitted density has been reduced with conditional approval of additional density depending on the rate of change. This policy has prevented potential redevelopment of older stock of rental buildings.
- The City requires that approval of conversion of four units or more of rental housing be evaluated in the context of housing requirements in the area. Affected tenants must also be consulted and dealt with fairly.

### **8.13 Small Units**

- To regulate the future loss of small units, the City enacted the Single Room Accommodation (SRA) By-law (2003) to regulate the conversion and demolition of SRAs in the Downtown core. The By-law requires that owners wishing to convert or demolish SRA units must receive a Council-approved permit, and



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possibly pay a fee of \$5,000 per unit (to be deposited into a reserve fund to create replacement housing).

- In deciding whether or not to approve an SRA permit, Council must consider the accommodation available to the tenants affected, the general supply of low-cost accommodation in the Downtown Core, the condition of the building, and the need over time to replace or improve SRAs.

#### Downtown Eastside

- The 2005 Housing Plan for the Downtown Eastside identified a set of strategic actions which aimed to minimise the conversion rate of affordable housing:
  - o replace old SROs with low income social housing on a 1-for-1 basis and facilitate the integration of market housing;
  - o facilitate the provision of moderate-cost rental accommodation in market development, both through purpose-built rental buildings and condominiums which are purchased as investment; and
  - o consider the use of bonuses, housing agreements, and community amenity contributions to provide low-income singles housing when developing new area-wide or site-specific zoning, and allocating Development Cost Levies for low-income singles housing where appropriate.

### 8.14 Infill and Intensification

- In Vancouver, infill refers to the notion that additional buildings are constructed on a lot containing an existing building. Many of the inner-city RT districts such as RT-3, RT-5 and RT-6 promote this approach as it encourages the retention of existing heritage buildings.

### 8.15 Financial Measures

#### *Incentives*

- The City provides direct financial support to organizations wishing to develop affordable housing in the form of grants.

#### *Waiving Development Fees*

- All municipalities in the Greater Vancouver Regional District (GVRD) are required to exempt social housing from infrastructure charges. The Vancouver City Charter permits Vancouver to offer further exemptions. Social housing is defined as:
  - o housing where at least 30% of the units are for persons receiving government income assistance, secured by a covenant to restrict the use of such housing and where the owner if a non profit organisation is eligible for a government shelter subsidy;
  - o rental or co-operative housing owned and operated by non-profit housing society or co-op secured by a City Housing Agreement; and
  - o seniors' supportive or assisted housing that meets one or both of the above definitions. (CAC Contributions January 1999)



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- Development Cost Levies (DCLs) pay for community facilities including parks, child care facilities, replacement housing (social/non-profit housing), and sewerage, water, drainage and transportation projects. The DCL policy offers exemptions to all rental housing (both non-profit and for-profit) targeted to low-income households that receives government subsidies. Where the City provides a range of assistance (e.g., grants, land leases), lower DCL rates add to the package of City tools to assist in the production of affordable housing.

## 8.16 Land and Equity-Related Measures

### *Housing Reserve Fund*

- The City maintains an Affordable Housing Fund established in 1981 to provide grants for non-market housing projects developed on City-owned land.

## 8.17 Land Banking and Disposal

- The City has been active since the 1950s in facilitating the development of non-market housing. There are over 20,000 non-market housing units in the City. The City owns, operates, or has leased land for 7,500 units of non-market housing. Over one third of all non-market housing units are on City-owned land.
- Projects primarily serve seniors and families with children. Other projects serve the disabled, low-income singles, Aboriginals and youth. They are operated by non-profit housing societies and cooperatives using funds from senior governments.
- The City regularly purchases land and provides sites for non-market housing. In 1981, Council made the purchase of privately-owned land for non-market housing a priority. Generally, the purchased land is leased to non-profit societies and co-operatives for 60 years at 75% of market value. In recent years, the City has provided land leases at little or no cost for some projects. City resources, however, cannot extend far enough to build and operate new housing without federal or provincial assistance with the capital funding or rent supplement components of the housing.

## 8.18 Planning Processes

### *Streamlining Approval Process*

- Vancouver officially supports the development of rental and non-market housing projects by moving applications that involve a rezoning to the front of the queue. This has reduced approval times for uncomplicated applications by several weeks.

## 8.19 Addressing NIMBYism

- The Neighbourhood Housing Demonstration Program (See Lot Sizes and Subdivisions) partially addresses this subject in that it calls for a "degree of neighbourhood support" without specifying the extent of that support. Otherwise, controversial applications for Special Needs Residential Facilities and supportive housing projects are often referred to Council for delegations to appear. No other specific programs are in place to address NIMBYism.



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## 9.0 EDMONTON REGION

This section outlines the land use planning and affordable housing policies and measures used, or attempted, in five municipalities within the Edmonton Census Metropolitan Area: City of Fort Saskatchewan, City of St. Albert, City of Spruce Grove, County of Strathcona, and City of Leduc. To conduct this scan, CitySpaces met with planners and general managers at each municipality and reviewed relevant planning and policy documents.

### Summary Highlights

- There are proactive affordable housing policy statements in the ODPs of three municipalities: Fort Saskatchewan, St. Albert and Leduc;
- St. Albert has had an Advisory Housing Council since 2001 and completed a housing strategy earlier in 2005;
- Among the five municipalities, Leduc is most receptive to secondary suites in all detached housing areas, although only on a discretionary basis; and
- Leduc recognizes a need for more affordable rental and seniors housing. It is supporting one project through donated urban reserve land and financing its construction, then turning it over to a local non-profit.

## 9.1 CITY OF FORT SASKATCHEWAN

- 15,000 population.
- Employment base - heavy manufacturing, oil and gas located within city.
- Income level - moderate to high.
- Majority of growth occurred in the 1970s. 150-160 units per year. Future growth is related to ongoing retail and recreation development in the city attracting more migrants. A new commuter transit connection is also expected to be a factor.

### Community Plan

- Policies in Section 5.0 Housing and Residential Development of the Municipal Development Plan (2000) aim to "support a pattern of development which ensures that there is a full range of housing types, densities, sizes, tenure, prices, and rents within functional and attractive neighbourhoods."
- 5.2 Approve the phasing, servicing, and development of land in accordance with the MDP staging sequence.
- 5.4 Promote and facilitate the development of new housing on infill (vacant or underutilized) sites in established areas.
- 5.6 Encourage residential developments that offer innovative and alternative design features and provide for a range of affordable housing choices.
- 5.7 Support the efforts of non-profit groups, public/private partnerships, service clubs, and other agencies to increase the long-term supply of affordable housing.
- 5.9 Monitor the supply of rental accommodation to ensure that any proposed condominium conversions do not create a shortage of rental accommodation. Maintaining a vacancy rate of 4% or more will be used as a benchmark.



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- 5.10 Consider a manufactured home multi-lot subdivision if it is demonstrated that such housing is compatible in design and appearance to other forms of housing and conforms to an approved Area Structure Plan and the Land Use Bylaw.

#### ***Zoning and Land Use Bylaw***

- Land use bylaw (2001) provides for a range of housing types.

#### ***Affordable Housing Strategy***

- Affordable housing has not historically been a prominent issue in the city.

#### ***Policies and Definitions***

- MDP policies promote housing diversity.
- No affordable housing definition.

#### ***Inclusionary Zoning, Linkage / Exaction Fees, Bonus Density***

- n/a

#### ***CD / Site-Specific Zoning***

- Direct control zoning applied on a site specific basis. Provides a mix of single and semi-detached dwelling types. Provides flexibility. DC zones reduce minimum lot width from 11m to 9m.

#### ***Lot Sizes and Subdivisions***

- Seven single family districts (based on lot sizes). Smallest lot width: 11m, except in DC zones. Smaller lots and duplexes are more prevalent due to increased market demand for such products, not as a result of aggressive strategy by City.

#### ***Small Units***

- n/a

#### ***Manufactured / Mobile Homes***

- Prohibited. Negative perception and stigma around this form.

#### ***Secondary Suites***

- Permitted as a discretionary use in single family districts. Enforced on a complaint-only basis. Building code requirements are onerous and expensive.

#### ***Parking Requirements***

- Two stalls per dwelling unit irrespective of housing form or tenure.
- One recent condo project reduced parking requirement using direct control.

#### ***Limits on Rental Conversion / Preservation of Affordable Housing***

- 80% home ownership in City. Policy 5.9 supports monitoring of rental supply, with a view to minimising condo conversions if vacancy rates drop below 4%.



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### ***Infill and Intensification***

- Relatively new City. Redevelopment occurring in older neighbourhoods. Supporting increased density in Downtown area with more row housing and four-plexes.

### ***Waiving Development Fees***

- May consider for rental housing. Has not been applied.

### ***Grants and Other Incentives***

- n/a

### ***Streamlining Approval Process***

- Approval process fairly smooth. Works to maintain ease of approvals for all developments, affordable or otherwise.

### ***Housing Reserve / Trust Fund***

- n/a

### ***Increasing Municipal Land***

- City has limited land holdings - civic and park lands.

### ***Addressing NIMBYism, Other Measures***

- n/a

## **9.2 CITY OF ST. ALBERT**

- 56,000 population.
- Bedroom community to Edmonton. Two-thirds of residents work in Edmonton.
- Primarily residential tax base. Province is considering an application to annex another 1,300 ha of land.
- Primarily single detached dwellings with large homes on large lots; 12% rental.
- No alternative housing options for seniors and young families seeking entry-level housing or housing for people with disabilities.
- Residents reported in a recent community survey that it is important/very important to have a wide variety of housing choice (75%).

### ***Community Plan***

- Municipal Development Plan (2000) Section 4.0 Housing and Neighbourhood Design.
  - ☐ Goal: to encourage the development of well-planned and attractive neighbourhoods, which provide a broad range of housing types with varying densities, sizes, tenure, and prices.
- A number of housing related policies recommend approaches to increase its supply of housing:
  - ☐ 4.6 The City of St Albert should work with non-profit groups, developers and other agencies to increase the long-term supply of affordable



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housing, particularly for young families, seniors and special needs groups.

- ✘ 4.7 ... should continue to facilitate the designation of sites for seniors' housing and other forms of special needs housing.
- ✘ 4.8 ... may facilitate use of secondary suites and conversions through provisions in the Land Use Bylaw.
- ✘ 4.9 ... shall support infill residential development on vacant or under-utilized parcels of land in established neighbourhoods as per conditions identified.
- ✘ 4.11 ... should encourage new subdivisions that provide more housing choice with higher density multiple dwelling units.
- ✘ 4.15 ... may consider a manufactured home multi-lot subdivision if it is demonstrated that such housing is compatible.

#### ***Zoning and Land Use Bylaw***

- Land Use Bylaw (2005). Residential districts divided into low density and medium density residential.

#### ***Affordable Housing Strategy***

- St. Albert Affordable Housing Strategy (January 2005). Established an Affordable Housing Advisory Board (2001) made up of seven community members and Council representation. The role of the Board is to advise Council on issues relating to affordable housing and to provide recommendations respecting the need for affordable housing in St. Albert.

#### ***Policies and Definitions***

- CMHC Core Housing Need definition.

#### ***Inclusionary Zoning, Linkage / Exaction Fees***

- n/a

#### ***Bonus Density***

- Height bonus of up to 30% is provided for mixed commercial land use districts.
- Incentives such as density bonusing to encourage greater housing choice was recommended in the AH strategy.

#### ***CD / Site-Specific Zoning***

- Direct control is used sparingly, on a site-by-site basis.

#### ***Lot Sizes and Subdivisions***

- MDP. Policy 4.11 Innovative Subdivision Design. The City can encourage innovative subdivisions that provide more housing choice with higher density multiple dwelling units and contain a split of 65% between single detached and 35% multiple dwelling unit development.
- Minimum lot widths will be reduced to 10m from 11.5 in new land use bylaw. Area structure plans outline that no more than 20% of land can be small lots per development.



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### ***Small Units***

- n/a

### ***Manufactured / Mobile Homes***

- Not prohibited, but little uptake. No mobile home parks and no reference in bylaw. Little land is available in city for this form.

### ***Secondary Suites***

- Not permitted. Enforcement on complaint basis. Waiting for changes to provincial legislation on building code requirements. Currently, the requirements are too expensive and it is difficult to retrofit existing stock. No definition in Zoning Bylaw.

### ***Parking Requirements***

- Parking requirements are standard.

### ***Rental Conversion / Preservation of Affordable Housing***

- The AH strategy suggests that a policy to preserve existing rental properties be developed. No policy or practice in place as of yet.

### ***Infill and Intensification***

- Some infill occurring in older neighbourhoods (1960s). AH Strategy suggests the Land Use Bylaw identify opportunities to increase development densities. City is not yet encouraging infill and intensification.

### ***Waiving Development Fees, Grants and Other Incentives***

n/a

### ***Planning Processes***

- Projects are generally approved quickly.

### ***Housing Reserve / Trust Fund***

- n/a

### ***Increasing Municipal Land***

- The AH strategy recommended that the City consider land banking to accommodate AH within the area proposed for annexation to the City. Currently, the City owns very little land.

### ***Addressing NIMBYism***

- A serious challenge for getting projects approved, even if they do not involve a rezoning. A new policy on public consultation has been introduced to undertake a minimum amount of consultation (2 meetings) in an attempt to alleviate neighbourhood concerns.

### ***Other Measures***

- n/a



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### **9.3 CITY OF SPRUCE GROVE**

- 20,000 population, 30,000 including Stony Plain. Growing at a rate of 400 units/year.
- Bedroom community to Edmonton.
- Single family orientation. More multifamily dwelling construction as per the direction of the market.
- More affordable than St. Albert and Strathcona, providing a wider range of housing types and prices.

#### ***Community Plan***

- Municipal Development Plan (1995). Only policies addressing the provision of a range of housing forms.

#### ***Zoning and Land Use Bylaw***

- No specific bylaws/direction towards the provision of AH.

#### ***Affordable Housing Strategy***

- No AH strategy.
- City has developed five Core Strategies which form the basis of the City's three year Strategic Plan. This plan guides decision-making for the term of Council and, with its goals and objectives, supports the City in the achievement of the community's long-term vision. One of the five goals for 2005-2007 is:
- Providing Affordable Choices — To ensure that Spruce Grove continues to offer a range of affordable housing, business and recreation choices.

#### ***Policies and Definitions***

- No policies address affordable housing or specific definitions.

#### ***Inclusionary Zoning, Linkage / Exaction Fees***

- n/a

#### ***Bonus Density***

- Have considered density bonusing. No practice in place.

#### ***CD / Site-Specific Zoning***

- Direct control provisions in Land Use Bylaw.

#### ***Lot Sizes and Subdivisions***

- A mix of lot sizes occurring within each development (more so than in other municipalities).

#### ***Small Units***

- n/a

#### ***Manufactured / Mobile Homes***

- Two subdivisions exist. Little demand for new mobile home parks, although provision exists.



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### ***Secondary Suites***

- Not permitted in Land Use Bylaw.

### ***Parking Requirements***

- Until the introduction of peak hour transit connections, most households will generally need a car in Spruce Grove. Parking requirements in commercial development consider peak use and minimize off-street parking requirements. This could apply for infill development on a discretionary basis.

### ***Rental Conversion / Preservation of Affordable Housing***

- Mostly a new community (50 years old), with little older rental stock to preserve.

### ***Infill and Intensification***

- Some infill and intensification taking place. This is not necessarily directed by the City.

### ***Waiving Development Fees***

- Does not have capacity to waive / contribute fees.

### ***Grants and Other Incentives***

- n/a

### ***Streamlining Approval Process***

- Quick approval process.

### ***Housing Reserve / Trust Fund***

- n/a

### ***Increasing Municipal Land***

- Limited land holdings. No intention to increase municipal land for AH or residential purposes.

### ***Addressing NIMBYism***

- A challenge in newer development areas. No policy or practice in place.

### ***Other Measures***

- n/a

## **9.4 COUNTY OF STRATHCONA**

- Primarily a single family community.
- Moderate to high income households.
- Many local retail jobs are serviced by workers from outside the County who cannot afford to live in the community.
- Bedroom community to Edmonton.



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### ***Community Plan***

- Current Municipal Development Plan does not support the development of a mix of housing types or densities. The new MDP (under review) will include policies that provide for a mix of housing types. Policy 10.47 in current MDP maintains that residential development will maintain its primarily single detached dwelling unit orientation, but strive to diversify and intensify the range of residential forms available.

### ***Zoning and Land Use Bylaw***

- Makes provision for a mix of housing types. 13 residential zones in Bylaw.

### ***Affordable Housing Strategy***

- Conducted a housing needs assessment study (2005) to consider the housing needs of the community. The study recognizes that there is a need to address the housing needs of seniors and youth.

### ***Policies and Definitions***

- National Low Income Cut Off standards are used to measure affordability. Not a politically supported definition.

### ***Inclusionary Zoning, Linkage / Exaction Fees***

#### ***Bonus Density***

- Residents strongly opposed to density.

#### ***CD / Site-Specific Zoning***

- Direct control used for design and structural modifications — setbacks, side yards — on a site by site basis

#### ***Lot Sizes and Subdivisions***

- Lot sizes range from 20 acre parcels in rural areas to small lots of 10.6m width. The minimum width is constrained by snow removal issues. A shift to more small lot development is directed by development sector and not by the County.

#### ***Small Units***

- n/a

#### ***Manufactured / Mobile Homes***

- New manufactured housing parks are prohibited in MDP. Two planned housing parks exist.

#### ***Secondary Suites***

- Not permitted. Family care dwellings are temporary dwellings built for elderly parents. These temporary dwellings are separate structures that are on title and require a permit. Secondary dwellings (suites) are allowed in rural areas to provide accommodation for seasonal farm workers. Both family care and secondary dwellings are permitted on a discretionary basis. In residential districts, illegal suites are not perceived to be prevalent in the County.



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### ***Parking Requirements***

- Reduction of requirements for seniors' residential facilities are possible, but no reductions for rental or affordable housing.

### ***Rental Conversion / Preservation of Affordable Housing***

- There is 90% home ownership in the County.

### ***Infill and Intensification***

- The housing stock is not old enough to warrant redevelopment and infill.

### ***Waiving Development Fees, Grants and Other Incentives***

- n/a

### ***Streamlining Approval Process***

- No policy or practice in place. Yet the approval process is rapid for all developments.

### ***Housing Reserve / Trust Fund***

- n/a

### ***Increasing Municipal Land***

- County is not in the business of development and has not been banking land for any County purposes.

### ***Addressing NIMBYism***

- The pressures of NIMBYism are vast, with community concerns raised about subdivisions of large acre lots to 2.5 acre lots. An educational process of raising awareness is needed.

### ***Other Measures***

- n/a

## **9.5 CITY OF LEDUC**

- 15,600 population (2003).
- 65% of labour force works in Leduc, Nisku, or Airport.
- A variety of housing types including many multifamily dwellings (condos and townhouses).
- Development constraints include flight path zones – development that is within the vicinity restricted by NEF contours. Provincial legislation changed in 1984, affecting several neighbourhoods in Leduc and limiting future redevelopment of those areas. The Province is currently considering widening this area.

### ***Community Plan***

- Municipal Development Plan (1999) promotes a mix of dwelling types that meet the needs of residents at all stages of their life and of all income groups. The City will:



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- ❏ encourage construction of housing that meets the City's population 2% growth objective;
- ❏ encourage competition between developers in developing a choice of locations, prices, and housing types;
- ❏ encourage a range of lot sizes and housing types;
- ❏ recognize the need for a range of affordable and good quality accommodation for all families;
- ❏ encourage the provision of an adequate supply of rental accommodation to meet needs of all socio-economic groups;
- ❏ ensure that multi-family housing projects are relatively small and strategically distributed so as not to become overly concentrated in one sector; and
- ❏ encourage senior citizens' housing.

#### ***Affordable Housing Strategy***

- Considering the need to conduct an affordable housing needs assessment.

