

Greater Downtown Residential Strategy

Background

The downtown core is an important part of Calgary. In association with a vibrant business sector and great public spaces, a focus on housing within the downtown core will further support downtown vibrancy. The Residential Strategy is an important step in identifying future opportunities to increase residential housing options in the downtown that can meet a variety of needs and increase the diversity of housing. The first phase is to identify the purpose and determine the potential scope of a residential strategy. The second phase, if approved by Council, will build off the scope developed in Phase 1, and will work to develop key strategies for implementation across the Greater Downtown area.

Develop the residential strategy

Developing the residential strategy will be reliant on a demand strategy for making living within the downtown core more attractive. There must be recognition that amenities must be present for individuals to want to live downtown and for new developments to be initiated. Through an analysis of other cities' Downtown Plans (Edmonton, Toronto, Denver, Houston) there is a common focus on diversity of housing types for all individuals, families, and visitors with a focus on investments in amenities and public spaces.

The focus of creating greater housing choice within the Downtown Core is important. There is an opportunity to build housing for all tenures and types of housing. This opportunity in turn supports those experiencing homelessness, as well as those living in non-market affordable housing, market housing, and home ownership.

A critical aspect of a residential strategy is to leverage funding opportunities to increase amenities and the demand for housing. There must be a focus on developing complete communities. Potential funding strategies could include the following.

Implementation: Funding Opportunities

The following programs are potential funding opportunities that a residential strategy could leverage.

- National Housing Co-investment Fund (NHCF) – Provides low interest loans and financial contributions for construction and renovation of non-profit affordable housing. This is the centerpiece of the unilateral federal delivery and has the single largest budget of all NHS initiatives^[1]. With two-thirds of the funding dedicated to loans, this is primarily a loan program.
- Rental Construction Finance Initiative (RCFI) – Financing program to stimulate market rental construction (additions in 2018 and 2019 to RCFI brought the stream to \$13.75B and increased the total of NHS from \$40B to \$55B). Federal Budget 2021 allocated \$300M over two years from RCFI specifically to support the conversion of vacant commercial property

^[1] At \$13.2B of the originally announced \$40B commitment, NHCF is around one-third of the federal planned spending for the NHS.

into 800 units of market-based rental housing. Federal Budget 2021 allocated \$300M over two years from RCFI specifically to support the conversion of vacant commercial property into 800 units of market-based rental housing.

- Rapid Housing Initiative (RHI) - The RHI fund is the newest initiative of the NHS designed to enable the rapid creation of up to new affordable housing units across the country. Phase one of this program saw 1B committed for 3,000 units. Phase two is anticipated this year and will be of an even larger magnitude on which The City will need to focus.
- The RHI Program will focus on construction of modular housing, as well as the acquisition of land, and conversion of existing buildings. RHI funding will be available to municipalities, provinces, territories, Indigenous governing bodies and organizations, and non-profit organizations with a focus on housing for those in “severe housing need and at risk of or experiencing homelessness.”

Next Steps:

The next steps of the housing strategy will need to look at key data, strategies, and funding mechanisms for implementation. Short term and long-term housing strategies for the downtown core will need to be coordinated in order to achieve success overall. The next phase will also need to evaluate data regarding population, typologies of housing applicable, existing and potential amenities, and residential gaps that will assist in developing strategies that are targeted and contextual for Calgary. To support the work of Phase 2, there would be a request for a future staff resource with planning/housing experience.

Appendix A: Housing Data in Calgary

Existing (aging) rental downtown

- When considering the private purpose-built rental apartment universe by CMHC zone, the Beltline is shown to have the largest share of the universe at 26%. Downtown and the Northwest share the next largest share at 14%. (Downtown: 5,410 total purpose-built units; average renter HH income \$70,876; Average renter shelter costs \$1,203)
- Similar to the breakdown of the purpose-built rental universe, the majority of the older stock is located in the Beltline, Downtown and the Northwest. (Downtown: 4,448 units built before 1999; 962 built since 2020)

New rental construction

- In 2019, there were 3 projects with 595 units delivered in the Beltline and 2 projects with 287 units delivered in the Downtown area. The three projects in Beltline include SODO (305 units), Underwood (225 units) and Cube (65 units – an office to residential conversion). The new development in Downtown was The Hat @ East Village (221 units) and The Hat @ 7 Ave (66 units); and
- In 2020, there were 1,420 units delivered in the Beltline and Downtown - The International – 252 units (hotel to rental conversion), UPTEN – 379 units, TELUS Sky – 326 units, Park Central – 463 units.