

Affordable Housing – Intergovernmental Affairs Update

RECOMMENDATIONS:

That Intergovernmental Affairs Committee:

1. Affirm the advocacy positions for *Stronger Foundations*, the Provincial Affordable Housing Strategy (in Attachment 2).
2. Affirm the advocacy principles to inform the design of the Government of Canada's Housing Accelerator Fund (Attachment 3).
3. Request the Mayor advance The City's positions regarding the provincial affordable housing strategy through, as appropriate, public advocacy, cross governmental meetings, municipal engagement sessions, and correspondence with the Government of Alberta. Depending on results of early engagement, further action such as a public Council Resolution calling on the Government of Alberta to resolve the concerns could be actioned.
4. Request the Mayor advance The City's principles regarding the Housing Accelerator Fund through Federation of Canadian Municipalities, Big City Mayors' Caucus and in any bilateral meetings or correspondence with the Government of Canada as appropriate.
5. Direct that Administration advance the principles regarding the Housing Accelerator Fund, both bilaterally and in concert with advocacy partners such as other big cities and the Federation of Canadian Municipalities; and
6. Direct that Attachments 2, 3, and 5 remain confidential pursuant to Sections 24 (Advice from officials) and 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act* to be reviewed by 2023 February 8.

RECOMMENDATION OF THE INTERGOVERNMENTAL AFFAIRS COMMITTEE, 2022 FEBRUARY 8:

That Council:

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2. Affirm the advocacy principles to inform the design of the Government of Canada's Housing Accelerator Fund (Attachment 3).
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5. Direct that Administration advance the principles regarding the Housing Accelerator Fund, both bilaterally and in concert with advocacy partners such as other big cities and the Federation of Canadian Municipalities; and
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HIGHLIGHTS

- The recommendations above allow for continued intergovernmental efforts that align with the Council-affirmed Affordable Housing Advocacy Goals and related priorities (detailed in Attachment 4) to improve Calgary's affordable housing system at a crucial moment of awareness and engagement with other orders of government.
- **What does this mean to Calgarians:** Affordable housing matters to Calgarians and is a top priority. Success in advocacy efforts will enable the private and non-market housing sectors to create new homes to benefit Calgarians in housing need and maintain Calgary's existing affordable housing stock.
- **Why does it matter?** Provincial and federal strategies and programs could impact the ability of The City to operate and maintain affordable housing for low- to moderate-income Calgarians and provide an opportunity to build new housing units for Calgarians.
- The Government of Alberta has recently released a 10-year affordable housing strategy called *Stronger Foundations*, and also introduced the Alberta Housing Amendment Act (Bill 78). As the regulations associated with provincial Bill 78 are likely being developed now, The City has an opportunity for impact and influence in upcoming Government of Alberta engagement.
- The Government of Canada, as part of the National Housing Strategy, recently announced a \$4 billion Housing Accelerator Fund in support of its commitment to increase the supply of housing in Canada. There is the potential for The City to receive a significant funding allocation through this new program.
- Co-operation among all orders of government and community partners is crucial to achieving investments in affordable housing and improving the lives of Calgarians in housing need.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

Changing Landscape

On 2021 May 13, the Intergovernmental Affairs Committee of Council affirmed the Affordable Housing Advocacy Goals and endorsed the related 2021-2022 Priorities. Since then, both provincial and federal governments released new programs or strategies that impact The City's ability to deliver and maintain affordable housing for Calgarians. The changing government positions on affordable housing require The City to be able to respond quickly to advocate for the needs of Calgarians.

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Provincial Strategic Plan for Housing and Bill 78

On 2021 November 1, the Government of Alberta released a 10-year affordable housing strategy, *Stronger Foundations* (the Strategy), and also introduced the *Alberta Housing Amendment Act* (Bill 78). The Strategy is a high-level document outlining proposed actions and targets for achieving an increased supply of affordable housing and signals the intention of the provincial government to change its role from owner of affordable housing to a regulator and funder. Bill 78 amends the current *Alberta Housing Act*, expands the oversight of the Ministry of Seniors and Housing, and enables key aspects of the delivery of the province's housing Strategy.

