



**Policy Title: Acquisition of Affordable Housing Lands for Municipal Purposes**

**Policy Number: CS001**

**Report Number: LASC2005-123**

**Approved by: City Council**

**Effective Date: 2005 04 July**

**Business Unit: Office of Land Servicing and Housing**

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### **BACKGROUND**

- Affordable Housing is a Council priority as identified in *Looking Ahead, Moving Forward 2002-2004*
- The Corporate Affordable Housing Strategy (CPS2002-57) approved by City Council in July 2002, defined Affordable Housing for The City of Calgary and identified eight City of Calgary roles in housing by establishing goals and policies for each role. The City identified, Direct Funding and Development and Management and Operation of Non-market (social) Housing as two of the roles. The City of Calgary was identified as the primary provider (through the Calgary Housing Company, a subsidiary of The City of Calgary) of the non-market (social), non-seniors housing portfolio in the city. The strategy established that the City would strategically contribute municipal resources to the development of new affordable housing projects, by leveraging other contributions. It also identified that the City would contribute financial resources, preferably in the form of land, to capital projects undertaken primarily by The City and secondarily by the community.
- On 2003 July 9, Council approved the Affordable Housing Implementation Plan (AHIP) which directed Administration to maximize the Affordable Housing Partnership Initiative (AHPI) funding from which a target of 200 units was to be delivered annually by an “engaged” private and non-profit sector. To date there has been a limited response from the private and non-profit sectors in availing themselves of AHPI funding. Council’s target of 200 units was not achieved in 2003.
- On 2004 June 07, in response to the lack of new units, Council directed Administration to develop a short term affordable housing development strategy as phase 1 of a larger five year Sustainable Resource Management Plan (LASC2004-155).
- CPS99-39 & CPS2002-57 directed Administration to identify and set aside City owned sites for future affordable housing initiatives.
- On 2003 February 27 The Mayor’s Round Table on Affordable Housing committed The City to make available two (2) sites for affordable housing purposes in 2004.



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- The Sustainable Resource Management Plan – Phase 1: Short Term Development Strategy 2004 identifies a direct development role for The City of Calgary in achieving Council's target of creating 200 units of affordable housing by leveraging federal-provincial funding (LAS2004-178).
- The Revolving Fund Reserve for General Land Purchases including future rights of way (FB98-43) was established to ensure lands for municipal purposes are acquired in a timely manner.

### **PURPOSE**

This policy:

- further clarifies the role of The City of Calgary with regard to direct development of affordable housing.
- establishes how The City of Calgary will manage limited resources (land and dollars) to optimize and leverage different funding sources to provide maximum benefit for those in need.
- enables The City of Calgary to implement long range planning for affordable housing to accommodate needs as the city grows

### **DEFINITIONS**

#### **Affordable Housing**

For the purpose of this policy, Affordable Housing<sup>1</sup> is defined as:

*Affordable housing adequately suits the needs of low-and moderate-income households at costs below those generally found in the Calgary market. It may take a number of forms that exist along a continuum – from emergency shelters, to transitional housing, to non-market rental (also known as social or subsidized housing), to formal and informal rental, and ending with affordable housing homeownership.*

*Affordable housing projects are targeted to households with 65% or less of the area median income. In the city of Calgary, affordable housing initiatives would be targeted to those with a gross income below \$37,621<sup>2</sup>. For housing to be affordable Canada Mortgage and Housing Corporation has defined that a household should not spend more than 30 percent of gross income on [rental] shelter costs<sup>3</sup>. The highest priority for*

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<sup>1</sup> The Definition of 'Affordable Housing' was approved by Council July 23, 2002 as part of the Corporate Affordable Housing Strategy (CPS2002-57)

<sup>2</sup> As reported in the 2001 Canada Census, the median annual household income in Calgary for the year 2000 was \$57,879. Sixty-five percent of median income is \$37,621. The actual income target will be adjusted to reflect future Canada Census reports for median annual household income as they are made available to reflect the 65% of median income definition.

<sup>3</sup> No more than 32 percent of gross household income should be spent on homeownership, which includes principal, interest, taxes, and heating expenses, condominium fees.



