

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

EXECUTIVE SUMMARY

Following Council direction in 2014, the housing community was engaged to collaboratively develop a community-based affordable housing strategy for Calgary, addressing how the housing community could break down existing silos. The process, involving a diverse group of stakeholders, took longer than expected and has not, at this point, resulted in the strategy that was initially intended. The process, however, was important in providing the ability and willingness for the housing community to align and effectively collaborate, based on developed trust and a recognition and appreciation of common motivations. It has been important in establishing the foundation for future work. It also has not impeded the completion of any work on involved organizations' individual plans, as during the community development process, 818 units were delivered.

At this point, the community has developed a framework to align the housing components of existing plans and initiatives and an approach to move the system forward more effectively. The community has also identified critical gaps in the data required to identify the highest priorities for work going forward. Accordingly, the group intends to work on data and research to inform gaps and priorities. When this research is completed, deliverables, measures/targets and timelines will be established and reported back to all Collective members in December 2016.

It was originally intended that development of the Corporate Affordable Housing Strategy would follow and be informed by this community work, however, due to both the pace required for collaborative development, as well as the recognition that the intent of the community work is to advance the strategies and plans of individual organizations, the need for more clarity and commitment on the corporate strategy in advance of the completion of the community strategy has become apparent. City Administration has also now determined that enough work has been completed through the community engagement process to move forward with the Corporate Strategy. Leveraging the work completed to date, City Administration will now move forward on the development of the Corporate Affordable Housing Strategy, with completion anticipated by the end of July 2016.

The purpose of this report is therefore twofold, to:

- Receive direction from Council to accelerate the development of the Corporate Affordable Housing Strategy; and,
- Report back to Council on the direction received in March 2014 to facilitate the collaborative development of a community affordable housing strategy involving all relevant stakeholders.

Following the 'Background' section, the corporate work and the community work have been separated into overarching sections for distinct analysis.

ADMINISTRATION RECOMMENDATION(S)

That the Priorities and Finance Committee recommends that Council:

1. Direct Administration to accelerate the update to The City of Calgary's Corporate Affordable Housing Strategy and report back to Council through PFC no later than July 2016; and,

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

2. Support Administration's continued participation in the Community Housing Affordability Collective through December 2016, reporting back to PFC with a completed Terms of Reference by end of Q1, 2016.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2014 October 06 Meeting of Council, it was moved by Councillor Pincott, seconded by Councillor Pootmans, that with respect to Report PFC2014-0650, the following be adopted:
That Council endorse:

1. The governance model for the community affordable housing strategy;
2. The terms of reference for the community affordable housing advisory group.

At the 2014 March 31 Meeting of Council it was moved by Councillor Colley-Urquhart, seconded by Councillor Pincott that with respect to Report PFC2014-0121, the following be adopted:
That Council:

1. Receive the Community Capacity Research Report for information;
2. Affirm that The City is best positioned to provide leadership in coordinating affordable housing in our community, in collaboration with citizens, other orders of government and the private and non-profit sectors. The City will continue to advocate with the Provincial Government for the funding to take on this role.
3. Direct Administration to facilitate the collaborative development of a community affordable housing strategy involving all relevant stakeholders as a next step in updating the Corporate Affordable Housing Strategy; and
4. Report back to Priorities and Finance Committee with terms of reference and a governance model for the community affordable housing strategy no later than Q3 2014.

At the 2013 June 17 Strategic Meeting of Council it was moved by Alderman MacLeod, seconded by Alderman Mar, that with respect to Verbal Report VR2013-0064, the following be adopted:

That Council:

1. Receive Verbal Report, VR2013-0064 and the presentation material for information;
2. Direct Administration to initiate a review and update of The Corporate Affordable Housing Strategy and report back to the Priorities and Finance Committee with a status update no later than Q2 2014;
3. Direct Administration to undertake a community capacity analysis through stakeholder engagement to identify opportunities and costs to meet gaps in the provision of affordable housing in Calgary and define the City of Calgary roles in affordable housing and report back to the Priorities and Finance Committee no later than Q1 2014;
4. Endorse the Affordable Housing Principles to guide a strategic workplan on affordable housing; and

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

5. Direct that the materials, presentations, discussions, and confidential distributions, remain confidential under Sections 23 (1)(b) and Section 24(1)(c) of the *Freedom of Information and Protection of Privacy Act*, until this matter is resolved.

BACKGROUND

The existing Corporate Affordable Housing Strategy was adopted by Council in 2002 with the intent of positioning The City to take advantage of changes happening at the federal level, which included new funding opportunities. The Strategy also defined eight roles for The City of Calgary in affordable housing (Attachment 1). Business units from across The Corporation have contributed to the implementation of the Corporate Affordable Housing Strategy since 2002 (Attachments 2-4).

Since the 2002 strategy, approximately \$200 million in federal and provincial funding was used to leverage an approximate 30% contribution of municipal funds (including land) in the creation of additional housing units. It is important to note that no additional capital funding from other orders of government has been forthcoming since 2011. Current development of units is deploying the last of the funding that was allocated to The City prior to 2012.

At the 2013 June 17 Strategic Meeting of Council, the need to update the 2002 Strategy was identified, however, Administration was directed to first undertake a community capacity analysis through stakeholder engagement to identify opportunities and costs to meet gaps in the provision of affordable housing in Calgary and define the City of Calgary roles in affordable housing. This 2014 Community Capacity Research Project identified:

- The housing system in Calgary is siloed and there is limited capacity for stakeholders to fulfill their current roles, or take on new or expanded roles and address gaps independently; and,
- The City of Calgary's role should be as a facilitator that connects disparate groups and fosters collaboration across the sector.