The Strategy does not specify how the Government of Alberta will implement the commitments within it, nor does it indicate what budgetary commitments will be applied to achieve stated targets including capital investment, new housing supply, or onsite tenant supports for example. As detailed in Attachment 5, there was minimal engagement from the Government of Alberta with municipalities and housing providers prior to the release of the Strategy (The City participated in limited consultation on the Strategy, however, there was no opportunity for engagement on Bill 78). As such, details on provincial intentions related to the implementation of the Strategy and future of the 4,642 provincially owned housing units in Calgary remain unclear. There may be potential opportunity for engagement through the roll out of The Strategy.

Attachment 5 includes a summary of the Strategy and the Bill 78 legislation, and an analysis of their potential implications for Calgary. The Council-affirmed Affordable Housing Advocacy Goals (outlined in Attachment 4) as well as newly developed advocacy positions specific to the Strategy (outlined in Attachment 2) will help in advancing City positions with the province.

National Housing Strategy – Housing Accelerator Fund

The Housing Accelerator Fund was announced as part of the Federal Liberal Party platform during the Fall 2021 Election. The plan aims to invest \$4 billion to increase the annual housing supply in the country's largest cities, creating a target of 100,000 new, middle-class homes by 2024-25. The Housing Accelerator Fund aims to be a flexible, application-based funding source and will offer support to municipalities that grow housing supply faster than their historical average. This fund has been included within the Mandate Letters sent by the Prime Minister to the Minister of Housing, Diversity, and Inclusion on 2021 December 16. The direction from the Prime Minister is the following: "Invest in a new Housing Accelerator Fund to support municipalities in increasing the housing supply in Canada's largest cities through measures such as inclusionary zoning, increased densification, reductions in construction approval timelines and the rapid development of vacant or underused lands."

Since 2021 Q4, initial conversations have occurred between The City, the Federation of Canadian Municipalities and partners to inform the program design and implementation of the Housing Accelerator Fund. Administration developed principles to guide our advocacy and engagement through the development of the program, and if affirmed, they will be used to optimize housing outcomes for Calgarians in housing need. These principles are detailed within Attachment 3.

Attachment 6 provides definitions important to affordable housing and highlights the housing need in Calgary.

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STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder or customer dialogue/relations were undertaken

Dialogue with other housing providers and Alberta Community of Seniors and Housing Association was undertaken for the Government of Alberta Strategy and Bill 78. For the federal Housing Accelerator Fund, dialogue with the Federation of Canadian Municipalities and other partners were undertaken. Further engagement with internal business units, industry, and the non-profit housing sector will occur regarding the new federal program.

IMPLICATIONS

Social

Affordable housing is foundational to individual and community well-being. Income disruptions resulting from COVID-19 and Calgary's economic downturn may exacerbate the demand for affordable housing, which pre-pandemic, was understood to be at 100,000 new units by 2025.

Environmental

With adequate investment by the provincial and federal governments, new and renovated stock will be more environmentally efficient, support climate action goals, and help achieve The City's growth and development targets as per the Municipal Development Plan.

Economic

Investing in affordable housing improves economic development by creating new jobs, attracting and retaining a stable workforce, and saving taxpayers money by reducing pressure on emergency services. People in affordable housing have greater chances to find and keep jobs, to learn and build skills, and be active participants in their communities.

Service and Financial Implications

The report recommendations have no impact to Operating or Capital Budgets. There may be future impacts to budgets.

RISK

Risks regarding the recommendations and the report are presented in Attachment 7.

ATTACHMENTS

1. Previous Council Direction, Background
2. Advocacy Positions for The Provincial Strategy (CONFIDENTIAL)
3. Housing Accelerator Fund Advocacy Principles (CONFIDENTIAL)
4. Affordable Housing Advocacy Goals - Key Actions 2021-2022
5. Summary, Analysis and Implications of The Strategy and Bill 78 (CONFIDENTIAL)
6. Definitions of Affordable Housing and Calgary's Housing Need

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7. Risks

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Chris Arthurs	Deputy City Manager	Inform