#### ***Policies and Definitions***

- Definition of secondary suite in land use bylaw. No definition of AH.

#### ***Inclusionary Zoning, Linkage / Exaction Fees, Bonus Density***

- n/a

#### ***CD / Site-Specific Zoning***

- Direct control districts are applied on a site by site basis.

#### ***Lot Sizes and Subdivisions***

- Council interested in more large lot development as there is a perception that there is too much small lot housing. With increasing land values, smaller lots are becoming a common housing form. Minimum width - 36 ft or 30 ft with lane access by 111 depth.

#### ***Small Units***

- n/a

#### ***Manufactured / Mobile Homes***

- There is provision in Zoning Bylaw and is recognized as an alternative housing form. A new mobile home park was constructed in 2005.

#### ***Secondary Suites***

- Permitted on a discretionary basis in all single detached neighbourhoods.

#### ***Parking Requirements***

- Different parking requirements are required of different housing types – two stalls/unit for single detached, townhouse, or semi-detached; 1.5 stalls/unit for multifamily; 0.6 stalls/units for seniors' housing. No adjustments for affordable or rental housing.



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***Rental Conversion / Preservation of Affordable Housing***

- There is a low rental housing stock in Leduc, with over 70% home ownership. There is not enough rental housing for young people.

***Infill and Intensification***

- Not much opportunity for infill and intensification. Greatest opportunity is in areas restricted by noise laws.

***Waiving Development Fees***

- n/a

***Grants and Other Incentives***

- An affordable housing project was approved (2005) whereby the City donated urban reserve land (1.5 acre site) and will finance its construction. A local non-profit organization would operate the project. However, since approval, material and construction costs have increased, leading to delays and concerns regarding project viability.

***Streamlining Approval Process***

- Not an area of concern, with a reasonable turnaround and approval period.

***Housing Reserve / Trust Fund***

- n/a

***Increasing Municipal Land***

- City is considering a land bank. Currently, the City does not have significant land holdings. Most park land owned by the City is not developable.

***Addressing NIMBYism***

- Planning provides information for community through open houses and is considering increasing public participation.



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## Discussion Guide — Consultation Event





CITY OF EDMONTON

*Land Use Planning Measures for Affordable Housing*

## **WORKSHOP DISCUSSION GUIDE**

**February 13<sup>th</sup>, 2006**





CITY OF EDMONTON

# Land Use Planning Measures for Affordable Housing

Thank you very much for making time to attend the February 13th workshop. It is important to hear from community, industry and government stakeholders on this topic to ensure that any changes being considered are the “best fit” with our city. Your input will help shape and influence our report to City Council.

The City has been studying ways that land use planning measures can play a positive role in creating and maintaining affordable housing. From a cross-Canada scan of nine cities, we found that, while Edmonton has been active in the past, other cities are more proactive than Edmonton at this time.

## Intended Outcomes of this Initiative

- To maintain and increase the amount of affordable housing for Edmontonians through the creative and effective use of land use planning measures.
  - » Specific Objective — Make it easier for market and non-market developers to create affordable housing.
  - » Specific Objective — Make it easier for the City of Edmonton to facilitate the development and construction of affordable housing.
  - » Specific Objective — Help reduce costs associated with the development and construction of affordable housing.

## Workshop Discussion Guide

This guide has been prepared with two objectives in mind:

- To equip participants with information about what land use planning measures are being used in Canadian cities to help create and retain affordable housing.
- To set out a tool for use in group discussions that allows participants to give feedback on their level of agreement with each of 16 potential measures, and to suggest what priority each of these measures should have.

We hope you have time before the workshop to review the material in this guide and give some thought to the measures. This will help everyone make the most of the 3-hour workshop.

### The Afternoon's Agenda

1:00	Opening remarks: overview of study; directions for discussion groups <ul style="list-style-type: none"><li>• Peter Ohm, Senior Planner, Planning and Development</li><li>• Daryl Kreuser, Acting Director, Office of Housing</li><li>• Linda Allen, CitySpaces Consulting</li></ul>
1:30	Break into discussion groups
2:45	Regroup for refreshments
3:00	Break into discussion groups
4:00	Recap from groups and closing remarks



## Introduction

The City has undertaken the initial steps in a study to identify land use planning policy, regulations and processes to facilitate and expedite affordable housing in Edmonton — for market and non-market housing. This is the City's first recent look at land use planning tools in relation to affordable housing. CitySpaces Consulting, a planning firm that specializes in housing, is assisting us.

Working together with stakeholder group representatives, we've investigated what other Canadian cities are doing and identified measures that could work in Edmonton. Three cities stand out as being the most proactive through use of their planning powers — *Saskatoon*, *Toronto* and *Vancouver*. From these, and other cities with interesting approaches, we've developed a short-list of measures for further study of how they could be implemented in Edmonton.

## Edmonton's Actions To Date

This study follows other studies and plans that generated recommendations on City roles in a number of areas, including responding to housing and homeless needs. The main documents are:

- *Plan Edmonton*, Edmonton's Municipal Development Plan, approved by City Council in 1998, recognizes that governments and agencies outside the municipal corporation are responsible for meeting housing needs. While Plan Edmonton says that the City will “work with” those governments and agencies, it provides no basis for the use of the City's land use planning policy, regulation or processes to assist in meeting housing need.
- *Building Together: The City of Edmonton Low-Income and Special Needs Housing Strategy, 2001-2011*, adopted by Council in 2002, endorses a future City role to meet priority housing and homeless needs in a principles-based, facilitative and community-driven approach.

- *Improving Opportunities for Affordable Housing in Edmonton* — the 2003 Mayor's Task Force Report on Affordable Housing, provides recommendations to reduce barriers and to reduce cost for the development of affordable housing through land use planning measures. (Note: This was the genesis of the current work.)
- *Cornerstones: Edmonton's Plan for Affordable Housing, 2006-2011*, endorsed by Council in 2005, recognizes the need for meeting a range of housing needs over five years through:
  - A proactive leadership role — 2,500 added “long-term housing” units through a \$25 million funding pool, an affordable land bank, partnerships, and other mechanisms to incorporate affordable housing through development; and
  - An advocacy role to meet “short-term housing” needs.
- Note: The Cornerstones Plan is an “action plan”, not a City policy. There is need for increased linkages between Cornerstones objectives and related City initiatives (e.g., Smart Choices/Transit-Oriented Development; Neighbourhood Revitalization; Aboriginal Accord; Advisory Board on Services for Persons with Disabilities”).

## Land Use Planning Measures for Affordable Housing

Land use planning measures and processes are not a panacea to creating and sustaining an affordable housing community but they can play a significant role as part of an overall strategy. Land use planners who work in the area of housing generally group planning measures into four broad categories:

- *Policy framework* including the general municipal plan, statutory plans, policy initiatives and strategies;
- *Regulatory measures* such as zoning bylaws (use, lot size, unit size, density, setbacks, parking) and negotiations;

- *Development application review processes*; and

- *Other related measures* such as development fees and charges; municipally-owned land availability, and rental conversion limitations.

It is important to note that the focus of this study has been on land use planning measures. Specifically excluded from this study are:

- City capital and/or operating grants in support of low-income and special needs housing;
- Changes to existing City tax policy on affordable housing;
- Municipal financing or loan insurance for affordable housing projects;
- Down payment, second mortgage or homeowner education assistance;
- Alternative development (design/site servicing) standards;
- The cost-to-income relationship of housing to the end-user;
- Responding to citizen complaints regarding derelict housing conditions;
- Delivering the Residential Rehabilitation Assistance Program;
- Increase the capacity of low and moderate-income households to occupy housing (e.g. landlord and tenant advisory services); or
- Changes to the Municipal Government Act.

### 3 Cross-Canada Scan

Appendix G is an “at a glance” presentation of research about land use planning measures in nine Canadian cities in relation to affordable housing. For each city, the consultants covered the following:

#### Policy Framework

- Provincial legislation
- Community plan
- Affordable housing strategy
- Definitions of affordable housing

#### Regulatory Practices

- Inclusionary Zoning
- Bonus Density
- Comprehensive Zoning/Site-Specific Zoning
- Small Lots
- Small Units
- Manufactured Homes
- Secondary Suites
- Parking Requirements
- Limits on Rental Conversion
- Infill and Intensification

#### Financial Measures

- Incentives
- Development Fees

#### Other Measures

- Reserve Fund
- Land Banking
- Streamlining Approvals Processes
- Addressing NIMBYism

The comments below are highlights from the research.

#### 3.1 Comments on Legislation

- The provincial legislative framework varies across Canada and some provinces make it easier to assertively use planning measures. BC and Nova Scotia have the most supportive provincial frameworks.
- Major legislative change in the 1990s makes it much easier for cities to identify their own agendas/arenas of interest, including affordable housing. Alberta pioneered this empowering approach with the *Municipal Government Act*. Other provinces followed. With

“natural person powers” some cities have become more active in relation to affordable housing, primarily in the area of partnerships and financial measures.

### 3.2 Comments on Cities

- Toronto and Vancouver each have a history of involvement in affordable housing, as facilitators and direct providers. Planning departments in these cities view affordable housing as a core value and use whatever land use measures/processes are available to facilitate affordable housing. Vancouver has more flexibility than Toronto related to zoning and development negotiations / approvals — it is not encumbered by an appeal system.
- Saskatoon and Burnaby stand out as small cities that have consistently supported affordable housing through policy, regulation, and experimentation.
- The other cities covered in the comparative scan have made only modest progress on the link between planning land use measures and affordable housing.

### 3.3 Comments on Planning Measures – General

- The greatest successes have occurred under two conditions: large-scale projects in a high-demand economy; and on large scale brownfield or redevelopment sites.
- Strong economies allow cities to be more assertive in their requirements / incentives, whether for heritage, urban design, or affordable housing.
- Density bonusing works best in land markets with high values / short supply.
- Affordable housing is not every city's first priority when negotiating with developers — this varies according to need and other priorities; varies over time; and varies with political engagement.

### 3.4 Comments on Planning Measures – Policy

- Forceful, directed policy statements are in place at city-wide and area plan levels related to affordable housing in many cities. These cover such topics as housing mix including form, affordability and tenure, retaining existing affordable housing, targeting assistance and incentives, minimum mix in large developments, provisions for bonus zoning, etc.

### 3.5 Comments on Planning Measures – Regulation

- Regulatory reform is a common practice in order to accommodate and facilitate *secondary suites* in low-density, residential areas — reform occurs in zoning bylaw, building bylaw. Parking and setback relaxations for affordable housing projects are common — this recognizes the user as well as use.
- Small lot housing is widely accepted, often being led by land owners rather than the City government.
- Comprehensive zoning / direct control are common practices and sometimes used to secure affordable housing.

- Inclusionary zoning is required in some cities but more often negotiated.

- The potential loss of rental stock has been a concern in several cities — strata conversion limits are often used.

### 3.6 Comments on Planning Measures – Process

- Queue jumping, fast-tracking, or simultaneous approvals for affordable housing are widely in use.

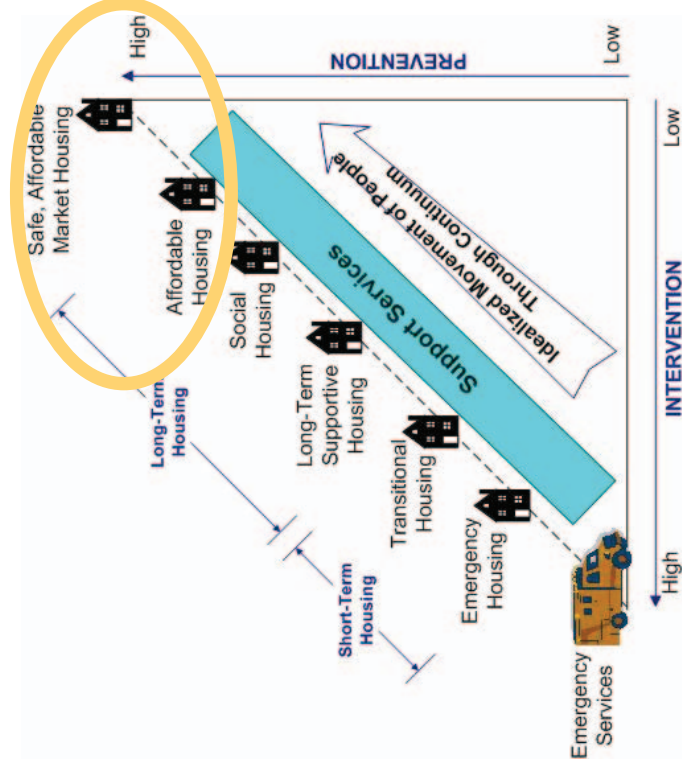
### 3.7 Comments on Other Measures

- Specifically dedicated “Housing Reserve Funds” are in wide use. The sources of revenue for these funds — and their use — varies among cities.
- Land banking is a well-established practice in several cities. The mechanisms for acquiring and disposing of land vary.

## 4. Context and Descriptors

This section of the Discussion Guide provides additional background about land use planning measures and a broader context for the workshop participants.

### “The Housing and Support Services Continuum”



### 4.1 Housing and Support Services Continuum

In Edmonton, considerable work has been undertaken by the Edmonton Joint Planning Committee on Housing on describing Edmonton’s housing need/ supply gap. *The Edmonton Community Plan on Housing and Support Services 2005-2009*, examines the need for short and long term housing. The plan includes a diagram that illustrates the housing/support services continuum (see below). This identifies “affordable housing”, within the broader context of housing/services needs.

### 4.2 Terminology

As the cross-Canada scan verified, there is no one universally accepted definition for the term “affordable housing” in relation to municipal land use planning. The term “affordable housing” is also used variously among other government and non-governmental groups.

#### Affordable Housing

- **For the purposes of this project**, “affordable housing” is rental or ownership housing that provides permanent accommodation to low-income households (individuals and families) who earn less than the median income and spend more than 30% of their gross household income on housing. Typically, households who live in affordable housing do not require on-going support services or housing subsidies.

#### Inclusionary Zoning

- Typically, inclusionary zoning requires or encourages developers of market housing to construct some proportion as “affordable housing”. This proportion varies from 10 percent to 25 percent, depending on the city. Cash-in-lieu, land, and other contributions of an equivalent value are sometimes accepted.
- Inclusionary zoning is the most prevalent of the regulatory initiatives used by North American municipalities. In the United States, there are more than 200 communities using this measures;



of the eight cities scanned in this project, Vancouver and Toronto regularly use inclusionary zoning.

- Inclusionary zoning can be either mandatory or incentive-based. In mandatory programs, the developer/builder is required to contribute affordable housing (or equivalent) as a condition of development approval. Density bonuses and other concessions such as fee reductions and fast-tracking are generally given as cost offsets.

#### *Density Bonusing*

- Density bonusing encourages developers of new commercial and residential projects to provide various public amenities on a voluntary basis, in exchange for increased developable floor space.
- This measure is most commonly used in downtown and other intensive locations. Many municipalities use density bonusing on a negotiated and ad hoc basis for individual developments. Toronto regularly uses commercial bonusing to achieve more affordable housing.

### 4.3 Housing Descriptors — Edmonton

#### *Rental Housing*

- Edmonton's private market rental vacancy rate declined to 4.5%, down almost 1% from 2004. According to CMHC, this results from a slowdown in rental apartment starts, the rising cost of home ownership and only modest rent increases. The average one-bedroom rent in 2005 was \$608; a two-bedroom was \$732.

#### *Ownership Housing*

- The Edmonton Real Estate Board reports the following average selling prices for December 2005:
  - \$225,130 — detached home;
  - \$198,895 — townhouse; and
  - \$149,254 — condominium.

- The Statistics Canada / CMHC Market Absorption Survey for metro areas of Canada gives the average selling price of all newly completed detached and semi-detached homes in Edmonton as \$236,500 in 2004 and \$261,825 — an increase of 10.7%.

#### *Shelter Costs and Incomes*

- As the accompanying tables show, there is a significant variation in purchasing power among households. Couple families have the greatest purchasing power. A couple household with a median income (2001\$) would be able to purchase a home of \$260,000.
- In contrast to couples, lone-parents and single people of all ages have much less choice in the housing market.

Maximum Monthly Shelter Cost @ 30% of Income by Household Type			
	Median Income	30% of Median Income	Maximum Monthly
Couple Families	\$66,727	\$20,018	\$1,668
Lone Parent Families	\$33,096	\$9,929	\$827
One-person Households	\$24,663	\$7,399	\$617

Data Source: CitySpaces Consulting calculations — Statistics Canada 2001 Census

Maximum Purchase Price by Household Type			
	Median Income	@ 10% Down	@ 25% Down
Couple Families	\$66,727	\$260,000	\$281,000
Lone Parent Families	\$33,096	\$129,000	\$153,000
One-person Households	\$24,663	\$96,000	\$114,000

Data Source: Statistics Canada 2001 Census, CitySpaces Consulting calculations using conventional methodology re: interest rate, financing term, amortization period, property tax, and mortgage insurance.



## Now, it's Your Turn!

The material on the following pages is organized for use in the small group discussions. There are 16 measures – grouped into four broad themes – that were identified from the cross-Canada scan as being potentially implementable in Edmonton.

- Reinvigorate Policy
- Reform Regulations
- Realign Processes
- Realize More

Working with a facilitator, your group will be asked to indicate your level of agreement with each measure and what level of priority you would give this measure. At the workshop, we will also provide each participant with an additional feedback form.

## An Important Note!

While all 16 measures could support the provision of housing types across the entire “Housing and Support Services Continuum” in Edmonton, it will definitely be necessary to use methods beyond land use planning measures, such as government capital grants and operating/support subsidies, to enable development across the entire continuum.

## Thanks very much!

Your input is greatly appreciated and will be taken into account as the City further develops its position on these measures. We commit that the outcome of this workshop will be reported to City Council and that we will remain in contact with you as this project proceeds.

Thank you again very much for your time and your advice.

		Your Level of Agreement						Your Priority Assessment		
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree		High	Medium	Low
<b>Topic 1 — REINVIGORATE POLICY</b>										
Policy should lead regulation. AND ... policy and regulation need to be connected. The current City policies provide no basis for a proactive City role. At present, <i>Plan Edmonton</i> has only two statements related to housing in the “Services to People” chapter. Edmonton planners need a stronger policy framework related to affordable housing when reviewing specific proposals and facing resistance to affordable housing in neighbourhoods. Seven measures are suggested for further consideration in Edmonton.										
<b>1</b>	Update <i>Plan Edmonton</i> to affirm that affordable housing is a core value. Include policy statements related to housing/affordable housing in Plan Edmonton. Could include policy statements related to such topics as diversity of housing types, housing choice for people with a range of incomes and abilities, retaining/replacing existing affordable rental housing, among others. This update could be undertaken as part of the City’s overall Plan Edmonton update, or as an amendment.  Appendix A is a <u>sample</u> of housing policy statements from the City of Toronto’s Official Plan. Although these may be too detailed for Edmonton, they provide an indication of the scope of policy often included in statutory plans.									
<b>2</b>	Develop a “tool kit” of affordable housing measures suited to <i>Mature Neighbourhoods</i> . Could include measures related to: secondary suites; small lot subdivision, setback and parking relaxations for infill housing; housing over retail; live-work opportunities; and design guidelines for infill housing.									

			Your Level of Agreement						Your Priority Assessment		
			Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree		High	Medium	Low
<b>3</b>		Develop a “tool kit” of affordable housing measures suited to <i>Greenfield Neighbourhoods</i> . Could include measures such as minimum amount of multi-family, minimum amount of small lots, secondary suites, flex homes.									
<b>4</b>		Develop a “tool kit” of affordable housing measures suited to <i>Large Scale Redevelopment and Infill</i> . Could include inclusionary policies, minimum amount of multi-family housing, land acquisition or cash-in-lieu payments.									
<b>5</b>		For larger projects (e.g., 150 units or greater/5 hectares or greater), require developers to demonstrate how they will provide, or facilitate, the construction of a minimum of 10% affordable housing (50% of which must be perpetually affordable). Refer to Appendix B for a <u>sample</u> of how this practice is used in the City of Vancouver.									
<b>6</b>		Ensure housing policies/affordable housing policies are built into every area structure and area revitalization plan.									
<b>7</b>		Request Alberta Municipal Affairs to revisit its Land Use Policies statement, adding expectations / commentary in relation to affordable housing. Refer to Appendix C for an <u>illustration</u> of this approach – Province of Nova Scotia.									

