

Corporate Affordable Housing Strategy Q2 2022 Update

RECOMMENDATIONS:



That the Community Development Committee recommend that Council:

1. Endorse the investigation of the ideas presented in Attachment 2 – Affordable Housing Opportunities, and;
2. Direct Administration to develop a refreshed Corporate Affordable Housing Strategy to be brought to the Community Development Committee by 2023 Q3.

RECOMMENDATION OF THE COMMUNITY DEVELOPMENT COMMITTEE, 2022 APRIL 27:

That Council:

1. Endorse the investigation of the ideas presented in Attachment 2 – Affordable Housing Opportunities, and;
2. Direct Administration to develop a refreshed Corporate Affordable Housing Strategy to be brought to the Community Development Committee by 2023 Q3.

HIGHLIGHTS

- This report provides an update for Council on the achievements of the Corporate Affordable Housing Strategy (CAHS) and Implementation Plan, and the recommendations endorse Administration to investigate emerging opportunities and develop a refreshed Strategy that will be brought to Committee and Council for approval.
- **What does this mean to Calgarians?** The City is committed to addressing the urgent need for more affordable housing in Calgary by working within its municipal roles to strengthen the affordable housing sector and to increase the number of social housing and affordable rental housing units in Calgary.
- **Why does this matter?** Nearly one in five Calgary households are struggling with shelter costs and meet The City's definition of needing affordable housing, and more than 81,000 households are earning less than \$60,000 annually and paying more than 30 per cent of their income on shelter costs. This need is forecasted to exceed 100,000 households by 2025.
- Foundations for Home, The City's Corporate Affordable Housing Strategy approved in 2016, has six key objectives. These objectives are on track or have exceeded the goals of the Implementation Plan.
- Due to the ever-changing landscape, there are emerging opportunities that may impact the future of the Strategy and Implementation Plan and should be considered to understand the relevance to Calgary's housing need.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

Corporate Affordable Housing Strategy

The City's Corporate Affordable Housing Strategy (2016 – 2025), titled Foundations for Home, was approved alongside the 2016-2022 Corporate Affordable Housing Strategy Implementation

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Plan. The Strategy outlines how The City plans to address the ongoing need for affordable housing and defines The City's role. The current scope of The Strategy focusses on low- to moderate-income Calgarians, supporting the transitional, social housing, affordable rental part of the housing continuum. The Strategy includes six key objectives that establish the strategic direction and support the creation of affordable housing through 2025.

1. Get the Calgary community building
2. Leverage City land
3. Design and build new City units
4. Regenerate City-owned properties
5. Strengthen intergovernmental partnerships
6. Improve the housing system

As per previous Council direction, Administration has brought forward regular reporting on the progress of the strategy. Ambitious advancements regarding the six objectives have been made since 2016, as efforts to scale up the non-profit housing sector since the approval of Foundations for Home have had a significant impact as highlighted below:

Table 1: Highlights of 2016 – 2021 Accomplishments	
Get the Calgary community building	<ul style="list-style-type: none"> • 17.5% of the entire non-market inventory has been constructed or acquired between 2016 and 2021. • \$41.2M in funding from CMHC's Rapid Housing Initiative helped create nearly 250 new homes. • Housing Incentive Program (HIP) provided predevelopment grants and fee rebates to support over 2,300 new affordable homes. • Expedited approvals for housing providers developing affordable housing units.
Leverage City land	<ul style="list-style-type: none"> • City land value of \$6.4M delivered more than 150 new homes, leveraging over \$30M in additional government funding. • Land sales account for 25% of all units proposed by the non-profit sector.
Design and build new City units	<ul style="list-style-type: none"> • Almost 200 city-owned units built since 2016. • An additional 400 units anticipated in the next 2-3 years.
Regenerate City Owned properties	<ul style="list-style-type: none"> • Repaired 2250 units operated by the Calgary Housing Company. • Two buildings in the process of regeneration (285 units)
Strengthen intergovernmental partnerships	<ul style="list-style-type: none"> • Advocated for Calgary's affordable housing sector through <ul style="list-style-type: none"> ○ the Provincial Affordable Housing Panel and Affordable Housing Strategy ○ CMHC's Rapid Housing Initiative and Accelerator fund ○ National Housing Strategy ○ COVID-19 Community Affordable Housing Advocacy Strategy

