

AFFORDABLE HOUSING PLAN

Report Purpose

To establish an Affordable Housing Plan for Strathcona County

Recommendation

THAT Council approve the Affordable Housing Plan.

Background/Justification

Strategic Plan: (mark beside the applicable sections)

Governance			Community Well Being	X
Community Sustainability		X	Economic Viability	X
Service Delivery		Stakeholder Communication		Resource Management

Legislative/Legal:

To be able to access funds from the Provincial Municipal Sustainability Housing Program and Capital Enhancement Program we must approve an Affordable Housing Plan.

Economic:

N/A

Social:

The affordable housing plan supports **social inclusion** by removing barriers to housing for a variety of vulnerable people, including those with lower incomes, and health or special needs. When people are able to remain in their community, regardless of their life stage or change in circumstances, it enhances **community connectedness** for all residents. Safe, adequate housing is also a major determinant of **health and wellness**. Finally, it fulfills the principle of **social responsibility** by providing a range of housing options for those who have different needs than the majority.

Environmental:

N/A

Stakeholder:

Consultation with stakeholder groups has occurred.

Interdepartmental:

Corporate Planning and Intergovernmental Affairs, Planning and Development Services, Legislative and Legal Services, Family and Community Services, Economic Development and Tourism

Summary

Under the Municipal Sustainability Housing Program and Capital Enhancement Program, the Province is providing grant funding to assist Strathcona County to increase the supply of Affordable Housing and Transitional Housing Units. To access this funding we have undertaken a housing needs assessment which identified our gaps and provided information which allowed us to make recommendations for an Affordable Housing Plan. The entire Housing Needs Assessment Report will be located on the Strathcona County website. After approval of the recommendations they will be forwarded to the province with a signed agreement.

Enclosure

I Affordable Housing Plan (*CorpPlng.9397*)

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1.0 AFFORDABLE HOUSING PLAN

1.1 Conclusions

The County's definition of affordable housing is "*housing that is modest in terms of floor area and amenities, based on household needs and community norms (modesty assurance guideline), without spending more than 30% of gross income on housing, where income is below 80% of Strathcona County's median income (need threshold).*"

1. Through the existing Strategic Plan, Municipal Development Plan and Social Sustainability Framework, Strathcona County is committed to increasing the supply of affordable housing and providing for more housing choice.
2. A buoyant Alberta economy has dramatically driven up the cost of both ownership and rental housing throughout the Capital Region. The rental market is expected to remain tight with extremely low vacancy rates and increasing rents and few new rental units being constructed.
3. As Strathcona County's population continues to grow, so will the demand for special needs housing.
4. The population group facing the biggest housing affordability challenges are:
 - People living on Assured Income for the Severely Handicapped (AISH);
 - Lone parents under the age of 35;
 - Singles under the age of 25;
 - Single seniors on fixed income with low assets; and
 - Women leaving abusive homes.
5. The key affordable housing gaps in Strathcona County verified by stakeholders include:
 - Affordable Market Rental Housing;
 - Entry-Level Ownership Housing;
 - Subsidized Rental Housing; and
 - Special Needs Housing
6. Current initiatives underway in Strathcona County to encourage housing diversity and affordability include:
 - allowing live/work units;
 - allowing family care dwellings;
 - ability to waive building permit fees for not-for-profit housing projects;
 - Built Green Rebate Program; and

- exploring new policies that would allow secondary suites.
7. Through roundtables with housing stakeholders, the seven (7) tools identified as priorities for facilitating the development of more affordable housing in the County include:
- Secondary suites;
 - Increased density through lot size and design;
 - Inclusionary housing policies;
 - Development levies;
 - Modifying development standards;
 - Retaining affordable housing; and
 - Sharing facilities (co-housing)

1.2 Recommendations

The following recommendations are structured actions that should be taken to address the housing gaps. They are based on the findings of market research, as well as input from housing stakeholders, County Council and the Project Steering Committee.