		Your Level of Agreement						Your Priority Assessment		
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree		High	Medium	Low
<b>Topic 2 — REFORM REGULATIONS</b>										
Subdivision, zoning and building bylaws are important mechanisms for every municipality. Sometimes, without intention, these bylaws have provisions that make it very difficult and / or too costly to develop and construct affordable housing. Periodically, bylaws need to be reviewed from the perspective of “affordable housing”. This is especially true to facilitate the legalization of secondary suites, and encourage more suite construction. Three measures are suggested for further consideration in Edmonton.										
<b>8</b>	Develop an “affordable housing overlay” in the zoning bylaw for areas close to transit and in transit-oriented (TOD) areas — reduce parking requirements in these areas and, potentially, lower minimum unit/lot sizes. (Note: Edmonton uses overlay zoning provisions for other purposes.)									
<b>9</b>	Use Direct Control zoning as the primary means to negotiate for affordable housing units in-situ, or as a land set-aside, or in the form of cash-in-lieu. Use bonus density and transfer of density options, as needed. (Note: Edmonton does have Direct Control zoning but has been using it primarily to achieve better design and other site amenities.)									

			Your Level of Agreement						Your Priority Assessment		
			Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree		High	Medium	Low
<b>10</b>		<p>Amend zoning bylaw to include secondary suites as an “as a right” permitted use in most situations. Details related to siting, design, occupancy standards, licensing, charges to be the subject of further community consultation.</p> <p>Develop relevant conditions related to four situations:</p> <p>Suite in <u>new</u> home – Greenfield</p> <p>Suite in <u>new</u> home – Infill</p> <p>New suite in <u>existing</u> home</p> <p>Existing suite in <u>existing</u> home</p> <p>Refer to Appendix D for a <u>sample</u> of how secondary suites are permitted and promoted in the City of Saskatoon.</p>									



		Your Level of Agreement						Your Priority Assessment		
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree		High	Medium	Low
<b>Topic 3 — REALIGN PROCESSES</b>										
Every City government has established processes and practices for reviewing development applications. In Edmonton, no type of application is currently given formal preferred status, from a City staffing or timing perspective. Development officers do have discretion on a number of items, such as minor variances to zoning requirements. Some housing advocates would like more responsiveness by the City in the approval process and more flexibility on some requirements that are viewed as unnecessarily onerous. Two measures are suggested as being potentially implementable in Edmonton.										
<b>11</b>	Introduce a procedure for “fast tracking” review / approval processes for affordable housing projects. Could include concurrency of planning and building approvals, and assigning a City staff person specifically to affordable housing files.									
<b>12</b>	Allow relaxations for items such as parking, setbacks, heights and use a “housing agreement” for non-market housing projects to ensure these relaxations are adhered to. The agreement — between the City and the non-market housing provider — stipulates the “user group” over a specified period of time.									

		Your Level of Agreement						Your Priority Assessment		
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree		High	Medium	Low
<b>Topic 4 — REALIZE MORE</b>										
There are other measures that are closely aligned to land use planning measures and often used by cities that make affordable housing a priority. These measures, if implemented in Edmonton, could facilitate the creation of more affordable housing and prevent loss of existing affordable housing, or lead to its replenishment. Four measures are put forward for discussion.										
<b>13</b>	Establish a COE Housing Reserve Fund that is separate from the COE's Enterprise Reserve Fund. Fund this through capital grants and cash-in-lieu payments. Refer to Appendix F for a <u>sampler</u> of what some other cities are doing with Housing Reserve Funds.									
<b>14</b>	Become active in land-banking through strategic purchases. Lease long-term at below market values. Appendix F is a <u>sampler</u> from other cities in relation to land- banking.									
<b>15</b>	Use financial measures as an incentive for developers (e.g., tax exemptions, reducing or rebating Development Charges). Refer to Appendix F for information related to this topic.									
<b>16</b>	Demolition and condominium conversion controls to apply when vacancy rate is at or below a specific percent — suggest 2-3%. Appendix F contains <u>samples</u> of how rental conversion works in certain other cities. (Note: According to Alberta's Condominium Property Act, municipalities can only limit rental conversion for buildings constructed prior to 1966.)									

# Appendices

**Appendix A** — City of Toronto Housing Policy Statements

**Appendix B** — City of Vancouver Inclusionary Zoning

**Appendix C** — Policy Framework, Province of Nova Scotia

**Appendix D** — City of Saskatoon Secondary Suites

**Appendix E** — Processes to Facilitate Affordable Housing

**Appendix F** — Other Related Measures

**Appendix G** — Canadian Cities Scan



# Appendix A – City of Toronto Housing Policy Statements

The new Toronto Official Plan was adopted by Toronto City Council on November 2002.

The housing policies in the new Official Plan aim to:

- provide for a full range of housing including form, affordability and tenure across the City and within neighbourhoods, including special needs, supportive and transitional housing;
- make gains in supply of new rental housing and new affordable housing while retaining and replenishing existing stock, especially existing rental and social housing;
- target assistance and incentives to create new affordable housing, especially affordable rental, but also low-income affordable ownership developed by non-profit organizations, with overall priority for assistance to non-profit and co-operative housing;
- retain existing rental, discourage conversion to condominium or demolition, but if demolition of private or social housing is approved, replace at similar rents and assist displaced tenants financially; and
- ensure that large development sites include a portion of affordable housing.

The Housing Policies include:

- a full range of housing, in terms of form, tenure and affordability, across the City and within neighbourhoods, will be provided and maintained to meet the current and future needs of residents. This includes: ownership and rental housing, affordable and mid-range rental and ownership housing, social housing, shared and/or congregate-living housing arrangements, supportive housing, emergency and transitional housing for homeless people and at-

risk groups, housing that meets the needs of people with physical disabilities and housing that makes more efficient use of the existing housing stock;

- the existing stock of housing will be maintained and replenished. New housing supply will be encouraged through intensification and infill that is consistent with this Plan;
- investment in new rental housing, particularly affordable rental housing, will be encouraged by a co-ordinated effort from all levels of government through implementation of a range of strategies, including effective taxation, regulatory, administrative policies and incentives;
- where appropriate, assistance will be provided to encourage the production of affordable housing either by the City itself or in combination with senior government programs and initiatives, or by senior governments alone. Municipal assistance may include:
  - in the case of affordable rental housing and in order to achieve a range of affordability, measures such as: loans and grants, land at or below market rates, fees and property tax exemptions, rent supplement and other appropriate assistance;
  - in the case of affordable ownership housing provided on a long term basis by non-profit groups, especially affordable low rise family housing, measures such as: land at or below market rate, fees exemption and other appropriate forms of assistance; and
  - with priority given to non-profit and co-op housing providers.
- significant new development on sites containing six or more rental units, where existing rental units will be kept in the new development, will secure for as long as possible: a) the existing rental housing units, with either affordable or mid-range rents, as rental housing; and b) any needed improvements and renovations to the existing rental housing with no pass-through of such costs in the rents to the tenants;

- new development that would have the effect of removing a private building or related group of buildings containing six or more rental housing units is not in the public interest and should not be approved unless: a) the rental apartment vacancy rate for the City of Toronto, as reported by CMHC has been at or above 2.5% for the preceding two-year reporting period; or b) in cases where zoning approvals are sought, the following are secured:
  - ❑ at least the same number; size and type of rental housing units are replaced and maintained with similar rents;
  - ❑ for a period of at least 10 years, rents for replacement units will be the rent at first occupancy, increased annually by not more than the Provincial Rent Increase Guideline or a similar guideline; and
  - ❑ an acceptable tenant relocation and assistance plan addressing provision of alternative accommodation for tenants at similar rents, right-of-first-refusal to occupy one of the replacement units and other assistance to lessen hardship.
- redevelopment of social housing properties, including those which propose a mix of housing including varying levels of rental assistance, varying housing types and forms and/or the inclusion of affordable ownership housing options, that would have the effect of removing a social housing building or related group of buildings containing one or more social housing units, will secure:
  - ❑ full replacement of the social housing units;
  - ❑ replacement social housing units at rents similar to those at the time of the application, including the provision of a similar number of units with rents geared to household income; and
  - ❑ an acceptable tenant relocation and assistance plan addressing provision of alternative accommodation for tenants at similar rents, including rent-geared-to-income subsidies, right-of-first-

- refusal to occupy one of the replacement social housing units and other assistance to mitigate hardship.
- the conversion to condominium by severance or subdivision of any building or related group of buildings containing six or more rental housing units is premature and not in the public interest unless: a) the rental apartment vacancy rate, as reported by CMHC, has been at or above 2.5% for the preceding two-year reporting period; or b) all of the rental housing units have rents that exceed mid-range rents at the time of the application; and
- large residential developments provide an opportunity to achieve a mix of housing in terms of types and affordability. On large sites, generally greater than 5 hectares in size: a) a minimum of 30% of the new housing units will be in forms other than single-detached and semi-detached houses, such as row housing, triplexes and multi-unit residential buildings; and b) a minimum of 20% of the new housing units must be affordable where additional height and/or density may be permitted.

## Appendix B — City of Vancouver, Inclusionary Practices

- In 1988, the City developed and adopted an “income mix policy” to address the growing housing needs of low-income households. This income mix policy required developers of large redevelopment projects to set aside sites for non-market housing, which were then developed as non-profit or co-operative housing with capital contributions from federal or provincial governments. The City would negotiate the inclusion of 20% non-market housing in projects when the developer applied for rezoning from industrial or other non-residential use to residential use.
- The inclusion of affordable housing is a city policy identified in certain plans such as the False Creek North development plan, upon which the City was able to leverage the non-market units through a rezoning. The inclusionary practice is not, as such, attributed to a mechanism within the zoning bylaw but is used in the rezoning process.
- Since its inception, the income mix policy has been applied to over 30 sites and has created a capacity for more than 2,500 affordable housing units, about a third of which have been built.
- Inclusionary practice was typically applied to large projects of 200 or more units. The City would identify sites for non-market housing in suitable locations with respect to the overall development schemes. A legal agreement would be signed between the City and the developer determining the number of sites (usually 20% of the base density of the new development) and the timetable for making the sites available.
- The City would acquire the site from the developer and lease the site to the non-profit sponsor for at least a 60-year term. If the province does not supply capital funding, the developer must continue to submit the site to every subsequent proposal call until they are either granted funding or the City chooses to proceed

with an alternate use of the site. The City would hold the option on the site for 80 years.

- City Council modified the implementation of the policy in the early 1990s as a result of the erosion in government funding. Some developers have been allowed to provide a payment-in-lieu of land for non-market units. In other cases, units may be provided at market rents in order to permit cross-subsidization of units with lower rents. The City is open to alternatives to non-market housing options such as non-subsidized life-lease housing.
- The provision of non-market housing is one of several public objectives the City seeks in redevelopment including: the addition of parks, community centres, sites for schools, and daycare centres. If the cost of meeting these public objectives would make the project not feasible, then the requirements to include non-market housing is waived.
- (Note: There are also optional opportunities for the provision of affordable housing on smaller sites (less than 5 ha.), where increases in development density or height may be provided [“density bonus”].)

## Appendix C — Nova Scotia Provincial Interest in Affordable Housing

Schedule B of the Nova Scotia *Municipal Government Act* contains statements of provincial interest addressing issues related to community growth and development including housing. The statements are intended to serve as guiding principles to help provincial government departments, municipalities, and individuals in making decisions regarding land use.

The *Statement of Provincial Interest Regarding Housing* aims:

- “to provide housing opportunities to meet the needs of all Nova Scotians” on the basis that “adequate shelter is a fundamental requirement” and “a wide range of housing types is necessary to meet the needs of Nova Scotians”. Excerpts from the statement provides that:
  - planning documents must include housing policies addressing affordable housing, special-needs housing and rental accommodation. This includes assessing the need and supply of these housing types and developing solutions appropriate to the planning area. The definition of the terms affordable housing, special-needs housing and rental housing is left to the individual municipality to define in the context of its individual situation;
  - depending upon the community and the housing supply and need, the measures that should be considered in planning documents include: enabling higher densities, smaller lot sizes and reduced yard requirements that encourage a range of housing types;

- to ensure there are different types of group homes. Some are essentially single detached homes and planning documents must treat these homes consistent with their residential nature. Other group homes providing specialized services may require more specific location criteria; and
- municipal planning documents must provide for manufactured housing.

While the provincial housing statement provides a strong policy framework for municipal action on affordable housing, the Province recognizes that each municipal situation is unique. To date, the Province has not provided detailed guidelines on how municipalities can implement the statement.

## Appendix D — City of Saskatoon Secondary Suites

Saskatoon's population is approximately 207,000. Secondary suites are viewed as a valued contribution to affordable housing. Unlike cities such as Vancouver where low rental vacancy rates and high home purchase costs drive the need for more affordable housing options, Saskatoon has a higher rental vacancy rate (4.6% in 2005) and moderate income families are still able to purchase a home. However, secondary suites are considered to be an important component of maintaining the vitality of mature neighbourhoods and providing housing choice, particularly for students and lower income singles.

Recognized by the City as a legitimate housing form, the City has been amending bylaws to legalize and upgrade them.

- At the time Plan Saskatoon was updated, residents identified a desire to legalize secondary suites. This led to a 1999 zoning bylaw amendment to permit secondary suites in single detached dwellings throughout Saskatoon on lots with a width of 11.43 m or more. For lots with widths less than 11.43 m, a secondary suite is a discretionary use. The minimum development standard is 7.5 m wide.
- The key feature of Saskatoon's program is the emphasis on *alternative construction standards* for secondary suites. The City wanted to encourage landlords to upgrade illegal suites to acceptable health and safety standards and recognized that costs to upgrade to the full extent of the National Building Code were prohibitive. In 1993, the City of Saskatoon received a grant through CMHC to develop Construction Standards for Accessory Suites. Instead of requiring all illegal suites to be immediately brought up to code or be closed, the City decided to develop regulations that would encourage landlords to comply and improve the health and safety standards of their suites in a more economical fashion.

- A specially assembled team from Community Planning, Building and Standards, and Zoning Standards Branches of the Planning and Building Department, the Nutana Community Association, the Fire Department, the Social Housing Advisory Committee, the University of Saskatchewan Students' Union and the Saskatoon Home Builders Association worked on the project. It involved:
  - Preparing an accessory suite inspection guide;
  - Testing a sample of accessory suites (landlords from the Nutana neighbourhood volunteered their suites for inspection);
  - Evaluating and modifying the building code; and
  - Preparing educational materials, including brochures and video.
- The work was reviewed and supported by the Saskatchewan Landlords' Association. The results have included high landlord compliance due to the lowered costs and retention of affordable rental housing. Modified standards are also applied to new construction, making it more cost effective. (Refer to Appendix B for these modified standards.)
- The involvement of various municipal departments, landlords and a local community association was key to gaining buy-in and consistent use of the modified building requirements. Saskatoon planners report that the modified building requirements have worked very well. Liability has never been an issue and the City's view is that there is no greater liability than ignoring unsafe suites.
- The majority of illegal suites come to the City's attention through complaints from tenants and neighbours. When a suite is determined not to be in compliance, a City planner works with the home owner to evaluate the suite using the inspection guide and determines how a minimum of health and safety standards can be met. The City continues to provide up to six months to complete upgrades depending on what needs doing, whether the suite is occupied and whether the home is owner-occupied. About



90% of owners chose to upgrade rather than remove their suite. Staff tend to give more time to owner-occupied homes as these owners show the most willingness to increase safety for tenants and themselves, but may not have financial resources to get all work done right away. The City charges a one time change of use fee of \$250.

- Saskatoon has budgeted for about 40 legalizations per year. There are currently 50 to 60 applications, so there is a growing backlog. The department directly involved has three development officers for bylaw enforcement and building inspections. Each one does some secondary suite reviews and inspections. City staff estimate that the total workload is about 1.5 FTE, including overview by a planner.

### **Saskatoon Zoning Bylaw**

Bylaw No. 7800 (as amended to 2003) regulates secondary suites. In Saskatoon, the definition of a secondary suite means:

- “A self contained dwelling unit which is an accessory use to, and located within, a detached building in which the principal use is a one unit dwelling”.

The bylaw also contains these provisions:

- Secondary suites may be located only in detached one unit dwellings and shall occupy no more than 40% of the gross floor area of a dwelling, including the area of the basement;
- In order to accommodate a secondary suite, the principal building must have a gross floor area, including the area of the basement, of at least 100m<sup>2</sup>;
- The maximum size of a secondary suite shall be 65m<sup>2</sup>;
- No more than one secondary suite may be located in any detached one unit dwelling;

- A secondary suite shall contain no more than two bedrooms;
- No more than three persons may occupy a secondary suite;
- One off-street parking space is required for a secondary suite in addition to at least one off-street parking space for the principal dwelling. The parking space for the principal dwelling may be located in a required front yard. The parking space required for the secondary suite shall not be located in a required front yard unless the subject site has no access to a rear lane, and shall be paved, sited and screened to the satisfaction of the Development Officer;
- Where a secondary suite has an entrance which is separate from that of the principal dwelling, the entrance may only be located on a side or rear wall of the principal dwelling; and
- Secondary suites shall comply with all relevant requirements of the National Building Code, or equivalencies as may be established by the Development Officer, and Property Maintenance and Occupancy Bylaw No. 7400.

Type I secondary suites are permitted uses in all residential zones on a site with a site width of 11.43 metres or greater; Type II secondary suites are discretionary uses in all residential zones on a site with a site width of less than 11.43 metres. The minimum lot size for a Type II suite is 7.5 m.

### **Saskatoon — Occupancy Standards for Existing Suites**

The City of Saskatoon has developed new occupancy standards for existing suites. As of January 1, 2002, all existing suites built before January 1, 1999 have to comply with these requirements. These standards focus on life and health safety code issues and include the following items.

- Access to each suite must be gained without passage through a service room.

- Dwelling units must be separated from each other (vertically and horizontally) by a fire separation having a fire resistance rating of not less than 30 minutes.
- The furnace room must be separated from all adjacent areas by a 30 minute fire rating (walls only). A solid core door complete with latch and closer is required.
- Interior exit stairs must be separated from the remainder of the building by a fire separation having a fire resistance rating of not less than 30 minutes.
- Doors and door frames from the common exit into the dwelling units must have a 20 minute fire resistance rating and be equipped with a latch and closer. (A 45 mm thick solid core door and 38 mm solid wood casings is acceptable).
- Rise and run, width and headroom of stairs must reasonably conform to National Building Code and stairs must be provided with handrail/guardrail.

- Ceiling height in exit corridor cannot be less than 1.95m. Projections or obstructions cannot reduce the headroom clearance beyond 1.80m.
- Ceiling height in all rooms of the second suite cannot be less than 1.95m over 75% of the area. Projections or obstructions cannot reduce the headroom clearance beyond 1.80 m.
- Hard wired smoke alarms must be installed in each dwelling unit in accordance with the current National Building Code.
- A smoke detector must be installed in the furnace room and must be interconnected with the smoke alarm on the main level.
- The second suite must have at least two openable windows to the outside (one must be in each bedroom). Size of the bedroom window(s) cannot be less than 380 mm high and 0.35 m<sup>2</sup> in area.
- All bathrooms must have mechanical or natural ventilation.
- All bathrooms must be fully enclosed and have a lockable door.
- Combustion air is required into the furnace room.