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affordable housing are “core needs households” that spend more than 50% of their income on shelter costs.

### **Acquire**

In this policy acquisition refers to either building or purchasing existing units to convert to new affordable housing units.

### **POLICY**

#### **Sustainable Resource Management Plan – Affordable Housing Direct Development Policies and Procedures**

#### **Municipal Purpose**

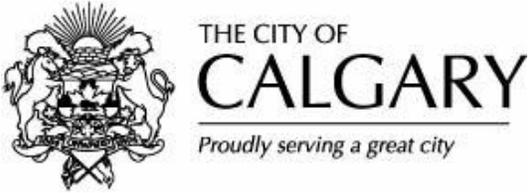
“Municipal purpose” is defined in subsection 1(1)(r) of the Municipal Government Act (MGA) as meaning “the purposes set out in section 3”. Section 3 provides:

3. The purposes of a municipality are
  - (a) to provide good government,
  - (b) to provide services, facilities or other things that, in the opinion of council, are necessary or desirable for all or part of the municipality, and
  - (c) to develop and maintain safe and viable communities
1. WHEREAS, “affordable housing” constitutes a Municipal Purpose as a service, facility, or an improvement of land as defined in Section 3 and subsection (b), Section 14(2)(c) of the Municipal Government Act. THEREFORE be it resolved that:

***“The provision of affordable housing, being a facility or service that, in the opinion of Council, is necessary or desirable for all or part of the municipality to develop and maintain safe and viable communities is a municipal purpose.”***

#### **Development of a Long Term Affordable Housing Land Strategy**

2. The City will continue to maintain or increase the ratio of subsidized housing to market housing as the city grows
3. The Municipal Purpose of affordable housing will be included within the Revolving Fund Reserve for General Land Purchases as approved in the guidelines of FB98-43. The use of the Revolving Fund Reserve for General Land Purposes will enable The City of Calgary to develop a long-term land strategy that will accommodate affordable housing needs as the city grows into the future.
4. The City of Calgary may use net-cash flow from the new developments to fund the acquisition of additional non-market housing. Such contributions should be allocated to the Capital Housing Reserve.



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### Location Guidelines for New Affordable Housing

5. Determining suitable locations for affordable housing must balance quality of life considerations for both the occupants of the units and the surrounding community to ensure that healthy community environments are developed and sustained. This recognizes that each affordable housing project should be reviewed on its own merits for the specific geographic location for which it is proposed. As a guideline, The City of Calgary will consider the location of both land acquired and lands selected from the existing City of Calgary inventory of surplus lands for the purpose of affordable housing to be managed by the Calgary Housing Company, based upon, but not limited to the following:
  - a) Location guidelines criteria established by the Calgary Housing Company (Appendix 1);
  - b) The housing needs of clients on the Calgary Housing Company waiting list;
  - c) Broader community and municipal needs related to affordable housing;
  - d) Existing distribution of non-market housing;
  - e) Population and employment growth projections for the city of Calgary;
  - f) Economic viability for maximizing the number of units developed and operating efficiencies;
  - g) Existing land use planning policy; and,
  - h) A risk management decision-making analysis based upon a triple bottom line approach.

### Quality of Construction

6. The City of Calgary will take steps to ensure that the affordable housing that it does acquire is of high quality and obtained at reasonable cost, taking into consideration such concepts as life cycle costing, value engineering, and LEED™ equivalency driven sustainable building standards, to protect long-term municipal investment and provide an asset to the community.

### Donations of Land and Capital

7. The City of Calgary continues to seek donations of land and capital to assist in its efforts to acquire non-market housing in Calgary.

### PROCEDURE

- A representative from Corporate Properties & Buildings will sit on the committee that determines The City's general land requirements for Municipal Purposes as approved in FB98-43.
- Implement the Acquisition of Affordable Housing Lands for Municipal Purposes Policy by developing a long term affordable housing development strategy to evaluate the affordable housing needs in Calgary as the city grows and acquire land accordingly to meet those needs. This strategy would include the development of a comprehensive plan as well as the participation in long range planning processes, transit station planning, road improvement projects, surplus school site committees, and other opportunities to identify lands suitable for non-market housing that meet waiting list and community needs.