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Improve the housing system	<ul style="list-style-type: none"> • 26 organizations in 2021 funded to deliver education and skills, financial empowerment, community inclusion & integration and COVID-19 response projects to provide housing stability for people living in affordable housing.
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Further details regarding each objective and respective achievements can be found in Attachment 3 – Foundations for Home: Progress Summary.

The City of Calgary's Affordable Housing division works in collaboration with The City's wholly owned corporation, Calgary Housing Company, federal and provincial governments, non-profit agencies, and private sector developers to make affordable housing readily available to citizens living with low and moderate incomes, improve the lives of those living in affordable housing, and implement initiatives to improve the way the housing sector works together.

The implementation of the strategy is gaining momentum and is well underway with great progress made to support Calgarians. However, ongoing effort is required to continue to scale up the capacity to meet housing needs of citizens and consider new opportunities to incorporate into the Strategy.

Emerging Opportunities in Housing

On 2022 March 30, Council approved Council's Strategic Direction 2023-2026. Within Council's Focus Area of Social Equity, a desire to "diversify the range of housing options by increasing transitional and affordable housing and simplifying the pathways to permanent housing" is identified. The Corporate Affordable Housing Strategy focuses on objectives and actions to increase transitional, permanent supportive, social, affordable rental and affordable homeownership housing, and identifies strategies to improve the housing system. Since the approval of the Strategy in 2016 there are also additional opportunities and actions planned and underway to increase the affordable housing supply and improve the affordable housing system towards achieving the strategy goals. Further details regarding these opportunities are listed in Attachment 2.

The 2023-2026 Service Plans and Budgets will bring forward ongoing actions and programs that align with Council's Strategic Direction and move towards achieving the goals of the existing Corporate Affordable Housing Strategy. Administration recommends bringing forward a refreshed Corporate Affordable Housing Strategy to Council no later than 2023 Q3 to further enhance strategies to deliver on Council's Strategic Direction and respond to emerging factors in the housing system. As we understand the resources and needs in the exploration of emerging opportunities as part of the new Strategy, refinements may need to occur and budget adjustments may be brought forward in future years.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

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

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Public Engagement was not required for this report. Further engagement with internal and external consultation will occur through the development of the new Corporate Affordable Housing Strategy.

IMPLICATIONS

Social

Great cities are places where everyone can afford to live and work. 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 2026.

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

People in affordable housing have greater opportunities to find and keep jobs, learn and build skills, and be active participants in their communities. Preventing homelessness reduces demand and pressure on emergency services, hospitals and correction facilities. Providing housing for one homeless person has been shown to save taxpayers \$34,000 annually.

Service and Financial Implications

No anticipated financial impact

The current report and recommendations do not anticipate any financial impact to operating or capital budgets. The opportunities listed in Attachment 2 may impact future budget as part of the 2023-2026 business plan or future budget adjustments.

RISK

Affordable housing continues to be a significant interest for citizens of Calgary. Ongoing implementation of the six strategies as part of the Strategy will continue to move Calgary forward to meeting citizens' needs for more investment and increased supply of affordable housing. It is recommended that Administration continue to deliver programs and initiatives to implement the affordable housing strategy while also investigating additional opportunities to meet Council's directive. The risk of not delivering programs and initiatives would impact the most vulnerable Calgarians.

ATTACHMENTS

1. Previous Council Direction, Background
2. Opportunities in Housing
3. Foundations for Home – Progress Summary

**Community Services Report to
Community Development Committee
2022 April 27**

**ISC: UNRESTRICTED
CD2022-0478
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Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Not applicable		