## Appendix E — Processes to Facilitate Affordable Housing Development Review Processes

- Vancouver officially supports the development of rental and non-market housing projects by moving applications that involve a rezoning to the front of the queue. This has reduced approval times for uncomplicated applications by several weeks.
- The Winnipeg Housing and Homelessness Initiative provides a “single window” office to coordinate financial and technical resources. The City provides targeted staff to review affordable housing project applications and coordinate financial support under existing programs. All projects, funded by any of the fund partners, are screened by the Single Window Project Secretariat to ensure consistency with neighbourhood goals and neighbourhood housing plans and priorities.
- The Hamilton Affordable Housing Partnership Initiative (HAHPI) has three key components: to co-ordinate existing supply initiatives; to develop new supply initiatives; and, to facilitate affordable housing through funding and staffing. One full time City staff person has been budgeted to implement HAHPI. This is expected to ease the approval process for project managers.
- Halifax staff regularly work with non-profits to ensure that they understand the approvals process and that in critical situations (e.g., where funding is subject to short timelines) several processes are concurrent. For example, a 2005 application was able to proceed simultaneously go through a land transfer agreement, a re-zoning requiring policy amendment and a development agreement process.
- In Toronto, a newly established Affordable Housing office and Council Committee will review applications for affordable housing projects. This does not replace the regular planning approval

process, but will reduce the opportunity for ward councillors to hold up an application. This new process aims to put a higher public profile on affordable housing and influence the pace / efficiency of approval process.

- Toronto has established “Let’s Build”, a program to facilitate the production of affordable housing. It offers the services of a skilled team of development and housing professionals to assist in the planning and development process,.

### Nimbyism (“Not in My Backyard”)

- The City of Toronto manages a “Yes In My Backyard” program based on the toolkit and guide for use by community providers. Also, the Official Plan speaks to the issue of NIMBYism in that it provides for a full range of housing types within all neighbourhoods, establishing that exclusivity is not acceptable.
- In Hamilton, the Social Development Strategy established a neighbourhood committee process known as “Affordable Housing Flagship”. This group plays a role in mitigating the challenges of NIMBYism by responding to community needs and directly involving the community.
- In Saskatoon, NIMBYism is addressed at the level of local area planning. Clear agenda setting, the inclusion of all neighbourhoods, and strong public consultation mitigates the potential for community opposition. Saskatoon’s experience with infill and intensification has generally has been welcomed by neighbourhoods.
- In Vancouver, the Neighbourhood Housing Demonstration Program provides support to projects that introduce a new form of housing in a neighbourhood and increase affordability. These “demonstrations” are intended to help diffuse or prevent NIMBYism.



## Appendix F — Other Related Measures

### Housing Reserve Funds

- Since 1986, the City has accepted cash-in-lieu from developers when suitable sites became more difficult to find. Payments are deposited in the Social Housing Reserve Fund.
- In Toronto, there is also a Capital Revolving Fund for Affordable Housing to assist in the form of loans and grants. The fund is generated from broad and varied municipal sources, including cash-in-lieu contributions through development.
- Winnipeg has a Housing Rehabilitation Investment Reserve Fund that is applied to affordable housing projects to offset costs associated with permits and fees during construction as well as some of the soft costs (appraisal, survey certificate, engineering fees etc.).
- In Saskatoon, housing activities are funded by the Affordable Housing Reserve (AHR). The AHR receives on-going funding from a dedicated source, and is much like a Housing Trust. Since 1987, about \$6.4 million has been spent on housing activities and a total of 1,328 housing units developed including social (public) housing, private sector market affordable housing, and new homeowner co-operatives.
- The Saskatoon AHR is administered by City staff, but recommendations for project funding are provided by the City's Social Housing Advisory Committee. AHR has also supported other activities related to building the capacity of the community to meet housing needs, including providing the initial funding to establish the Housing Facilitator position, funding to help the Planning and Building Department, establish a Social Housing Database, and purchase of land for demonstration projects.

- Calgary's Corporate Housing Capital Reserve was established to support development initiatives that enhance or increase the supply of affordable rental housing and social/special needs housing.

### Land Banking

- Toronto has a "Housing First" policy to guide the use of surplus City-owned land. The principle is that the first priority in the decision-making process respecting surplus or potentially surplus City-owned property should be affordable housing development. In most cases, the land is made available in the form of \$1 lease to not-for-profit organizations.
- The City of Saskatoon has an active program of land banking, purchasing and selling land. Funds for the AHR are generated from a portion of the revenues from the sale of City owned lands — 10% of all lot sales. This is not a levy on top of the sale price of land, but is a redirection of the "profits" — the difference between the original cost of purchase and servicing and the market sale price.
- Saskatoon's makes land available at favourable rates in exchange for affordable housing. Developers (either for profit or non-profit) wanting to build housing that meet the City's affordability criteria (affordable to households up to 66% of the average local income) can purchase land directly from the land bank without having to go through the competitive bidding process. In return, the city is guaranteed that housing built through this process will remain affordable for at least 10 years.
- In Calgary, one of the City's roles is the contribution of civic assets, generally in the form of leased land, to leverage other resources. One of the principles for partnerships/joint ventures in affordable housing includes shared equity arrangements with a public, private or non-profit entity to construct and operate the

project. Land and/or improvements may be donated at no charge, or provided at less than market value.

- Vancouver has been actively land banking since the 1950s for affordable housing. The City owns, operates, or has leased land for 7,500 units of non-market housing. Over one third of all non-market housing units are on City-owned land. The City regularly purchases land and provides sites for non-market housing.
- In 1981, Vancouver Council made the purchase of privately-owned land for non-market housing a priority. Generally, the purchased land is leased to non-profit societies and co-operatives for 60 years at 75% of market value. Recently, the City has provided land leases at little or no cost for some projects.

## Rental Conversion

- Toronto considers the conversion of rental housing to condominium by severance or subdivision of any building containing six or more rental housing units to be premature and not in the public interest unless: a) the rental apartment vacancy rate, has been at or above 2.5% for the preceding two-year reporting period; or b) all of the rental housing units have rents that exceed mid-range rents at the time of the application.
- Toronto also requires the replacement of the same number of units at the same rents and the provision of a relocation and financial assistance plan to lessen the hardship for tenants whose units are demolished.
- Burnaby has had a condominium conversion moratorium on housing since the 1970s which has been outlined in the OCP. Without such a moratorium, there would have been some risk of conversion to at least a portion of the rental stock in Burnaby.
- In Vancouver, since 1988, developers have been required to pay \$1,000 per unit for a demolition permit in order to discourage demolitions. In six neighbourhoods, the City also charges a

Development Cost Levy with a portion of the funds going to replacement housing.

- The City requires that approval of conversion of four units or more of rental housing be evaluated in the context of housing requirements in the area. Affected tenants must also be consulted and dealt with fairly

## Preferential Treatment for Fees and Charges

- All municipalities in the Greater Vancouver Regional District are required to exempt social housing from infrastructure charges. The Vancouver City Charter permits Vancouver to offer further exemptions.
- Also in Vancouver, the Development Cost Levy policy offers exemptions to all rental housing (both non-profit and for-profit) targeted to low-income households that receives government subsidies.
- Toronto “Let’s Build” program includes a toolkit of incentives to increase the economic viability of affordable housing projects. These can include a waiver of planning and development fees. To date, Toronto has waived development charges, building permit fees, planning application fees, and parkland dedication requirements for non-profit housing. Through new provisions of the *Municipal Act* it is extending these provisions to the private sector on a project-by-project basis where affordable rental housing is provided.

# Appendix D:

## Report of the Consultation Event



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# APPENDIX D

## REPORT OF THE CONSULTATION EVENT

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## *This Initiative*

In 2005, the City of Edmonton commissioned a study into ways that land use planning measures can play a positive role in creating and maintaining affordable housing. The intended outcome of this initiative is to maintain and increase the amount of affordable housing in the city through creative and effective use of land use planning measures.

As the first component of the consultant's work program, CitySpaces Consulting undertook a comprehensive, detailed scan of eight Canadian cities. Out of this research, the consultant produced a "scoping report" (refer to Appendix B) for review by the Project Steering Committee. From the scoping report, the consultants produced a Discussion Guide (refer to Appendix C) for use at the formal consultation event held on February 13, 2006.

## *Specific Objectives of the Consultation Events*

In order to provide information to, and receive feedback from, a broad cross-section of stakeholders and other interested residents, the Project Steering Committee hosted a day-long consultation event. The specific objectives of this consultation event were to:

- Share information in an engaging way – an opportunity to educate;
- Provide an opportunity for stakeholders and other interested members of the public to review findings and proposed directions and provide feedback and suggestions for measures that are most effective for Edmonton; and
- Test community and stakeholder interest and acceptance of proposed measures.

## *Format of Consultation*

The "consultation event" held on February 13, 2006 included two distinct components:

1. Stakeholder Workshop – A 3.5 hour Workshop was held for invited stakeholders. Representatives of affordable housing agencies and advocates, housing providers, building industry, land developers, government representatives and community leagues were invited to attend; and
2. Public Open House – Stakeholders and members of the public were invited to an evening Open House via advertisements in the Edmonton Journal and Examiner, as well as via e-mail circulation to stakeholder groups.

## *Stakeholder Workshop*

The Workshop was attended by approximately 50 people. A discussion guide for the Workshop was provided to each pre-registered participant the week before the event. The guide was intended to:

- Equip participants with information about what land use planning measures are being used in other Canadian cities to help create and retain affordable housing; and
- Establish a tool for group discussions that allows participants to give feedback on their level of agreement with each of 16 potential measures, and to suggest what priority each of these measures should have. (See: Appendix C: Discussion Guide.)

Participants were welcomed and provided background information and context for this initiative by the project co-chairs, Daryl Kruezer and Peter Ohm. CitySpaces Consulting provided a technical overview.

Participants were assigned to one of four small groups. Each group was provided a trained facilitator from COE Community Services, a recorder (from the Project Steering Group or the consultant team) and a resource person from the COE. The groups discussed two of the four topic areas in the first session, then the participants moved to another small group for the second half of the Workshop session to discuss the other two topic areas. After approximately one hour of discussion, participants were asked to indicate their level of agreement with each proposed measure and the priority it should have. Following a refreshment break, participants



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moved to a second table to discuss the remaining two topics and to indicate their level of agreement and priority for these proposed measures.

### **Workshop Participants**

The Workshop had strong representation from the building and development industries. Non-profit housing providers and representatives from housing advocacy groups, City staff members and representatives from Municipal Affairs and Canada Mortgage and Housing Corporation also attended. There were no representatives from the community leagues in attendance.

### **Workshop Results**

**Topic 1 – Reinvigorate Policy** contains seven proposed measures. Five of the measures were supported by the majority of the participants, two measures were not.

All participants strongly agreed that Plan Edmonton should be updated to affirm that affordable housing is a core value and that policy statements relating to housing/affordable housing are included. 94% of participants said this should be a high priority. Three of the proposed measures – regarding development of a tool kit of measures to suit mature neighbourhoods, greenfield neighbourhoods and large-scale redevelopment and infill – were supported. A measure to ensure that housing/affordable housing policies are built into all structure and area revitalization plans was supported or strongly supported by 62% of participants. There was a division of views on a proposed measure to require developers to demonstrate how they will provide or facilitate the construction of a minimum of 10% affordable housing (50% to be perpetually affordable). 36% of participants agreed or strongly agreed with this measure while 50% disagreed or strongly disagreed. There was also no common view on a proposal to request Alberta Municipal Affairs to add expectations / commentary in relation to affordable housing to its Land Use Policy Statement. While 54% agreed or strongly agreed, 39% disagreed or strongly disagreed.

Many participants expressed the view that affordable housing should be a core value of Plan Edmonton.

**Topic 2 – Reform Regulations** contains three proposed measures. One was clearly supported, one was clearly not supported and the other had a mix of views. Participants had mixed views on the usefulness of an “affordable housing overlay”. 32% agreed or strongly agreed, but 44% disagreed or strongly disagreed. Use of Direct Control Zoning to negotiate for affordable housing units was not generally supported. 64% of participants disagreed or strongly disagreed.

There was a high level of support for a proposed measure to amend the zoning bylaw to include secondary suites as an “as-of-right” permitted use in most situations. 79% of participants indicated strong agreement and a further 9% indicated agreement. No one strongly disagreed. 80% of participants saw this as a high priority. The general view of Workshop participants was expressed in the comments of one participant, “Legal secondary suites are the single best way to introduce affordable housing in new and existing neighbourhoods.”

Two proposed measures were included in **Topic 3 – Realign Processes**. A proposed measure to introduce a procedure for “fast tracking” the review/approval process for affordable housing projects was supported by 60% of participants, and 57% felt that it was a high priority. Comments – from non-profit housing providers in particular – suggested that consideration should be given to non-profit developers who are largely inexperienced and may need some “shepherding” and extra support through the approval process. Some building industry representatives felt that there should be no preferential treatment and that efforts should be made to speed up the approval process for all developers.



There was a range of views on the proposed measure to allow relaxations for items such as parking, setbacks, and heights for non-market housing. 48% of participants agreed or strongly agreed with the measure, while 47% disagreed or strongly disagreed.

**Topic 4 – Realize More** contains four proposed measures, each of which received a mix of views. While 32% indicated agreement with establishing a Housing Reserve Fund, 50% disagreed. 64% of participants disagreed or strongly disagreed with COE becoming active in land banking, while 36% agreed or strongly agreed. Use of financial measures as an incentive for developers was supported by 39% of participants and not supported by 39%. 30% of participants were neutral about demolition and condominium controls when vacancy rates are low, with 52% disagreeing or strongly disagreeing with this measure. (See “Workshop Results and Comments” later in this document for details.)

Thirty participants requested follow-up information.

### *Open House*

A public Open House was held from 5:00 pm to 8:00 pm in the Jefferson Room at the Prince of Wales Armouries. Approximately 25 members of the public attended and 16 people completed the questionnaire. Most attendees spent a good deal of time reviewing the material, asking questions, providing comments and completing the questionnaire. Some attendees stayed up to two hours. The questionnaire provided an opportunity for attendees to provide feedback on their level of agreement with each of the 16 potential land use planning measures and to suggest what priority these measures should have. It also provided space for additional comments. (See “Open House Questionnaire Results and Comments” later in this document for details.)

Members of the Project Steering Committee, COE planning staff and consultants were available throughout the evening to assist residents to understand the materials presented and to answer questions.

### *Open House Questionnaire Results*

Sixteen questionnaires were completed. Generally, there was a high level of agreement with the proposed measures. One proposed measure – secondary suites as an “as-of-right” permitted use in most situations – although receiving a high level of support, did not receive as high support as given by the Workshop participants. 79% of Open House attendees agreed or strongly agreed with this measure while 21% were neutral. None of the attendees was opposed to secondary suites. Several suggested that further consultation with neighbourhoods should precede amendments to the zoning bylaw permitting secondary suites.

Potential measures to realize affordable units such as a Housing Reserve Fund, land banking and financial measures as incentives for developers were strongly supported by Open House attendees.

Most questionnaire comments emphasized the need for more affordable housing units for various groups in the community including low-income families, seniors, new Canadians and people with special needs. Several comments suggested the importance of land use planning measures that will increase the total number of affordable housing units without concentrating them in a single neighbourhood or development.

### *Summary of Consultation Event Results*

Of the possible measures presented for discussion there were two that clearly received strong support from both Workshop and Open House participants:

1. Participants all agreed that Plan Edmonton should be updated to affirm that affordable housing is a core value and that policies relating to affordable housing should be included; and



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2. Secondary suites as an “as-of-right” permitted uses in most situations received a high level of support. Some community members attending the Open House stated that further consultation with neighbourhoods should be undertaken prior to implementation.

The level of support for all other measures was higher among Open House attendees than those participating in the Workshop. Potential measures to realize more affordable units such as a Housing Reserve fund, land banking and incentives for developers were strongly supported by Open House participants while there were mixed views and some strong views in opposition to these measures from some Workshop participants.

Participation in both events indicates that the community is interested in this topic and wishes to be further engaged as policies and regulations are developed.

## **WORKSHOP COMMENTS**

### **Topic 1 – Reinvigorate Policy**

#### **Measure 1 – Update Plan Edmonton**

- Plan Edmonton not much direction in AFFORDABLE HOUSING
- Need clear concise points
- Planners need policy to start out
- No provincial housing policy, need to spell out responsibility to municipalities
- Emphasis on policy
- This becomes policy. Council to endorse
- AFFORDABLE HOUSING term confused with social housing
- Related to NIMBY – AFFORDABLE HOUSING gets linked to social housing
- Yes, to be a core value and a high priority
- Looking for more direction
- Challenge: policy to lead regulation...Some of these can be done at same time
- Implementation vs. policy
- Strongly agree. More flexibility can be provided in existing zoning
- Don’t need a lot more land use designations
- Increasing complexity of zoning is a barrier
- Needs to be a “core value”
- Policy is important, but must be implementable
- Strongly agree that it should be a core value.

#### **Other Points Raised:**

- Changes to MGA – increase
  - 10 % reserve for AFFORDABLE HOUSING would require legislative change
  - We can start with policy change before legislative change.

#### **Measure 2 – Develop a “Tool Kit” for Mature Neighbourhoods**

- More flexibility in zoning
- Same thing applied to different geographical areas.
- Disagree as it looks like mandatory requirement.
- Response: Maybe criteria applied to tool kit.
- Tool kit requires flexibility in zoning.



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- Looking at level playing field.
- "Prototypes of Innovative Communities". Do more principle based approach that recognizes those innovations out of the box. 2 models: micro manage or competitive approach.
- Creative environment will work.
- Watch level playing field, may kill creativity e.g., downtown.
- Meeting public policy objectives.
- Encourage creativity: pilot projects
- In co-op housing...trying to deal with restrictions that are not helpful.
- Maybe outcome based as long as we get there.
- Identify suburban, mature, infill
- Work towards legal secondary suites and meet code. Bring them into legitimate housing supply.
- City of Edmonton has a mature neighbourhood overlay which leaves a gap between mature and green field.
- Secondary suites should apply to all areas. Smaller lots – yes.
- Tool kits included within zoning bylaw. Flexibility of building types within zoning.
- Different standard for secondary suites in infill and Greenfield.

### ***Measure 3 – "Tool Kit" for Greenfield Neighbourhoods***

- No limits on secondary suites. Consider size of area.
- Concern with minimum amount of small lots. 1 person in uses up.

### ***Measure 4 – "Tool Kit" for Large Scale Redevelopment and Infill***

- Why should one industry provide support by putting it on backs of building industry.
- Concern with definition of "tool kit".
- If provides more options then in favour.
- If mandatory - not in favour.
- Red flag about mandatory requirements.

### ***Measure 5 – Require Developers to Demonstrate How They Will Provide Affordable Housing for Larger Projects***

- e.g., Century Park, 2,800 units, 50 units for AFFORDABLE HOUSING with third party management
- Comment: needs to be demand driven.
- How do we apply the Century Park to other sites? Include criteria: transportation, social services...
- Include mix of size (include in criteria)
- Why is it land based? Not restricted to size or %.
- e.g., Century Park, 50 units, for AFFORDABLE HOUSING, 2,800 units.
- Caution on prescriptive wording...have encouragement...reaction to wording required.
- Governing principles need to address AFFORDABLE HOUSING.
- Background regarding CMHC
- Lower income families need AFFORDABLE HOUSING with services, e.g., shopping in your neighbourhood.
- Need to know what a "larger" project is.
- Problem with "perpetually affordable."



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- Concern about Numbers and Percentages. Will it produce more than is required.
- Need to be done on a universal, fair basis.

#### Other Issues Raised

- Subsidizing the person.