Under the provincial Municipal Sustainability Housing Program, Strathcona County is eligible for year-one funding of \$5,097,346 in 2007/08. The intent of the recommendations below is that all housing initiatives receiving funding under the Municipal Sustainability Housing Program will remain affordable for a minimum of 15 years. We project that approximately 115 affordable and transitional housing units will be created in Strathcona County as a result of the Program's year-one funding.

Gap #1 - Affordable Market Rental Housing

This refers to non-subsidized market rental housing for lower income families and individuals who cannot afford average market rents and who do not qualify for rent supplements (income above Core Need Income Threshold level). It is recommended that Strathcona County allocate 20% of provincial funding through the following options:

1. Amend the Land Use Bylaw to allow the development of secondary suites in various residential land use districts in Strathcona County for both the Urban and Rural Service Areas.
2. Provide grants to homeowners to develop secondary suites. It is further recommended that the County and applicant enter into a grant agreement to ensure that rental rates established for secondary suites are affordable for a minimum of 15 years. To minimize the impact on established neighborhoods, criteria for the grant program should include the use of sustainable development items that conserve water or energy, such as low-flush toilets and energy-efficient fixtures and appliances.
3. Initiate a developer proposal call for either private or non-profit developers to develop an affordable rental housing project on County-owned land in partnership with the County.

4. Have the Affordable Housing Implementation Committee explore a system of incentives that include but are not limited to density bonusing and expedited approvals for developments that include a perpetually affordable rental housing component.
5. Explore partnership opportunities with private industry to develop housing for the construction phases of major upgrader projects which could become affordable rental housing once no longer needed for construction workers.
6. Amend the Land Use Bylaw to allow for secondary housing for workers for agricultural operations.
7. As part of establishing a housing bank, purchase existing condominium / apartment units from developers to provide affordable rental housing to residents.
8. Provide seed money to non-profit groups wanting to establish a housing cooperative
9. Provide funds to an organization to build apartments for lower income seniors.

Gap #2 - Entry Level Ownership Affordable Housing

This refers to affordable ownership housing. It is recommended that Strathcona County allocate 20% of provincial funding through the following options:

10. Provide funds to facilitate the construction of affordable ownership housing units.
11. Have the Affordable Housing Implementation Committee work with developers and homebuilders to encourage the construction of more modest forms of housing in terms of size and finishes. This may require amendments to existing area structure plans and the Land Use Bylaw to limit the maximum size of units on particular development sites.
12. Use County-owned land to reduce the cost of entry level ownership housing on a leasehold site.

Gap #3 - Subsidized Rental Housing

This refers to rental housing for low-income families and individuals capable of independent living on Assured Income for the Severely Handicapped, social assistance or earning incomes below Core Need Income Threshold levels. It is recommended that Strathcona County allocate 20% of provincial funding through the following options:

13. Create a housing authority to be responsible for acquiring sites and developing and managing subsidized rental housing units.
14. Provide funds to an organization to build apartments for low income seniors.
15. Ensure low income residents are aware of rent supplement programs administered through the Capital Region Housing Corporation to subsidize rental units.

Gap #4 - Special Needs Housing

This refers to housing that is affordable and that provides assisted or supportive living for individuals with special needs. It is recommended that Strathcona County allocate 20% of provincial funding through the following options:

16. Provide funds to an organization for apartments for individuals who suffer from some form of mental illness.
17. Assist in acquiring land to build a new facility for housing special needs residents.

Implementation

18. Allocate 1% of provincial funding to establish a County housing registry to help people find rental housing and to facilitate shared accommodation.
19. Establish an Affordable Housing Implementation Committee to oversee implementation actions to ensure that affordable housing solutions are effective and sustainable over the long run.
20. Have the Affordable Housing Implementation Committee provide an annual report that evaluates the outcomes and effectiveness of affordable housing initiatives for each of the three years of the provincial program funding.
21. Have the Affordable Housing Implementation Committee make recommendations to Council on strategic land purchase. It is recommended that 17.5% of provincial funding be allocated for land purchase.
22. Allocate 1.5% of provincial funding for administration of the above recommendations.