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### **AMENDMENTS**

None

2010 revision-policy number change from AMCW001 to CS001 due to department reorganization. Updated the business unit name to OLSH.



**Appendix 1**

**Calgary Housing Company  
Affordable Housing Site Selection Analysis Criteria:  
Automobile Ownership Customer Profile**

**“PREFERRED” MAXIMUM DISTANCE FROM:**

<b>Service</b>	<b>Family</b>	<b>Single Parent</b>	<b>Single</b>
	<b>Km.</b>	<b>Km.</b>	<b>Km.</b>
<b>Transit</b>	N/A	N/A	N/A
<b>Shopping</b>			
a) Grocery/Drug	8 – 10	8 – 10	10
b) Retail	8 – 10	8 – 10	10
c) Convenience	2	2	2
<b>Daycare</b>	On route to work		N/A
<b>Health Care</b>	10	10	10
<b>Banking</b>	5 – 15	5 – 15	5 - 15
<b>Employment</b>	20 – 25	20 – 25	20 - 25
<b>Recreation</b>			
a) Playground Park	2	2	2
b) Sport Facility	15	15	15
<b>Library</b>	12	12	12
<b>Church</b>	8 – 12	8 – 12	8 - 12
<b>Community Resource Centre</b>	5 – 10	5 – 10	5 - 10
<b>School</b>			
a) Elementary	6 – 10	6 – 10	
b) Middle	10 – 12	6 – 10	
c) Adult Education	20 - 25	20 - 25	20 - 25



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**AFFORDABLE HOUSING SITE SELECTION ANALYSIS CRITERIA:  
NON-AUTOMOBILE OWNERSHIP CUSTOMER PROFILE**

**“PREFERRED” MAXIMUM DISTANCE FROM:**

Service	Family		Single Parent		Single	
	Minutes	Km.	Minutes	Km.	Minutes	Km.
<b>Transit</b>	5 – 15	.5 – 1.5	5 – 15	.5 – 1.5	15 – 20	1.5 – 2.0
<b>Shopping</b>						
a) Grocery/Drug	15 – 25	1.5 – 2.0	10 – 20	1.0 – 2.0	15 – 25	1.5 – 2.0
b) Retail	20 – 25	2.0 – 2.5	15 – 20	1.5 – 2.0	20 – 30	2.0 – 3.0
c) Convenience Store	5 - 10	.5 – 1.0	5 - 10	.5 – 1.0	1.0	1.0
<b>Daycare</b>	10 minute walk or on route to employment					
<b>Health Clinic</b>	15 – 30	1.5 – 3.0	15 – 30	1.5 – 3.0	15 – 30	1.5 – 3.0
<b>Banking</b>	15 – 20	1.5 – 2.0	15 – 20	1.5 – 2.0	20 – 25	2.0 – 2.5
<b>Employment</b>	45 – 60	15 – 20	35 – 45	10 – 15	45 – 60	15 – 20
<b>Recreation</b>						
a) Park/playground	On-site - 5	0 - .5	On-site - 5	0 - .5	5 – 10	.5 – 1.0
b) Sport Facility	30 – 60	8 – 20	30 - 45	8 - 15	30 - 60	8 - 20
<b>Library</b>	30 – 45	8 – 15	30 – 45	8 – 15	30 – 45	8 - 15
<b>Church</b>	30 – 40	8 – 12	30 – 40	8 – 12	30 – 40	8 - 12
<b>Community Resource Centre</b>	30 – 40	8 – 12	30 – 40	8 – 12	30 – 40	8 - 12
<b>School</b>						
a) Elementary	Walking 15 – 20 Bus 25 – 40	1.5 – 2.0  6 – 12	Walking 15 – 20 Bus 25 – 40	1.5 – 2.0  6 – 12	N/A  N/A	
b) Middle/High	Walking 15 – 20 Bus – 45	1.5 – 2.0 15	Walking 15 – 20 Bus - 45	1.5 – 2.0 15	N/A N/A	
c) Adult Education	45 – 60	15 – 20	45 – 60	15 – 20	45 – 60	15 - 20