### ***Measure 6 – Ensure Affordable Housing Policy Built into Every Structure and Revitalization Plan***

- Applying tool kits to where the planning is going on.
- 18–20 Area Redevelopment Plans adopted in City currently
- Why are we subsidizing mortar and bricks? Student become brain surgeon (see #5).
- How to promote turn over?
- Caution that every area may not be able to contribute AFFORDABLE HOUSING.
- Caution suggestion that one size fits all, e.g., secondary suites. Working with Van. Arch. looking at secondary suites with \$750,000 townhouses.
- Write in strategy for AFFORDABLE HOUSING in plans.
- Look to City for needs for housing in geographical areas.
- e.g., Subdivision, 5% AFFORDABLE HOUSING, may not be much in some areas and lots in others. We have to be sensitive.
- What level of policy?
- Need mechanism.
- We are supposed to be at higher end of policy.
- Zoning bylaw has to conform with policy.
- Too vague.
- Need to know what the policies are before agreeing
- Agree if it is specific to an area not a percentage or number for every area.
- Concern about views misrepresented because definitions are unclear.

### ***Measure 7 – Request Alberta Municipal Affairs to Revisit Land Use Policies***

- Were not certain about issues.
- Not much direction.
- Yes, the province needs a provincial housing strategy, which would follow policy.
- Neutral because most not familiar with document. Support that it could be a core value of provincial land use doc.
- Concern about details.
- Current land use policies are broad. Perhaps Province could also address this. Good thing to be incorporated.

### ***Reinvigorate Policy – General Comments***

- Concern from development community, land set aside for affordable housing may not be used for affordable housing. There may be no market, home owners subsidizing this land.
- Caution comparing different municipalities with different markets
- 5%, the way the market is now, nothing to happen.
- Difference between affordable housing and subsidized housing

## ***Topic 2 – Reform Regulations***

### ***Measure 8 – Develop “Affordable Housing Overlay”***

- Prescriptive zoning for land use planning – e.g., overlays for AFFORDABLE HOUSING



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- Neutral position – home builders
- Overlay can be effective tool
- Targeted location, particularly transit need more definition.
- Reducing parking requirements. AFFORDABLE HOUSING – parking was inefficient land use.
- Currently use overlay in mature areas – to determine where – based on research of transit lines and usability.
- Dramatic changes concern.
- Being flexible works.
- An overlay may be a complication not a simplification.
- Do it in area development plans.
- Make changes within current zoning.
- DC not a good idea.
- Negotiation in larger development may work.
- Industry is neutral at this time (home builders). Need to discuss details.
- Regulations could change depend on age/location.
- Alter by size of site.
- Percentage of projects would work – but entire areas/zones – lead to AFFORDABLE HOUSING ghettos.
- Important to explain implications.
- Concept is interesting, but use incentives B/L of (down) in property values.
- What happens with multiple overlays?
- Increases hoops for developers to jump through.
- Can't we work with existing zones?
- Need tools of AFFORDABLE HOUSING that work everywhere.
- "Tough sell" in certain areas.
- NIMBYism
- UDI opposed to designating zones as AFFORDABLE HOUSING.
- 100% designation – applies everywhere.
- Different than site by site.
- Predetermined areas – takes choice away from user.
- If overlay isn't labeled as affordable, but rather – higher densities and different parking requirements.
- This approach acceptable.



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## ***Measure 9***

### ***Use Direct Control Zoning***

- Using DC zoning as primary zoning tool to negotiate not supported. Make changes to other off the shelf.
- Use housing overlay. An objective within the zone.
- Direct control doesn't work – B/M political decision.
- Cash in lieu – need to know details – where do \$ go? Who manages? (e.g., Calgary Transport dollars not used)
- Developer – asked to pay for AFFORDABLE HOUSING as well as original cost charges.
- Misperception – Housing in new communities is mid-high income housing. Reality: High density, entry-level, wide mix.
- No services/transit in new developments.

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## **Measure 10**

### ***Amend Zoning Bylaw to Include Secondary Suites***

- Secondary suites – typical in one-unit dwellings – not permitted in COE
- Ensure the details are spelled out.
- Home builders – supportive.
- Community consultation and stakeholder review prerequisite.
- + industry reps.
- Given “right” parameters – an excellent way to introduce affordable home ownership.
- Should be a right, not a requirement.
- Consider grandfathering, there may be objection in existing neighbourhoods.
- In-law suites / granny suites.
- Will need suites in established areas.
- One of more important tools.
- Disperses all throughout city.
- Currently no standards in place – suites bring safe housing to Edmontonians.
- Row housing – continues to face onerous costs (code related) – second suites cannot be second-class housing.
- Require reasonable building standards, not to duplex codes.
- How to apply on new/existing multi-family developments.
- Zoning issue.
- Great idea. Permitted use versus discretionary use.
- May want to have both depending on area.
- AFFORDABLE HOUSING for homeowner and renter. Gives option for families – aging in place.
- Canmore, Alberta. Required 25% th\ve basement. Suite or maximum size of dwelling.
- Suites take pressure off units for people more in need.
- Consult with industry too. Make sure it’s not too arduous.
- Single best way to introduce AFFORDABLE HOUSING is suites in new and existing areas.
- City shouldn’t over regulate it. Become a disincentive.

### ***Reform Regulations – General Comments***

- Difficult to bridge mature housing overlay and TOD – affordable housing overlay.
- 2 overlays might look quite different – technical issue to reconcile.
- Need to introduce additional zones – clearly defined zones that allow affordable housing.
- TOD – would be restrictive as a geographic area.
- Development officers have little discretion in terms of density – lots of flexibility in setbacks/side yards, e.g., 15 ft. to 5 ft. side yard.
- DC as primary tool is not a good idea – home builders prefer to introduce 1 or 2 zones.
- Problematic and time consumptive.
- Can be useful in some contexts – there is a benefit to rezoning to DC2.
- If zones are predetermined, community will object.
- DC is a working tool but not designed as the framework for affordable housing.



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## Topic 3 – Realign Processes

### Measure 11 – Fast Tracking Review/Approval

- Should be no preferential treatment. Will put other projects behind.
- Not necessary because numbers are so small.
- Streamline whole city approval process.
- Length of process is unreasonable and costly for both non-profit and for-profit sectors.
- No certainty and predictability.
- Need better regulations.
- Fast track is not an incentive for affordable housing.
- Don't sacrifice quality for speed.
- Need more resources to speed up process.
- Fast track them all.
- Housing officer to do pre-work to make 40-day deadline.
- Inexperienced builders who do not do this full time may slow process.
- Homebuilders Assoc. disagree with fast tracking for a particular sector. All applicants treated the same.
- Fast track 100% affordable or also projects that contain some affordable.
- Support fast tracking if has affordable housing component.
- Only fast tracking now is if you pay more.
- Complicated – need coordination of approval processes.
- Set time frames for fast tracking.
- Presumes that fast tracking gives greater access – may not.
- Envision a "shepherding" process.
- Need to update affordability data.
- Generally not a motivating factor to encourage affordable housing development
- Approval process can be barrier for AFFORDABLE HOUSING.
- We have never distinguished between use and user.
- Need criteria for fast tracking AFFORDABLE HOUSING.
- How do we specify user groups? e.g., 60 unit, 3 parking stalls.
- Both good initiatives.
- Without empowerment from top end it is hard to get things going.
- Matching with experienced AFFORDABLE HOUSING developers.
- #11 does not matter for non-market housing.

### Measure 12 – Allow Relaxation for Parking, Setbacks, Heights

- Problem with definition of "non-market." If mean affordable then in favour of relaxations
- Have workable zones within bylaw so you don't need so many relaxations.
- Certainty is important – too much discretion causes uncertainty.
- Has to be fair.
- Land use legislation regulates use not occupancy. Require bringing municipality on board.
- Create more work to administer.
- Change of ownership leads to change of use. Setting up separate process of users.
- e.g., 60 unit covenant on Whyte Ave. with 3 parking stalls. Look at criteria: transit station.



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- Comment: Should be applied uniformly across the board. Standards and fees over time do increase, make it less affordable.
- Is relaxation project specific or broad based? How to control unsafe conditions?
- Comment: caught in evolution of cities, e.g., parking differences from Vancouver vs. Edmonton.
- Suggestion exemption for AFFORDABLE HOUSING e.g., parking.
- Our experience has shown that there are relaxations to bylaw.
- I want my neighbours to comment on the development of AFFORDABLE HOUSING taking into account all of the things that happen in a community.
- Communities do not have the experts at their disposal.
- Challenge for developers in developing smaller lots getting questioned by transit.
- Frustration in trying to develop AFFORDABLE HOUSING with smaller lots conflicts with road requirements.
- Takes us back to #1. Perhaps AFFORDABLE HOUSING is not a core value. In City corporation (planning, transit)
- City zoning and planning should be given more latitude regarding parking, setback, etc.
- Don't treat non-market housing differently than market.
- Requirements for parking are onerous and the parking is not needed.
- Should be treated differently in some cases.
- As a user — support, have less parking and better transit.
- Limiting parking will limit the market.
- Cannot compare non-profit and for-profit providers. They have different reasons for building housing.
- Provisions need to be part of the zoning.
- Include density as one of the areas of latitude.
- Location and site specific conditions.
- Agree with #12, follows established planning principles.
- Do you make zoning more workable?
- Objective based building codes.
- Need to have continuous improvements.
- Affordability to be key principle.
- Parking needs to be site specific.
- Density, e.g., 4.79 units when we wanted 5.0, site coverage.
- Flexible zoning guidelines. It all starts with principles.
- Dangerous to suggest different standards for AFFORDABLE HOUSING.

## ***Topic 4 – Realize More***

### ***Measure 13 – Establish Separate COE Housing Reserve Fund***

- Negative:
  - If City does it and not the others in the region
  - Can affect cost of housing upwards through contribution
  - Value higher, taxes higher
  - Cash-in-lieu does not allow for mixing affordable housing in the development.
- How is money used?
- Can be good to promote mixing affordable housing into development/neighbourhood.
- What would the money be used for? Social housing versus near market housing.
- Reserve/cash-in-lieu. Increased cost of housing for homeowners in development.

- Not only from new development but conversions as well.
- Enterprise reserve fund. Millwoods land bank.
- Funds
  - 1/3 Residential (tax base)
  - 1/3 Commercial (tax base)
  - 1/3 new development (fees)
- Commercial – taxed compared to residential.
- Residential – pays for it twice.
- Social housing reserve fund. Who manages? Source of Fund? Status?

#### ***Measure 14 – Become Active in Land Banking***

- Millwood Land Bank
  - Difficult to access lands
  - Not sure how useful it would be.
- Certain lands historically put aside for good cause and not put to use.
- Existing inventory – use for supportive housing.
- But City should not be in business of land banking.
- Our goal to assist development of AFFORDABLE HOUSING for market housing + moderate income HH (supportive).
- Question on City's role in private sector industry (i.e., land developer).
- Location and affordability
- Long term view
- Land creation through rezoning
- Leasing back city owned land.
- Leasing long term can be a detriment – restricts leveraging/qualifying.
- Land banking makes sense to make available for development.
- Long-term strategy.
- Not in favour – City is not a developer.
- Historically hasn't worked.
- City sells land at reduced price for non-market
- School sites deemed redundant.
- City has choice to sell – What's being done with it.
- MGA – How much land dedicated for various uses – schools, parks.
- Long-term leasing can bring down costs.
- Use restrictive covenants (e.g., Jasper – staff housing, Canmore – why not discussing here).



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#### ***Measure 15 – Use Financial Measures as Incentive for Developers***

- Cost charges are minimal – that's not the issue.
  - Density
  - Service costs
  - Parking, etc.
- Ensure subsidies are transparent.
  - Subsidize individual not buildings.
  - This is not an income issue.
- Can't selectively subsidize some subdivisions.
- Subsidize people not buildings
- Have to do all charges/fees applied to all developers
- Must also make all related tax policy equitable.

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- Subsidize people versus land/buildings.
- Any incentive to reduce bottom line, makes a difference.
- Subsidize individual not the land or building.
- Rent supplement/rebates. Empowers people and allows them to move up along housing continuum.
- Positive financial measures may be supported.

***Measure 16 – Apply Demolition and Condominium Conversion Controls  
When Vacancy Rate is Low***

- Lots of conversion – loss of rental housing.
  - Industry/home builders opposed.
  - Rental pool will include investor control. Stopping condo conversion not that simple.
  - Targetted housing relative to housing needs and type.
  - Good rental stock important to the community.
  - Have to monitor existing rental market.
  - Where revitalization/redevelopment is needed/desired – such limits could be disastrous.
  - Beware of unintended consequences. Consider physical lifetime of structures.
  - Condo projects. Cost of utilities lower in new buildings vs. old.
  - No incentives to build rental property.
  - Land values up.
  - Federal Income Tax.
- 



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# Workshop Results February 13<sup>th</sup>, 2006

		Your Level of Agreement					Your Priority Assessment		
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	High	Medium	Low
<b>REINVIGORATE POLICY</b>									
1	Update PLAN EDMONTON to affirm that affordable housing is a core value. Include policy statements related to housing/affordable housing in PLAN EDMONTON.	100%	0%	0%	0%	0%	94%	6%	0%
2	Develop a “tool kit” of affordable housing measures suited to MATURE NEIGHBOURHOODS.	45%	37%	18%	0%	0%	47%	47%	7%
3	Develop a “tool kit” of affordable housing measures suited to GREENFIELD NEIGHBOURHOODS.	42%	21%	37%	0%	0%	45%	42%	13%
4	Develop a “tool kit” of affordable housing measures suited to LARGE SCALE REDEVELOPMENT AND INFILL.	47%	21%	21%	5%	5%	38%	13%	50%
5	For larger projects, require developers to demonstrate how they will provide, or facilitate, the construction of a minimum of 10% affordable housing (50% of which must be perpetually affordable).	33%	3%	14%	8%	42%	41%	26%	32%
6	Ensure housing policies/affordable housing policies are built into every area structure and area revitalization plan.	31%	31%	0%	3%	36%	23%	40%	37%
7	Request Alberta Municipal Affairs to revisit its Land Use Policies statement, adding expectations / commentary in relation to affordable housing.	21%	33%	15%	0%	31%	23%	40%	37%
<b>REFORM REGULATIONS</b>									
8	Develop an “affordable housing overlay” in the zoning bylaw for areas close to transit.	12%	20%	24%	7%	37%	21%	48%	31%
9	Use Direct Control zoning as the primary means to negotiate for affordable housing units.	7%	9%	18%	34%	32%	14%	21%	64%
10	Amend zoning bylaw to include secondary suites as an “as-of-right” permitted use in most situations. Details to be the subject of further community consultation for four situations: <ul style="list-style-type: none"> <li>■ Suite in <u>new</u> home – Greenfield</li> <li>■ Suite in <u>new</u> home – Infill</li> <li>■ New suite in <u>existing</u> home</li> <li>■ Existing suite in <u>existing</u> home</li> </ul>	79%	9%	6%	6%	0%	80%	15%	4%



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## Open House Comments

### #1

Thank you for such a well-directed and informative Open House on this critical issue. As this "mature" neighbourhood of Central McDougall is in the process of the North Edge Study (Bylaw), this topic is of central interest to many residents. Please continue to involve us.

### #2

As a member and resident of the city core, I am aware of the problem of affordable housing. Both short term and long term planning is required at the current time. The uses of areas suggested on this questionnaire are strong points for discussion. Areas such as pointed out in Section #10 "Secondary Housing" should be activated with strong bylaw control as to site plans for the secondary housing unit (relaxation of housing in this area could lead to abuse that has been noted in the past in Edmonton) of...Bonnie Doone and along Jasper Avenue downtown. Efforts as to area 16 could be set up to encourage affordable housing in the area of Co-op housing which CVCHA (?) also looks at when demand is also in the 2% range. I feel strongly that both the city and the communities should be involved from conception of any development to incorporate affordable housing. Would it be possible to keep up to date as this phase of affordable housing is developed.

### #3

I like the idea of relaxing parking requirements near public transport.

### #4

This is a great help for the homeless and very low income who are planning to buy their own home to keep/not renting. I think when you paying rent, it not your place and you don't learn about ownership. When you buy own home, you learn about ownership and keep up which is very important. I hope there is a course first before people buy their own place for affordable housing so they will know everything. Downtown and intercity needs a great help for it hardly.

### #5

Financial "Aid"/incentives to encourage non-profits/the development low-income housing has the most impact. Whether that be grants or changes to policy for infrastructure requirements (e.g., split servicing or semi-detached). Need building design standards.

### #6

Good presentation boards and survey. The key is action not more planning/study to make a difference on affordable housing.

### #7

Good review. Let's hope politicians and communities realize the benefits.

### #8

In addition to basement suites in existing houses, I would like to see the capability to add a separate granny suite or suite over a garage at an existing house/lot. ...conversion of schools (not the school grounds), conversion of local commercial strip malls should also be considered. There also needs to be more choice in terms of accommodation for seniors. Not all of us want to live in wood-frame constructed condos. For many seniors such condos are also not affordable. The zoning bylaw and mature neighbourhoods overlay are a deterrent in many ways to the development of new and unique measures to provide affordable housing. This bylaw and the overlay need to be re-examined, as well as policies. A great deal of community consultation will be required to gain community support for more affordable housing.



### #9

Ensure “affordable housing” units are interspersed in different forms (i.e., unit, secondary suite) throughout a development. Integration will not allow “ghetto-fication.” High design standards will ensure a space can be small, affordable, yet, pleasant. Rewards and incentives to developers who integrate sustainable measures (i.e., geothermal heating, solar heating) which will keep those houses affordable on an ongoing basis. I’m surprised this hasn’t been included.

### #10

No comments

### #11

Insufficient attention is being paid to the problems that the current and historical approach to “affordable” housing are causing. Most of this comes from the area concentration and type of housing being built. The focus is on the need and on the creation of numbers of units. In Edmonton, if steps aren’t taken to prevent it, this will mean dumping large numbers of units on Boyle, McCarley, Central McDougall and Alberta Avenue (areas currently overburden with both “affordable” housing and social housing). This is because of lack of resistance and stereotypes of non-profits and the city at large. Developers and Edmontonians currently do not want to build or live adjacent to affordable housing because it is concentrated and means crime and degradation. Therefore developers will not want to try to sell units beside “affordable” units and will attempt to circumvent regulations by building unit #'s in non-resistant areas. We need to solve the problems currently or, at least, put in clear strategies to address current concerns in order to sell Edmontonians on de-concentrated housing.

### #12

My concern is a lack of clear articulation on strategies to prevent affordable housing concentration (either within a project or a neighbourhood), while attempting to increase the number of units, i.e., not for profit organizations would be building only affordable units, thus concentrating. I feel that it is very realistic that the City can take a leadership role on shaping development. Other successful cities have demonstrated this expectation. Government can take a leadership role in creating a win-win relationship with developers, i.e., 10% affordable will work for them too, but they need to believe in the city’s leadership). Also, there should be a generally supportive approach to increasing the city’s density (increase density, sure to maintain affordability, despite increasing land value, also increase sustainability).

### #13

I am a senior living in rental property, within the Central McDougall area. This area has rebuilding needs, vacant lands and many low-income people. It needs funding to revitalize, so do not continue to extend the exterior boundaries with new sub-divisions in every direction.

### #14

No comments

### #15

One obvious area that is missing is financial help for the people – not in \$ but that for one reason or another cannot qualify for rental (due to credit rating) or ownership – being unable to qualify for mortgage because of temporary disability – and having to sell home even though making payments regularly. Another area is some people live in homes that need some updating, but are unable to afford it. A grant system might be useful and keep houses livable. Some areas of the city, e.g., Boyle Street Co-op is a community already with natural leaders and introduction/support getting into the work force. A co-op housing unit nearby, could help with this process, especially if workshops, art facilities, incorporated into building. Have a



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maintenance/renovation company, that low income people can trust. There are subsidized senior developments right next to high priced units and you cannot tell the differences. Good design does not have to be expensive. Have units, low cost, downtown where the poorly paid support staff can live. Instead of thinking 10%, why not look at the % makeup of the city. Make sure the stats do not intentionally leave out groups, e.g., the homeless and those without phones. If you have family units, variety of income levels throughout the city, communities, the schools will be consistently utilized. Having units for "new Canadians" with a few grouped fairly close to one another, but where they will interact with others in the community, they will feel part of the community but easily able to maintain the customs, etc., that makes them who they are. Those with mobility disabilities need housing close to wheelchair accessible transportation.

## #16

A very tricky questionnaire, with numerous items subject to qualification and interpretation. Without a doubt communities throughout the city should shoulder a fair share of the social housing, affordable housing or otherwise. That certainly is not the case today, where a small number of communities become the reservoir for all of societies social challenges. Social housing, particularly affordable housing, should be spread throughout the city, and throughout development projects, rather than being part of one large project in the same communities ad nauseam. That is why special development parameters are unnecessary. Just as I am reluctant to support large incentives in affordable housing inner city communities, until our more affluent suburban ones have taken their quota. Direct Control (DC 1 & 2s) invariably are subject to political manipulation. Make the rules firm and irrevocable for all communities in their respective CARP's, ASP's etc. I am very suspicious of secondary suites that can be nothing more than cash flow cows for greedy speculators, particularly in older houses. Infill usually (not always) occurs in mature neighbourhoods, where there is often an abundance of social housing. We should be focusing on greenfields and affluent communities who chatter on about social responsibility, but are rarely willing to accept it in their own communities. Finally, we need to be careful about zoning any social housing near transit, since it opens the door to concentration, and the rationalization by some communities that social housing doesn't belong in their part of the community because of transit shortfalls.



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# Open House Results February 13<sup>th</sup>, 2006

		Your Level of Agreement					Your Priority Assessment		
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	High	Medium	Low
<b>REINVIGORATE POLICY</b>									
1	Update PLAN EDMONTON to affirm that affordable housing is a core value. Include policy statements related to housing/affordable housing in PLAN EDMONTON.	73%	27%	0%	0%	0%	71%	29%	0%
2	Develop a “tool kit” of affordable housing measures suited to MATURE NEIGHBOURHOODS.	67%	33%	0%	0%	0%	70%	23%	6%
3	Develop a “tool kit” of affordable housing measures suited to GREENFIELD NEIGHBOURHOODS.	57%	43%	0%	0%	0%	73%	19%	6%
4	Develop a “tool kit” of affordable housing measures suited to LARGE SCALE REDEVELOPMENT AND INFILL.	60%	33%	7%	0%	0%	69%	23%	8%
5	For larger projects, require developers to demonstrate how they will provide, or facilitate, the construction of a minimum of 10% affordable housing (50% of which must be perpetually affordable).	67%	20%	7%	7%	0%	77%	8%	15%
6	Ensure housing policies/affordable housing policies are built into every area structure and area revitalization plan.	60%	20%	13%	7%	0%	54%	38%	8%
7	Request Alberta Municipal Affairs to revisit its Land Use Policies statement, adding expectations / commentary in relation to affordable housing.	33%	40%	13%	0%	13%	33%	25%	42%
<b>REFORM REGULATIONS</b>									
8	Develop an “affordable housing overlay” in the zoning bylaw for areas close to transit.	67%	27%	6%	0%	0%	62%	38%	0%
9	Use Direct Control zoning as the primary means to negotiate for affordable housing units.	20%	33%	20%	27%	0%	42%	29%	29%
10	Amend zoning bylaw to include secondary suites as an “as-of-right” permitted use in most situations. Details to be the subject of further community consultation for four situations: <ul style="list-style-type: none"> <li>■ Suite in <u>new</u> home – Greenfield</li> <li>■ Suite in <u>new</u> home – Infill</li> <li>■ New suite in <u>existing</u> home</li> <li>■ Existing suite in <u>existing</u> home</li> </ul>	36%	43%	21%	0%	0%	46%	38%	16%



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		Your Level of Agreement					Your Priority Assessment		
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	High	Medium	Low
<b>REALIGN PROCESSES</b>									
<b>11</b>	Introduce a procedure for “fast tracking” review/approval processes for affordable housing projects.	33%	33%	7%	7%	20%	38%	31%	31%
<b>12</b>	Allow relaxations for items such as parking, setbacks, heights for non-market housing projects and use a “housing agreement” to ensure these relaxations are adhered to.	7%	40%	13%	40%	0%	18%	64%	18%
<b>REALIZE MORE</b>									
<b>13</b>	Establish a COE Housing Reserve Fund.	50%	29%	14%	0%	7%	64%	18%	18%
<b>14</b>	Become active in land-banking through strategic purchases and leasing.	60%	13%	20%	7%	0%	58%	33%	9%
<b>15</b>	Use financial measures as an incentive for developers.	43%	43%	7%	7%	0%	50%	50%	0%
<b>16</b>	Apply demolition and condominium conversion controls when vacancy rate is low.	21%	15%	21%	21%	21%	18%	55%	27%



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## Key

Measures with high level of agreement and high priority.

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# Appendix D2:

## Post-Consultation Event Letters

February 17, 2006

Ms. Linda Allen  
CitySpaces Consulting  
Suite 910, 688 West Hastings Street  
Vancouver, BC V6B 1P1

Dear Ms. Allen:

On February 13, 2006, thirteen members of the Canadian Home Builders' Association – Edmonton Region (CHBA-Edmonton) attended the City of Edmonton Land Use Planning Measures for Affordable Housing workshop. The workshop provided the opportunity for good discussion; we appreciated the opportunity to participate and provide input.

We fully support updating Plan Edmonton to affirm that housing affordability should be a key objective to be pursued by our City. We would like to reaffirm our fundamental principles in this connection. They are:

- The right of all Canadians to decent, safe, and appropriate housing.
- The right of all Canadians to a reasonable opportunity to own their own home.

The realization of these fundamental principles requires a partnership between government and the housing industry. While the industry actually builds housing, our Association endorses the principle of industry/government cooperation. This cooperation is required to achieve the above principles while improving quality, affordability and choice.

In the past, governments reviewed housing policy in Canada in consultation with the industry and other participants. This review identified the following four fundamental components of sound housing policy:

- The government has a legitimate role in housing the needy and disadvantaged through targeted and cost-effective policies and programs.
- The government has a responsibility to provide a stable environment in which the housing industry can operate effectively.
- Market housing should not be stimulated or otherwise unduly interfered with through the actions of government.
- There will be prior consultation between the government and industry before significant changes are made to housing policies or programs.



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Web [www.chbaedmonton.ca](http://www.chbaedmonton.ca)

The CHBA – Edmonton Region believes that these fundamentals provide a solid foundation for sound housing policy. They identify the legitimate roles of government and industry and have formed the basis for the industry's approach to consultations for a great many years. The Association remains firmly committed to these fundamentals which define the industry's relationship with government and its approach to housing issues.

Turning to the specific aspects of Cornerstones, the Association has the following comments:

1. We strongly support the proposed measures to increase income and services for persons who are homeless and in need of emergency shelter.
2. We support the plan to provide housing to those with special needs.
3. We propose that the City of Edmonton in cooperation with CHBA - ER and others pursue with the provincial and federal governments the use of rent supplements and portable housing allowances in order to help those who have adequate housing but simply lack the income to be able to afford it.
3. We support the efforts by governments to secure lands for housing accessible to those with special needs, such as shelters, provided that the costs of such actions are financed by all taxpayers.
4. We do not support the idea of a 5 or 10 percent dedication of land for targeted "affordable" or social housing, on the following grounds:
  - This amounts to a forced donation by one land-owner.
  - The provision of social housing should be borne by the general tax-paying public.
  - It is entirely inappropriate that future home buyers should cover a cost appropriately paid by the tax-paying public as a whole.
5. We would support inclusion of government-supported housing in long-term planning provided that the costs of land and housing are borne by the general tax paying public. This should be done in advance of future development, and not as a retroactive step.
6. We also support zoning to facilitate secondary/accessory suites in order to increase the supply of units that can readily be afforded by those with modest incomes.
7. Government-imposed costs, such as Development Cost Charges, fees and levies, must be kept as low as possible in order to increase the opportunities for individuals to own their own home.

It is our understanding that the workshop is the first in many steps to bring government and all stakeholders together. We look forward to participating in the next steps by bringing our expertise, experience and commitment to housing choices to the table.

Yours truly,

On behalf of the Canadian Home Builders' Association – Edmonton Region

A handwritten signature in black ink, appearing to read 'Peter Jackson', written over a circular stamp or seal.

Peter Jackson  
President

cc: Peter Ohm, Senior Planner, City of Edmonton  
Daryl Kreuzer, Senior Planner – Housing, City of Edmonton  
Mayor Mandel  
City Councillors  
Urban Development Institute



**Urban Development Institute Alberta**  
Greater Edmonton Chapter

March 15, 2006

RECEIVED

MAR 20 2006

Ms. Linda Allen  
CitySpaces Consulting  
Suite 910, 688 West Hasting Street  
Vancouver, BC V6B 1P1

Dear Ms. Allen:

Thank you for the opportunity to participate in the February 13<sup>th</sup> workshop in Land Use Planning Measures for Affordable Housing. The workshop was well attended by our industry and other interested parties which resulted in a spirited and informative debate.

The workshop provided some much needed clarification and addressed the current confusion around the terms affordable and social housing. We believe that much of the discussion in the past confused affordable housing with social housing. For clarification, we are addressing affordable housing, in this letter and future discussions, as defined below:

*"affordable housing" is rental or ownership housing that provides permanent accommodation to low-income household (individuals and families) who earn less than the median income and spend more than 30% of their gross household income on housing. Typically, households who live in affordable housing do not require on-going support services or housing subsidies.*

### **Current Industry Role**

The development industry plays an integral role in addressing housing affordability in Edmonton. In the past number of years the industry has worked hard to ensure that Edmontonians have a wide spectrum of options and choices of housing. Under the definition above, many of our new communities, through mixing and increasing densities, provides significant affordable housing choices.

The background material provided at the workshop clearly identifies high density, high land value cities as having the "best" solutions (Vancouver, Toronto). It also clearly

states that brownfield high-density sites have been successful in meeting affordable housing needs. As it applies to Edmonton, there needs to be an acknowledgement of Edmonton's history, how it grows and where we (all stakeholders) want growth. Given that 75% of the new growth is suburban, there will be a tendency to focus on greenfield developments for a solution to the issue. However, we submit that under current market housing, our new communities are providing affordable housing.

### **5% Land Dedication For Affordable Housing**

Recent discussions (Cornerstones) introduced the notion of a 5% dedication of land targeted for affordable housing in all new developments. As you may be aware, this was first imposed in Edmonton in the 1970's as a method to address social housing needs. This land was targeted for publicly owned, subsidized housing, as opposed to market, affordable housing. This is an important distinction as the definition established in our workshop is different than the housing that was provided under the previous program.

From the industry perspective, it is not clear to us how giving 5% of the land in a community satisfies the goal of this exercise - providing for affordable housing within the marketplace. It also needs to be noted that any land dedication requirements will only increase the costs of the remaining housing being offered in a new neighbourhood which will be counter productive.

In the past few years, the development industry has continued to manage significant increases in costs with the largest contributors being city fees and charges, increased regulation, additional study and testing costs and delays in project approvals, creating, in part, a shortage of available housing product. An affordable housing tax of 5% land dedication simply exacerbates the situation, further shrinking the current "affordable" housing market.

We, as an industry, do not support such a requirement.

### **Secondary Suites**

As an industry, it is our view that the recognition of secondary suites is the simplest and most direct method for addressing affordable housing needs in Edmonton. As this tool can apply to new and existing housing, it provides an even distribution and opportunity for affordability throughout the City. We strongly support this action.

### **Need for a Policy**

Currently, the City of Edmonton has no clear policy direction for affordable housing. In many circumstances, the inclusion of affordable housing requirements in new development plans are ad hoc, made at the last minute and do not reflect a solution with long term vision. This creates an uneven and inequitable playing field and results in unclear and ineffective policies. The development of clear policy, in consultation with the stakeholders, will establish a clear and even development environment.

We look forward to further discussions and working with all stakeholders to find a workable, equitable made-in-Edmonton solution to address this important issue. Any solution must recognize that housing affordability is a societal issue and all of society must share equally in any solutions.

Yours truly,

*for: L Swedde*  
Peter Cavanagh  
Chair

cc: Peter Ohm  
Senior Planner, Planning and Policy Services  
City of Edmonton

Daryl Kreuzer  
Senior Planner, Housing Services  
City of Edmonton

Mayor Mandel & Members of Council  
City of Edmonton

Peter Jackson  
Chair  
Canadian Home Builders' Association –Edmonton Region

**The Communitas Group Ltd.**

200, 12120 106 Avenue, Edmonton, AB. T5N 0Z2 Phone (780) 482-5467 Fax (780) 488-5102  
E-Mail [group@communitasca](mailto:group@communitasca)

MEMO TO: Peter Ohm

cc Daryl Kreuzer

George Kelly, Edmonton Coalition of Housing and Homelessness (ECOHH)

MEMO FROM: Lynn Hannley

Date: April 17<sup>th</sup> 2006

RE: Land Use Charter Input Session

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I have volunteered on behalf of ECOHH to provide you with feedback regarding the session. As you are aware ECOHH has been working on the issue of affordable housing in the Edmonton region since 1987. A number of our member organizations attended this session and as a result ECOHH discussed the session at a recent membership meeting and offer the following comments and suggestions.

Those attending the session appreciated being invited. There was a problem with the format of the session and as a result the output was not as positive as it could have been.

**Overall Format:**

Part of the problem was the fact that the discussion took place on a general almost academic level. It would have been more productive if the discussion was grounded in more specific detail regarding who we were trying to house and how the specific land use measure might assist in providing affordable housing for the target market within the Edmonton context. While there was an attempt at the beginning of the session to define "affordable housing" for the purpose of this discussion more specific targets needed to be defined to enhance the overall discussion.

Affordable housing was defined as rental or ownership housing for households who earn less than the median income, spend more than 30% on housing and do not require ongoing assistance (support services or housing subsidies). Since half the households earn less than the median income it would be useful to have a more detailed description of just which households earning less than the median income the affordable housing would be targeted towards- those earning 80% ? 60? 50%? 40%? It would also be useful to know how many households fall into the various income categories - for example it would be useful to know what % of the households earn what % of the median income. We are looking at quite different issues depending upon the income distribution of households who earn less than the median income - for example, a community where 80% of households below the median income earned between 100 and 80% of the median income may require quite different approaches than a community where 80% of households below the median income earned between 80 and 60% of the median income.



Both the rental rates and house prices that were used were the average prices. While the average prices may give an indication of a measure of affordability, they do not give us any idea of the distribution or availability of housing within the Edmonton market. As illustrated in the table below there are a number of ways of measuring of market rates.

Unit Type	2 Bed
Average Market (CMHC 2005 Rental Market Survey)	\$732
80th Percentile (CMHC Affordability Criteria 2005 - Based upon 2004 Rental Rates)	\$810
65th Percentile (CMHC Affordability Criteria 2005 - Based upon 2004 Rental Rates)	\$749
Market Rate (Extrapolated Based upon CMHC Affordability Criteria)	\$1,013

More detailed information on both the rental and ownership housing stock is necessary facilitate informed discussions and decision making.

With more detailed information and more specific targets the participants would have been able to review and analyze the various measures from a problem solving perspective. This would have resulted in more hands on level of examination of the measures rather than the general level of feedback that was sought on each measure and have allowed the groups to work through the measures in a concrete way to see how they would be implemented in Edmonton. Not having this data or focus resulted in discussion groups that were very polarized – the development industry vs. the community. Some non-profit and community based representatives felt overshadowed by the development industry representatives present and as a result a number of concerns and issues of the non-profits did not emerge. This was in part due to the restricted time lines for discussing each measure as well as the dominance by the development industry representatives in the smaller group setting.

### Level Playing Field

Not everyone who attended had the same level of background information or experience. Many thought that there was too much information presented with an expectation of understanding and response on the spot which exerted pressure on a number of non-profit organizations present. For community participation and consultation to be meaningful and not just token - all participants must have the same basic information as a starting point. Information is power. There are a number of ways that people can be provided with the information base:

- send out the information well in advance
- have a pre-session orientation

### The Time to Analyze and Review Measures

The lack of affordable housing is a serious and growing problem in this City as well as in many other parts of the country. We all need to look at ways of addressing this issue. While many of those present from the development industry would have us believe that they would solve the problem if those needing housing were merely given assistance to acquire housing from them,

historical experience and experience from other jurisdictions has shown that this simply is not the case. Housing is a complex issue that requires the efforts of a variety of participants including but not limited to industry, the non-profit sector, government, the financial sector and the community at large. As Paul Schissler stated “ We cannot change the global economic trends that are affecting wage rates, but as a community we can affect the cost of housing so that people can afford to live here” (Washing State Housing State Finance Commission, Newsletter Issue April 2006).

In order for all of us to address the issue of affordable housing community consultation sessions must provide participants with adequate time to review the base information, have a meaningful discussion and dialogue and think through and develop solutions that will work. An afternoon workshop that looks at a variety of options like that on the 13<sup>th</sup> of February does not accomplish this.

In conclusion, there is no doubt that some of the 16 measures would be applicable in the Edmonton context. We think that because of the process and the way the events of the day unfolded, measures that could work might be prematurely discarded. Before moving ahead it is important to review the measures in more depth within the Edmonton context. Members of ECOHH certainly are interested in ongoing participation and would willing to work with the City on this matter, and request that the City facilitate a process that would allow for a more in-depth analysis.

If you have any questions or require further information, please do not hesitate to contact me. Thank you.

Yours truly

Lynn Hannley

# Appendix E:

## Secondary Suites Study



# APPENDIX E

## SECONDARY SUITES STUDY

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## SECTION 1 – INTRODUCTION

Increasingly, secondary suites are recognized as a legitimate and desirable form of affordable rental housing in many Canadian communities. Suites are found within homes throughout mature neighbourhoods and in most suburban subdivisions. They are often an affordable home for students, single people of any age, young working couples and small families.

This report was written to assist the City of Edmonton develop a secondary suites program that is suited to Edmonton's current and future needs. It provides practical information gathered from the experiences of a number of cities that have a *permissive and proactive approach* towards secondary suites. The report also puts forward a broad framework of a potential secondary suites program for consideration by the City of Edmonton and community stakeholders.

### 1.1 The Important Role of Municipalities

Municipalities help or hinder secondary suites through policy, zoning, enforcement, taxing and spending practices.

The City of Edmonton has an ambivalent approach to secondary suites. While the City has no formal policy regarding suites as a means of affordable market housing, the zoning bylaw does establish a use class for secondary suites. Significantly, however, secondary suites are a "discretionary use", not a "permitted use" in any zone. This means the use is at the discretion of a Development Officer. Attachment A identifies Edmonton's current zoning provisions in relation to secondary suites. Insofar as enforcement of illegal suites is concerned, the City acts principally on a complaints-only basis.

As part of a related project<sup>1</sup>, CitySpaces Consulting undertook a scan of land use policies and regulations in eight large Canadian cities. From that scan, three cities were identified as having *permissive* secondary suite land use policies and zoning – Toronto, Saskatoon and Vancouver. The details of zoning and occupancy standards for these three cities are provided in Attachment B. CitySpaces' research also revealed that, in addition to permissive land use approaches, these cities have a proactive approach towards secondary suites.

Working from the initial findings, CitySpaces undertook additional research with staff in Toronto, Saskatoon and Vancouver in order to learn how their respective programs are implemented, what components have been most successful, and what continues to provide challenges. Additionally, we examined secondary suite practices / programs of other municipalities in Ontario and British Columbia<sup>2</sup> where there is a track record of being both permissive and proactive.

### 1.2 The Case for Secondary Suites

With little new construction of market rental apartments, continued strata-title conversions of existing rental apartments, and a reduction in government housing programs, there has been huge pressure on rental markets in cities across Canada. One



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<sup>1</sup> CitySpaces Consulting Ltd. Land Use Measures and Affordable Housing. In Progress.

<sup>2</sup> BC Government. Secondary Suites: A Guide for Local Governments (2005), prepared by CitySpaces Consulting Ltd. and James Pratt for the BC Ministry of Community, Aboriginal and Women's Services.

result of these combined factors is that secondary suites have become a significant source of affordable rental housing. The private market leads government policy in this regard.

It is easy to understand the appeal of secondary suites. There are benefits for the homeowner, the renter, and the community.

### **1.2.1 Benefits for the homeowner**

- Purchasing a house with a suite, or adding a suite, can make it possible for people with limited equity to purchase a home. Conventional lenders now factor up to 80% of the extra income derived from a suite in qualifying potential mortgagees.
- Owners on a fixed income and increasingly frail seniors often remain in their own homes longer by renting a secondary suite.
- Having someone living close by can provide a sense of security.
- Helps families stay together. An owner may provide a suite as a first home for an adult child, or as accommodation for an elderly relative.

### **1.2.2 Benefits for the renter**

- Suites in homes provide more choice for renters where affordability is a major determinant. They also provide renters more choice in neighbourhood location.
- Suites open directly to the outdoors; often there is an associated patio or garden – especially welcomed by households with children, or those with pets.
- Being closer to services they use, such as schools, shopping, parks.

### **1.2.3 Benefits for the community**

- Expanding rental housing stock without the need for government subsidy. Suites increase the affordable housing stock and take some pressure off existing non market housing.
- Suites increase the rental housing stock without significantly changing the appearance / character of detached housing neighbourhoods.
- Adding density makes more efficient use of already paid-for municipal services, such as roads, sidewalks and sewers. This applies equally to other services – schools, libraries, recreation facilities,
- Make use of existing community facilities in neighbourhoods that have undergone population declines – for example schools, houses of worship, parks and recreation facilities.
- Likely to increase the number of transit users within a neighbourhood, thereby encouraging transit-supportive communities.

### **1.2.4 Extra benefits when suites are legalized**

- Legalized secondary suites provide improved security for renters and make them less fearful of reporting unsafe conditions.





- Renters may be more willing to be identified by census takers. More accurate census counts are likely to result in higher population numbers, and hence, increases in population-based funding, including federal transfer payments.
- Legalization encourages disclosure and upgrading of existing suites by homeowners.
- Legalized secondary suites that are inspected and deemed safe can reduce the potential for potential legal action against the homeowner in event of fire or injury to a tenant.
- More certainty about the number of dwelling units in an area allows more accurate planning for municipal services and infrastructure.

### *1.3 Issues and Challenges*

Despite the identified benefits, there are a number of issues and challenges identified with legalization.

- In communities where suites have not been permitted in areas zoned as single detached, some homeowners are apprehensive or oppositional if a change is proposed to allow them. Often-mentioned concerns are increased traffic and parking, impact on their property values, loss of trees and open space, changing social and physical character of the neighbourhood. In some cities, parking is a particularly challenging matter, recognizing the technical challenges of snow clearing, garbage collection and emergency response.
- Owners of homes with illegal secondary suites are seen to be paying less than their “fair share” of property taxes. This is an irritant to other home owners who do not have a suite or who would like to add a suite but will not do so unless it is legal.
- Existing suites may have been constructed without a building permit. This means that at least some of the health and safety standards set out in the applicable building code may not be met.
- Municipalities continue to wrestle with the right balance between proactive enforcement and responding only to complaints. The former approach is costly and is likely to lead to closure of rental properties; the latter approach helps to fuel people’s views of “unfairness”, and reinforces a culture of non-compliance.
- A municipality may be vulnerable to legal action in case of injury or death associated with an unsafe suite if it pursues the approach of non-enforcement.
- For a homeowner with an illegal suite, there are disincentives to come forward in situations where suites do become a legal use. These include the cost to upgrade to meet the municipality’s requirements, and potentially a licensing or registration fee and higher tax assessment.



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## SECTION 2 – EXPERIENCES OF SELECTED CITIES

The authors have canvassed various cities that are known to have permissive and proactive approaches to secondary suites. The material in this section of the report describes and highlights the experiences of several cities.

### 2.1 City of Vancouver

With a population close to 600,000, Vancouver has the hottest housing market in the country. The average price for a single detached home was forecast to be \$625,000 in 2005.<sup>3</sup> Housing affordability has been an issue in Vancouver for many years and secondary suites are one of the ways of responding to a tight rental market.

Vancouver has a suite program that has evolved over several decades. City staff estimate there are more than 25,000 secondary suites – more suites than all non market housing dwellings combined.

The suites program is managed through the City's Housing Centre of the Community Services Department. The chief aims of the program are to encourage upgrading of illegal suites and to ensure that all new detached homes are designed to be "suite ready", regardless of whether the homeowner intends to create a suite.

In March 2004, the City approved changes to the Zoning and Development Bylaw that make it possible to have a secondary suite in every detached single family home. Council also approved the relaxation of various building code standards to facilitate the secondary suite process. Examples of these changes include:

- One on-site parking space is acceptable for a house with a secondary suite, if the house was built prior to March 23, 2004;
- Installation of an interconnected hard-wired smoke alarm replaces the former requirement for a partial sprinkler system; and
- Reduction of ceiling height requirement for an existing house to 6'6" over 80% of the suite area and in all areas of exit from the suite.

There was broad community acceptance for secondary suites and almost no controversy when the "as a right" zoning came into effect. Requests for special inspections and applications related to existing buildings more than doubled from 71 to 150 between 2003 and 2004.

The 2004 bylaw included transitioning provisions. All previously identified "phase-out" suites (not in compliance with zoning) were legalized without fees or inspections as long as the ceiling heights were 6'6" and the primary dwelling and secondary suite had interconnected hard-wired smoke alarms.

Further relaxations were approved in 2005 to facilitate the development of conforming legal suites. These were:

- Revising the definition to eliminate the need for internal access between the two dwelling units;



- Relaxing the requirement for accommodation below grade from 0.8 m (2.62 ft.) to below the finished grade of the adjoining ground to 1.5 m (4.94 ft.); • and
- Establishing the same minimum site area relaxations and external design regulations for dwellings with suites as one family dwellings.

Other features of the suites program include:

- For tenancy within existing suites, the City's main focus is on fire, life-safety and health. The City has adopted its own set of standards, separate from the BC Building Code;
- For new construction of a new one-family dwelling with a secondary suite, the City requires a restrictive covenant to be registered on title, preventing future strata-titling;
- For suites being upgraded, a one-time inspection and permit fee of between \$700-\$800 is charged;
- For existing suites that have not been upgraded, the City will act on a complaint basis from immediate neighbours or tenants who are directly impacted. The owner will be required to upgrade the suite or it will be closed;
- An annual Business License fee of \$204 and annual sewer and water fees of \$155 are charged for each suite; and
- The City has prepared a series of bulletins and web pages to help a homeowner through the various stages involved in either putting in a new suite in an existing house, or keeping an existing suite that has no prior permits or approval.

Vancouver's "suite readiness" approach is unique among the cities we studied. For many years, following a final inspection, owners of newly constructed homes were putting in one or two suites that did not meet code. The City now tries to prevent this practice by encouraging owners to seek approval of a suite at the time of construction. This goes as far as requiring the installation of utilities, fire and life-safety measures in a new single detached dwelling, thus making them "suite ready". This includes electrical service sufficient to handle both the principal dwelling and the suite. It also provides for more flexible use of housing stock as the needs of the owner change.

## 2.2 City of Saskatoon

Saskatoon's population is approximately 207,000. Secondary suites are viewed as a valued contribution to affordable housing. Unlike cities like Vancouver where low rental vacancy rates and high home purchase costs drive the need for more affordable housing options, Saskatoon has a higher rental vacancy rate (4.6% in 2005) and moderate income families are still able to purchase a home. Secondary suites are considered to be an important component of maintaining the vitality of mature neighbourhoods and provide housing choice, particularly for students and lower income singles.



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At the time Plan Saskatoon was updated, residents identified a desire to legalize secondary suites. This led to a 1999 zoning bylaw amendment to permit secondary suites in single detached dwellings throughout Saskatoon on lots with a width of 11.43 m or more. For lots with widths less than 11.43 m, a secondary suite is a discretionary use. The minimum development standard is 7.5 m wide.

The key feature of Saskatoon's program is the emphasis on *alternative construction standards* for secondary suites. The City wanted to encourage landlords to upgrade illegal suites to acceptable health and safety standards and recognized that costs to upgrade to the full extent of the National Building Code were prohibitive. In 1993, the City of Saskatoon received a grant through CMHC to develop Construction Standards for Accessory Suites. Instead of requiring all illegal suites to be immediately brought up to code or be closed, the City decided to develop regulations that would encourage landlords to comply and improve the health and safety standards of their suites in a more economical fashion.

A specially assembled team from Community Planning, Building and Standards, and Zoning Standards Branches of the Planning and Building Department, the Nutana Community Association, the Fire Department, the Social Housing Advisory Committee, the University of Saskatchewan Students' Union and the Saskatoon Home Builders Association worked on the project. It involved:

- Preparing an accessory suite inspection guide;
- Testing a sample of accessory suites (landlords from the Nutana neighbourhood volunteered their suites for inspection);
- Evaluating and modifying the building code; and
- Preparing educational materials, including brochures and video.

The work was reviewed and supported by the Saskatchewan Landlords' Association. The results have included high landlord compliance due to the lowered costs and retention of affordable rental housing. Modified standards are also applied to new construction, making it more cost effective. (Refer to Attachment B for these modified standards.)

The involvement of various municipal departments, landlords and a local community association was key to gaining buy-in and consistent use of the modified building requirements. Saskatoon planners report that the modified building requirements have worked very well. Liability has never been an issue and the City's view is that there is no greater liability than ignoring unsafe suites.

The majority of illegal suites come to the City's attention through complaints from tenants and neighbours. When a suite is determined not to be in compliance, a City planner works with the home owner to evaluate the suite using the inspection guide and determines how a minimum of health and safety standards can be met. The City continues to provide up to six months to complete upgrades depending on what needs doing, whether the suite is occupied and whether the home is owner-occupied. About 90% of owners chose to upgrade rather than remove their suite. Staff tend to give more time to owner-occupied homes as these owners show the most willingness to increase safety for tenants and themselves, but may not have financial resources to get all work done right away. The City charges a one time change of use fee of \$250.



Saskatoon has budgeted for about 40 legalizations per year. There are currently 50 to 60 applications, so there is a growing backlog. The department directly involved has three development officers for bylaw enforcement and building inspections. Each one does some secondary suite reviews and inspections. City staff estimate that the total workload is about 1.5 FTE, including overview by a planner.

### 2.3 City of Toronto

Toronto, with a population of 2.48 million, is the fifth largest municipal government in North America. A 1998 restructuring combined six municipalities. These municipalities had varying approaches to secondary suites (second suites, as they are known in Toronto). Since July 2000, Toronto has had an “as of right” policy for second suites in all single and two-unit detached housing areas and in some row house areas as well. The bylaws of the six former Toronto municipalities have now been amended to contain harmonized zoning standards. (Refer to Attachment B for details). Second suites make up an estimated 20% of all rental housing in Toronto.

The Toronto program focusses on the benefits to the landlord of legalizing a suite. These include:

- Comfort in knowing that the suite meets all required fire, building and housing standards (is safe);
- Reduced liability by enhancing insurance and ensuring mortgage holder knows about second suite; and
- No worry that a neighbour or unhappy tenant will report the suite as illegal.

All second suites must comply with fire, building and housing safety standards based the Ontario Building Code, city bylaws and the Fire Code. *New suites must* meet the Ontario Building Code. Existing suites must comply with *alternate building standards*. For a \$150 fee, Fire Services will inspect the suite and either give a letter of clearance to legalize the suite or refer it for an upgrade and indicate when a building permit will be required.

An interesting feature of Toronto’s program is the proactive work of landlords through the Landlords Self-Help Centre. Landlords have worked collaboratively with the City’s Urban Development Services staff and the Housing Centre in order to promote legal second suites. A series of educational materials including a *Homeowner Guide to Second Suites* and events such as the 2004 Second Suites Housing Forums help homeowners create or upgrade second suites. The City also provides an information kit on how to create a second suite that meets all fire, building and housing safety standards.

Notwithstanding the City’s commitment to helping landlords legalize a suite, the City does have the authority to fine up to \$25,000 for an illegal suite.

### 2.4 Other Selected Cities with Permissive Programs

Guelph is a growing city in central Ontario with a population of about 120,000. Although home ownership is still relatively affordable, rapid growth puts demands on housing supply. Secondary suites (or accessory apartments as they are known in Guelph) are considered to be a crucial housing option. When legislation reform in 1994 required



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Ontario municipalities to permit secondary suites “as of right” in all single detached dwellings, Guelph began to put together its secondary suites program. When the legislation was repealed, the City opted to continue the program.

- About 75 new units have been created each year, for a total of 600 by 2003. Accessory apartments account for an average of about eight per cent of total annual housing development in the city. About 80 per cent of the new accessory units are located in recently built areas and 20 per cent are in older areas.<sup>4</sup>
- To be legal a suite must be inspected and the property registered as a two-unit house. It must meet the regulations of the City of Guelph zoning bylaw and either the Ontario Building Code or the Ontario Fire Code, depending on the age of the suite.
- In new construction, the builder will normally signal during the planning review process the intention to install an accessory unit. Typically, the accessory unit is roughed in but not installed until after the main dwelling is completed. This allows the builder to claim that the accessory unit results from the conversion of a single-family to a two-family building, thereby taking advantage of an exemption for such conversions under the *Ontario Development Charges Act*.
- Staff resources to develop the policy were related to the Official Plan; zoning bylaw changes were part of the City’s normal operating budget. Increased workload for inspection and registration of accessory suites has resulted in an approximate 0.5 FTE.
- The City requires owners to register their suite but does not charge a registration fee on the basis that this would discourage owners.
- City staff report that community support for secondary suites was initially low. Several residential neighbourhood associations in the older areas of the city, and some individuals, expressed concerns about the impact accessory apartments could have on neighbourhood form and character. However, over the several-year consultation period, these concerns dissipated and there was very little opposition when Council came to consider the Official Plan and zoning bylaw changes.

The City of New Westminster, in the Greater Vancouver Regional District, has a population of approximately 58,000 (2004 estimate). It has a core area of older homes and the lowest rental rates in the GVRD. A significant portion of the rental housing stock is in the form of secondary suites. Suites have been allowed in all single detached dwellings in the city since 1998. In order to be legal suites must:

- Conform to City of New Westminster “Design Standards and Guidelines for Houses with Secondary Suites” (Refer to Attachment B);
- Comply with Technical Requirements for Secondary Suites (building code equivalency);

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<sup>4</sup> CMHC. Residential Intensification Case Studies Accessory Apartment Policy - Guelph Ontario



- New legal suites in existing homes and new legal suites in new homes require a building permit. For suites created *after* July 6, 1998, there is a requirement to legalize the suite or remove it. For suites created *before* July 6, 1998, if there is not a source of serious health, safety or neighbourhood impacts then the City does not take action to enforce. If there are problems then the City will investigate and the suite will have to be removed or legalized;
- A City inspection is required in order to legalize existing suites (\$200 fee). If the suite does not meet the City's standards, the inspector will advise of work that needs to be done in order to conform with the Technical Requirements. Usually this work requires a building permit. Before receiving authorization the owner must register a covenant on title; and
- The City of New Westminster employs a full-time Secondary Suites Co-ordinator and two part-time clerks to administer the program.

Abbotsford, with a population of 127,000, is BC's fifth largest municipality. A survey in 1995 showed that 80% of residents favoured legalizing secondary suites. This eventually led to policy and bylaw changes whereby the City permits secondary suites in all one-unit residential zones including rural residential, country residential, suburban residential, urban estate, urban hillside and urban residential. The only exception is an urban compact lot zone (less than 930 m<sup>2</sup>).

- Suites are required to be registered. There is a \$500 fee to register an existing suite. An infrastructure fee of \$250 is payable with the annual tax notice.
- Registration confirms that suites comply with the BC Building Code and zoning bylaw. (The City does not regularly use code equivalencies.)
- Unauthorized suites may be fined \$200 per day. Abbotsford has an active enforcement program, checking newspaper suite rental ads and BC Assessment Authority information. As a result of enforcement, about 20% of suites are closed, 80% legalized.
- Public education materials are readily available and there was a one-year grace period for registration after the program was introduced.
- Abbotsford staff indicates a high level of compliance and estimates there are approximately 3,500 suites.

In another Greater Vancouver municipality – the City of North Vancouver – *new* secondary suites must meet the Secondary Suites provisions in the BC Building Code. If *existing* suites cannot meet building code, then "code equivalencies" are considered and a reasonable amount of time (not a set period of time) is provided for the owner to comply. This is to avoid suite closures. The City of North Vancouver was among the first to pioneer "code equivalencies" and staff have gained considerable experience with this approach.



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## 2.5 Summary of Program Features and Outcomes

Experiences vary widely across Canada, even among cities that have permissive zoning and proactive approaches. The following material identifies unique features and outcomes of secondary suites programs.

### **City of Vancouver**

- "As a right" zoning simpler than previous approaches; resulting in more homeowners coming forward to upgrade their suites.
- "Suite readiness" now *required* for all new detached homes; anticipates need for flexibility of housing stock.
- Covenant now *required* to ensure suites remain as rental; prevents strata-titling.
- Staff estimate there are more than 25,000 secondary suites — greater than the total supply of non market units.

### **City of Saskatoon**

- Suites permitted use in regular sized lots throughout city; discretionary use on small lots.
- City and stakeholders jointly developed alternative building standards for suites; very high compliance with new standards.

### **City of Toronto**

- Collaboration among city staff, landlords and community groups to promote second suites and encourage legalization.
- Staff estimate that second suites comprise 20% of rental stock.

### **City of Guelph**

- Streamlined approval process with no fees, except a one time registration fee.
- 600 new suites in eight years.

### **City of New Westminster**

- Full-time secondary suites coordinator.
- 160 new suites built in six years.
- Design guidelines for homes with suites built before and after new zoning bylaw in 1998.



## SECTION 3 –FOR FURTHER CONSIDERATION

This section of the report organizes what has been learned from the experiences of other cities in order to promote further discussion on how the City of Edmonton, working with community stakeholders, could develop its own comprehensive Secondary Suites program.

### 3.1 Shared Experiences and Perspectives

Of the examples used in this report, each city that has a permissive and proactive approach to secondary suites has developed policies and practices best suited to its own circumstances. There are, however, certain shared experiences that may assist the City of Edmonton develop its own policies and practices.

- It is easier to introduce secondary suites in greenfield settings, than to deal with the challenges of transitioning in mature neighbourhoods.
- For existing suites where the applicable building code is too onerous, cities have developed their own alternative standards that focus on life and healthy safety.
- Stakeholder consultation throughout the development of a secondary suites policy improves community acceptance. This is particularly true for mature neighbourhoods. The entire process of consultation and transitioning may take several years.
- A fair and consistently-applied program that recovers costs for increased utilities and municipal services is generally viewed as acceptable by homeowners.
- Public education materials and City staff resources are essential to assist homeowners who have existing non-conforming suites.
- The use of an amnesty period, grandfathering, and reducing initial homeowner costs (inspections, utility fees, licensing) encourages homeowners of existing suites to disclose and upgrade.
- Closure of hazardous suites, where a homeowner cannot or will not upgrade in a reasonable period of time, is appropriate.



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### 3.2 Overcoming Disincentives to Legalization

One frequently-cited concern of municipal administrators about secondary suite programs is that there are more disincentives than incentives for homeowners to legalize existing suites. A major disincentive has been the cost to upgrade a suite to meet building codes. From the research undertaken, there are several initiatives that are worth further exploration by the City of Edmonton.

#### 3.2.1 Loans and Grants

In 2005, CMHC expanded the Residential Rehabilitation Assistance Program (RRAP) to aid in the creation of secondary and garden suites. Homeowners are now eligible to apply for RRAP funds to create a secondary suite. The assistance is in the form of a *fully forgivable loan* that does not have to be repaid provided the owner agrees to certain conditions of the program. Loans are up to approximately \$24,000 in southern Canada. These

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conditions include entering into an Operating Agreement that establishes rents that can be charged. There is also a ceiling on the income of a tenant.

CMHC has also made it easier for borrowers wishing to purchase a home with a secondary suite to do so with as little as five per cent down. Up to 80 per cent of the gross rental income from the suite can be used for income qualification purposes.

The Province of Saskatchewan has adopted a broad policy direction to assist in development of legal, conforming secondary suites. A matching grant program for homeowners is expected to begin in the spring of 2006. Conditions for receiving the grant will be similar to those of the CMHC RRAP program described above. The program will be administered by the Saskatchewan Housing Corporation.

### **3.2.2 Inducements**

The *Ontario Development Charges Act* provides for a waiver of charges for conversion of a single detached home to a two-unit home. The allows a homeowner to build a house as “suite-ready” and, after an occupancy permit is issued, complete the secondary suite, thus qualifying as a conversion.

Some municipalities provide positive and negative inducements to encourage owners with existing suites to make them legal and conforming. The City of Coquitlam in BC, for example, waives the standard utility charge for a suite for a one-year grace period. It also charges only 40% of the per-household utility rate for legal secondary suites, but 100% for suites that are not legalized or decommissioned.

### **3.2.3 Building Code/Alternative Life Safety Standards**

As discussed in previous sections, the municipalities cited in this report have been proactive in developing their own health and safety standards for suites. They all faced a common dilemma – to continue to ignore existing suites that were potentially hazardous and risk potential litigation or close existing suites that could not meet the applicable building code, thereby displacing tenants and losing affordable rental stock. Given this untenable situation, each municipality chose to develop its own standards for suites rather than try to work with the applicable building code whose requirements were primarily oriented to a “new build” situation.

Some provinces have recognized the challenges and have developed amendments better suited to secondary suites. For example, in BC, the building code was amended in 1998 specifically for secondary suites. In practice, the amendments mean:

- Ceiling heights can be lower;
- Sound control between units is not mandatory;
- Handrails, exterior landings and exits can be similar to those required in a house;
- Window locations, corridor widths are a reasonable standard; and
- Revisions to fire and safety provisions.

However, even with the amendments to BC’s building code, municipalities have found that there is not sufficient incentive for the owners of homes with existing suites to come



forward to legalize them. The costs are prohibitive compared to the return. In response, several BC municipalities have adopted their own alternate life safety standards for existing sites. The use of these standards is seen as a way to improve the quality and safety of the rental housing stock and minimize suite closures.

The Province of Alberta has been working on potential amendments to the Alberta Building Code pertaining to secondary suites. It is expected that draft amendments may be issued in Spring 2006 as a basis for further consultation.

### ***3.3 Elements of a Potential Secondary Suites Program for Edmonton***

This section of the report puts forward a broad outline of key elements for a potential secondary suites program for Edmonton. While this goes beyond the original terms of reference of this work, the authors hope that it will provide a helpful framework for discussion among City staff, elected officials and community stakeholders.

#### ***3.3.1 Suggested Objectives***

- 1) To expand the number of new legal secondary suites that meet acceptable health and safety standards.
- 2) To legalize existing secondary suites, ensuring these meet acceptable health and safety standards.
- 3) To decommission hazardous, non-compliant suites if they cannot meet acceptable health and safety standards within a reasonable period of time.

#### ***3.3.2 Suggested Strategies – Four Distinct Situations***

- 1) New suite designed and built in a new home at the time of construction – *greenfield* setting.
- 2) New suite designed and built in a new home at the time of construction – *infill* setting.
- 3) New suite being added to an existing home.
- 4) Existing suite in an existing home.

***NOTE: The following blank table is suggested as a framework for use during the development of the requirements and guidelines for each of the four distinct situations in Edmonton.***



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	Type 1 Suite in new home — greenfield	Type 2 Suite in new home — infill	Type 3 New suite in existing home	Type 4 Existing suite in existing home
Zoning — Minimum Lot Width				
Zoning — Minimum Lot Size				
Zoning — Principal Building Minimum Size				
Zoning — Suite Maximum Size				
Zoning — Suite Minimum Size				
Zoning — Occupancy				
Parking Requirement				
Exterior Design				
Additional Design and Livability Guidelines				
Covenant Requirement				
Building Requirements				
Inspection Fee				
Licensing				
Utility Fee				
Amnesty/ Transition				
Incentive — COE				
Grant or Loan				
Consultation				
Community Education				
Development Officers — Staffing				
Building Officials — Staffing				
Enforcement Officials — Staffing				



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### 3.4 Concluding Comments

The municipalities cited in this report are taking both *a permissive and a proactive approach* to secondary suites. In the coming months, the City of Edmonton will assess what steps it might take in connection with the legalization and facilitation of secondary suites. The authors trust that this report serves as a building block for the development of a “made in Edmonton” approach. If the City chooses to move forward on secondary suites, the following actions might be considered:

- Organization and facilitation of collaborative group(s) to work with COE to discuss zoning provisions, alternative building requirements, and design / livability guidelines. The work of these groups will *potentially* lead to:
  - Preparation of text amendments to the zoning bylaw;
  - Preparation of alternative building requirements for existing suites;
  - Preparation of design and livability guidelines for use by developers, builders and homeowners; and
  - Preparation and promotion of public education materials (print and web-based) and community workshops.
- (Re)assigning staff and, potentially adding new staff, especially in relation to the upgrading of existing suites in existing homes — development officers, building inspectors.



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## ATTACHMENT A – CITY OF EDMONTON ZONING

Edmonton's Zoning Bylaw (No. 12800) is comprehensive and easily navigated using the web site. The authors have reviewed the bylaw and have identified key aspects of the bylaw in this attachment that pertain to secondary and garage suites.

The Bylaw includes a definition of a "secondary suite".

- **"Secondary Suite** means development consisting of a self-contained Dwelling located in a structure in which the principal use is Single Detached Housing. A Secondary Suite has cooking, food preparation, sleeping and bathing facilities which are separate from those of the principal Dwelling within the structure. For the purpose of this clause, "cooking facilities" includes any stove, hotplate, oven, microwave oven, toaster oven or electric griddle, as well as any wiring or piping containing the energy or power source for such facilities. A Secondary Suite also has an entrance separate from the entrance to the principal Dwelling, either from a common indoor landing or directly from the exterior of the structure. This Use Class includes Conversion of Basement space to a Dwelling, or the addition of new floor space for a Secondary Suite to an existing Single Detached Dwelling. This Use Class does not include Duplex Housing, Semi-detached Housing, or Apartment Housing, where the structure was initially designed for two or more Dwellings, and does not include Boarding and Lodging Houses".

The City of Edmonton's zoning bylaw follows a conventional approach to uses – permitted and discretionary on a zone by zone basis. Discretion rests with the Development Officer, often taking into account specific regulations.

- **"Permitted Uses** means those uses of land, buildings or structures for which Permits must be issued by the Development Officer, if the development meets all applicable regulations".

The City also uses an "overlay" approach to differentiate specific areas or circumstances.

- **"Overlay** means additional development regulations superimposed on specific areas of the Zoning Map, which supersede or add to the development regulations of the underlying Zone".

### Secondary Suites

At the present time, none of the zones allows secondary suites as a "permitted use". Secondary suites are a "discretionary use" in a number of zones. Some of the regulations of these zones make it difficult to develop a suite. Additionally, the provisions of Section 48 (separation space) add significantly to the costs of a suite.

Secondary suites are a discretionary use in the following zones.

- RF4 - Semi-detached Residential
  - minimum Site Width of 12.0 m
  - minimum Site Depth of 30.0 m
  - minimum Site Area of 100 m<sup>2</sup> for a Secondary Suite.



- TSDR - Terwillegar Single Detached Residential  
- minimum Site Area of 100 m<sup>2</sup> for a Secondary Suite.
- TSLR - Terwillegar Small Lot Residential  
- minimum Site Width of 10.4 m  
- minimum Site Depth of 30.0 m  
- minimum Site Area of 100 m<sup>2</sup> for a Secondary Suite.
- RF1 Single Detached Residential  
RF2 Low Density Infill  
RF3 Low Density Development  
- where the Side Lot Line abuts a lot in an Industrial, Commercial, Row Housing, or Apartment Zone, or is not separated from it by a public roadway more than 10.0 m wide.  
- generally, other provisions as per RF4 Zone.
- RSL Residential Small Lot District  
- where the Side Lot Line abuts a lot in an Industrial, Commercial, Row Housing, or Apartment Zone, or is not separated from it by a public roadway more than 10.4 m wide.  
- generally, other provisions as per RF2 Zone.  
- also, the Development Officer may exercise discretion in considering Secondary Suite development having regard to compatibility, height, materials, effect on privacy of adjacent properties, among other matters.

### *Garage Suites*

The Terwillegar area of southwest Edmonton was a departure in planning of suburban areas, incorporating a number of innovations designed to make better use of the land and encourage more housing choices. Terwillegar single detached and small lot residential zones also allow for a "garage suite" as a discretionary use.

- **"Garage Suite"** means development consisting of a self-contained Dwelling located above a rear detached Garage which is Accessory to Single Detached Housing. A Garage Suite has cooking, food preparation, sleeping and bathing facilities which are separate from those of the principal Dwelling located on the lot. For the purpose of this clause, "cooking facilities" includes any stove, hotplate, oven, microwave oven, toaster oven or electric griddle, as well as any wiring or piping containing the energy or power source for such facilities. A Garage Suite has an entrance separate from the entrance to the rear detached Garage, either from a common indoor landing or directly from the exterior of the structure. This Use Class does not include Secondary Suites".

Some of the regulations that apply to this use include:

- Only above a rear detached Garage;
- Minimum site area of 100 m<sup>2</sup> — in addition to the minimum Site Area provided for the principal Dwelling;
- Maximum Floor Area of a Garage Suite shall be 50 m<sup>2</sup>;



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- Minimum Side Yard for a detached Garage shall be 0.9 m, for structures 3.7 m or less in Height, and 1.2 m for structures greater than 3.7 m in Height;
- One on-site parking space, not in tandem with any other required parking;
- The number of unrelated persons shall not exceed three;
- Secondary Suites and Garage Suites shall not be developed on the same Site; and
- The Development Officer may exercise discretion in considering Secondary Suite or Garage Suite development having regard to:
  - Compatibility of the Use with the siting, Grade elevations, Height, building types and materials characteristic of surrounding Single Detached Housing and development; and
  - The effect on the privacy of adjacent properties.

### *Note to Reader*

While the material in this attachment has been sourced from relevant municipal documents, in some cases, the authors have summarized and simplified aspects of the material for ease of reading and presentation. If the reader must rely on the details of the respective bylaws and standards, we recommend direct consultation with staff of the City of Edmonton.



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## *ATTACHMENT B – BYLAWS AND OCCUPANCY STANDARDS, SELECTED CITIES*

### *Saskatoon – Zoning Bylaw*

Bylaw No. 7800 (as amended to 2003) regulates secondary suites. In Saskatoon, the definition of a secondary suite means:

- “A self contained dwelling unit which is an accessory use to, and located within, a detached building in which the principal use is a one unit dwelling”.

The bylaw also contains these provisions:

- Secondary suites may be located only in detached one unit dwellings and shall occupy no more than 40% of the gross floor area of a dwelling, including the area of the basement;
- In order to accommodate a secondary suite, the principal building must have a gross floor area, including the area of the basement, of at least 100 m<sup>2</sup>;
- The maximum size of a secondary suite shall be 65 m<sup>2</sup>;
- No more than one secondary suite may be located in any detached one unit dwelling;
- A secondary suite shall contain no more than two bedrooms;
- No more than three persons may occupy a secondary suite;
- One off-street parking space is required for a secondary suite in addition to at least one off-street parking space for the principal dwelling. The parking space for the principal dwelling may be located in a required front yard. The parking space required for the secondary suite shall not be located in a required front yard unless the subject site has no access to a rear lane, and shall be paved, sited and screened to the satisfaction of the Development Officer;
- Where a secondary suite has an entrance which is separate from that of the principal dwelling, the entrance may only be located on a side or rear wall of the principal dwelling; and
- Secondary suites shall comply with all relevant requirements of the National Building Code, or equivalencies as may be established by the Development Officer, and Property Maintenance and Occupancy Bylaw No. 7400.

Type I secondary suites are permitted uses in all residential zones on a site with a site width of 11.43 metres or greater; Type II secondary suites are discretionary uses in all residential zones on a site with a site width of less than 11.43 metres. The minimum lot size for a Type II suite is 7.5 m.

### *Saskatoon – Occupancy Standards for Existing Suites*

The City of Saskatoon has developed new occupancy standards for existing suites. As of January 1, 2002, all existing suites built before January 1, 1999 have to comply with these requirements. These standards focus on life and health safety code issues and include the following items.



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- Access to each suite must be gained without passage through a service room.
- Dwelling units must be separated from each other (vertically and horizontally) by a fire separation having a fire resistance rating of not less than 30 minutes.
- The furnace room must be separated from all adjacent areas by a 30 minute fire rating (walls only). A solid core door complete with latch and closer is required.
- Interior exit stairs must be separated from the remainder of the building by a fire separation having a fire resistance rating of not less than 30 minutes.
- Doors and door frames from the common exit into the dwelling units must have a 20 minute fire resistance rating and be equipped with a latch and closer. (A 45 mm thick solid core door and 38 mm solid wood casings is acceptable).
- Rise and run, width and headroom of stairs must reasonably conform to National Building Code and stairs must be provided with handrail/guardrail.
- Ceiling height in exit corridor cannot be less than 1.95 m. Projections or obstructions cannot reduce the headroom clearance beyond 1.80 m.
- Ceiling height in all rooms of the second suite cannot be less than 1.95 m over 75% of the area. Projections or obstructions cannot reduce the headroom clearance beyond 1.80 m.
- Hard wired smoke alarms must be installed in each dwelling unit in accordance with the current National Building Code.
- A smoke detector must be installed in the furnace room and must be interconnected with the smoke alarm on the main level.
- The second suite must have at least two openable windows to the outside (one must be in each bedroom). Size of the bedroom window(s) cannot be less than 380 mm high and 0.35 m<sup>2</sup> in area.
- All bathrooms must have mechanical or natural ventilation.
- All bathrooms must be fully enclosed and have a lockable door.
- Combustion air is required into the furnace room.



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### *Toronto – Zoning Bylaw*

Toronto's Second Suite Bylaw was approved by the Ontario Municipal Board in 2000 and contains the following requirements / parameters:

- As-of-right anywhere in the City of Toronto;
- Maximum two units per residential dwelling;
- Applicable only in single-detached and semi-detached dwellings;
- Dwellings must be at least five years old;

- The size of the second suite is less than the floor area of the remaining structure;
- No additions or substantial alteration to exterior appearance;
- No roomers or boarders;
- The units can only be divided horizontally;
- The second suite cannot be located in an accessory building or attached garage; and
- Minimum two on-site parking spaces must be provided.

### *Toronto – Occupancy Standards for Suites*

New second suites can be created in existing homes and old ones legalized if certain minimum requirements are met. The City of Toronto's web site outlines most of these requirements, as follows.

- The detached or semi-detached house must be at least five years old.
- The front of the house cannot be significantly altered to change its appearance from that of a one-unit building.
- Stairway exit walls and a continuous ceiling in the unit must have appropriate fire-rated drywall separations from the other unit. Exit doors must have a specified minimum size and thickness.
- The unit's exits must satisfy the Fire Code (if existing) and the Building Code (if new). While it is best to have a separate exit for the unit, a shared exit is acceptable in some circumstances.
- The basement unit must be smaller than other units in the building.
- Certain property standards must be met concerning minimum ceiling heights (6 feet, 5 inches) and minimum window sizes.
- All units must have operating smoke alarms. A carbon monoxide detector may also be required.
- Bathrooms have to have either a window or exhaust fan.
- Inspections by the Electrical Safety Authority and the local fire department are required for existing units.
- The fire inspection is often called a fire code retrofit certificate, but compliance certificates from the fire department and electrical authority alone do not mean that the apartment is completely legal.
- An additional parking space is required for the new unit in most areas of the city.
- Newly created units require building permits before construction begins.



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## *Vancouver – Zoning Bylaw*

Vancouver's zoning and development bylaw (No 3575) does not contain a definition of a secondary suite. The primary reference to a secondary suite is through the definition of a "One-Family Dwelling with Secondary Suite":

- "One-Family Dwelling with Secondary Suite means a building containing only two dwelling units, of which the secondary suite is smaller than the principal residence".

The zoning bylaw includes general regulations that apply to *all* dwelling units. The following are of particular relevance to secondary suites:

- Minimum floor area of 37 m<sup>2</sup> (but may be as small as 29.7 m<sup>2</sup> if design and location of the unit provides satisfactory living accommodation, having regard to the type of occupancy proposed).
- Floor must be no more than 0.8 m below finished grade of the adjoining ground. If the Chief Building Officer is satisfied re: provision of adequate damp proofing, lighting, ventilation, heating and secondary access, this may be 1.83 m for a one family dwelling with a secondary suite.

## *Vancouver – Occupancy Standards*

A joint Development & Building Permit is required to carry out upgrading work and to formally change the use of a one-family dwelling to a one-family dwelling with secondary suite. The upgrading requirements are identified through a Special Inspection of the building, where three inspectors (Building, Electrical and Plumbing/Gas) attend the property together. The general upgrading requirements are:

- Houses built after March 23, 2004 require two on-site parking spaces of 8' x 18'. In some cases, a site peculiarity may allow a relaxation. A durable surface is required for parking spaces.
- A minimum existing ceiling height of 6' 6" is required over 80% of the suite area and all exit routes. If the house is raised or the basement lowered to provide more ceiling height, full ceiling height of 2.3 m (7' 7") is required.
- Existing lath and plaster in good condition, or minimum ½ inch gypsum wallboard is required on walls and/or ceilings between the primary dwelling unit and the secondary suite. Self-closing devices are also required on any inter-connecting doors between units.
- For sprinklered buildings, interconnected smoke alarms, installed with a permanent connection to an electrical circuit, are required outside every bedroom, and at least one smoke alarm on every storey.
- For unsprinklered suites, in addition to the above requirements for smoke alarms, these smoke alarms must be equipped with battery backup and manual silencing devices which will silence the alarm for a period of 10 minutes, after which the alarm will continue to function.



- The main electrical service must be sized to accommodate all electrical loads (e.g., usually two electric ranges and two electric dryers will require a minimum 100 amp service).
- Existing plumbing and gas fixtures must be properly installed with approved traps and vents.
- Furnace and hot water tank vents require proper clearance from combustible materials.
- Gas appliances must be installed in a safe and approved manner.

### *Abbotsford – Zoning Provisions*

The zoning bylaw contains the following provisions:

- Limited to one per lot and to a maximum floor area of 90 m<sup>2</sup> or 40% of the net floor area of the principal building, whichever is less;
- Only be permitted where the building is occupied by the registered owner of the lot as his/her principal place of residence;
- Not permitted where there is a residential care use or accessory boarding use on the lot; and
- Not permitted on a lot with a lot area of less than 540 m<sup>2</sup>.

### *New Westminster – Zoning Provisions*

Since July 6, 1998 the City has allowed owners of single detached dwellings in areas zoned for single detached or two-family dwellings to create one secondary suite (or authorize one existing suite) per property. New Westminster uses the following definition for secondary suites:

- “Is a dwelling unit that is accessory to a single detached dwelling and is comprised of one or more habitable rooms and intended for use as a separate and independent residence. A secondary suite contains sleeping facilities, a bathroom and cooking facilities that are for the exclusive use of the occupant(s) of the suite”.

The bylaw includes the following provisions:

- Not to exceed 40% of the total cross sectional area of the house, not less than 350 sq.ft.; not greater than 968 sq.ft.;
- No part constructed below flood construction level;
- Not stratified, subdivided or otherwise legally separated from the main dwelling unit;
- One off-street parking space;
- One secondary suite per single detached dwelling; and
- Covenant incorporating all of the requirements and indemnifying against liability in favour of the City.



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