As a result, Council directed in 2014 (PFC2014-0121) that Administration put the update to its 2002 Corporate Affordable Housing Strategy on hold and first work collaboratively with external organizations in the housing system to develop a community-based affordable housing strategy to address how the housing community could break down existing silos and to provide an integrated and coordinated way forward for the delivery of affordable housing solutions for Calgary.

To enable this community-based approach, engagement focused on stakeholders within the housing community including non-profit housing providers, community-based organizations, support service agencies, affordable home ownership providers, industry associations, advocacy groups and the municipal, provincial and federal government. The process, involving this diverse group of stakeholders, took longer than expected and has not, at this point, resulted in the strategy that was initially planned. The process, however, was important in providing the ability for the housing community to effectively collaborate, based on developed trust and a recognition and appreciation of common motivations. It also has been important in establishing

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

the foundation for future work, which will result in the originally envisioned community strategy and implementation plan.

To date, the result of this process is the Community Housing Affordability Collective framework and report (Attachment 5). It was developed under the Terms of Reference (TOR) approved by Council in September 2014 specifically for the creation of a strategy and identifies the need to develop a governance framework, including a new TOR, to enable ongoing collaboration, working together differently in operations. During the development of the community collective framework and report, each stakeholder group, including The City of Calgary, continued to deliver on their plans, priorities and commitments. This has resulted in 818 affordable housing units being opened during the development of this framework and approach (Attachment 6).

During the development of the community framework, extensive engagement, research, brainstorming and consultation was completed. Based on this work, City Administration has enough information from the community stakeholders at this point to advance the Corporate Affordable Housing Strategy to be completed in July 2016, in advance of the community strategy. Like strategies and plans from other involved organizations, it is intended that The City strategy will be considered and advanced by the work of the Collective.

The remainder of the report is divided to distinguish the analysis of the corporate work versus the community work. The corporate work is outlined first.

CORPORATE WORK

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The original intent and belief was that a fully completed community strategy would be used to inform the Corporate Strategy and the most appropriate roles that The City could pursue to achieve the best outcome for affordable housing. However, due to both the pace required for collaborative development, as well as the recognition that the intent of the community work is to advance the strategies and plans of individual organizations, the need for more clarity and commitment on The City strategy in advance of the community strategy has become apparent. Leveraging the work completed by the community to date, City Administration can now move forward on the development of the Corporate Affordable Housing Strategy, with completion anticipated by the end of July 2016.

The development of the Corporate Affordable Housing Strategy will include the following inputs:

- An analysis of ongoing relevance of previous roles and actions defined in the Corporate Affordable Housing Strategy (2002)
- Engagement of the housing community through the development of the community collective framework
- Other external strategies and plans that have City of Calgary affordable housing implications (for example, The Updated Plan to End Homelessness and Enough For All) (see list in Strategic Alignment below)
- Existing and emerging City of Calgary strategies and plans (for example, Senior Age Friendly Strategy, Action Plan 2015-2018, MGA and City Charter discussions, etc.) (see list in Strategic Alignment below)

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

- City of Calgary business units and wholly-owned subsidiaries (such as Attainable Homes Calgary Corporation and Calgary Housing Company), and their current mandates and objectives

The Corporate Affordable Housing Strategy will consist of the following:

- A City of Calgary Corporate Affordable Housing policy, defining the role that The City will have in affordable housing
- Implementation plan outlining priorities, actions, ownership of City business units and internal stakeholders, and timing
- Measurable outcomes and related performance metrics
- A commitment to work with the external stakeholder group as a priority initiative and to collaborate and engage with the housing community in the delivery of The City implementation plan

Stakeholder Engagement, Research and Communication

To be successful, the Corporate Affordable Housing Strategy will require alignment on vision and objectives, along with buy-in and participation of external stakeholders and various City business units.

External

- Housing community engagement can be facilitated through the Collective.
- Required citizen engagement will be determined and Engage! will be involved accordingly.

Internal

- City business units and wholly owned subsidiaries will be included in the development process. This engagement will build on the involvement internal business units have had to date in the preparation of the community framework and report.

City Council

- Council may be holding a strategic session on affordable housing that could be used as a strategic input to the Corporate Strategy.

Strategic Alignment

Alignment to existing internal and external plans will be critical to the development of the Corporate Affordable Housing Strategy, including:

Internal

- imagineCalgary (2007)
- Municipal Development Plan (2009)
- Sustainability Direction 2020
- Action Plan 2015-2018
- MGA and City Charter
- Seniors Age Friendly Strategy (2015)

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

External

- InterAgency Council on Housing and Homelessness
- The Updated Plan to End Homelessness (2015)
- Enough For All Poverty Reduction Initiative (2013)

Social, Environmental, Economic (External)

Stable, affordable and easily accessed housing allows Calgarians to maximize their contribution to a vibrant and healthy Calgary. It contributes to creating jobs, attracting new workers, meeting the needs of seniors and families, and keeping our most vulnerable off the street. Evidence shows that this in turn reduces impacts on the health care system, the justice system, social services and other municipal and provincial services. Being adequately housed enables all Calgarians to maximize their contributions to the wider community. A Corporate Strategy will help identify, prioritize and deliver tactics by The City to support achieving this goal.

Financial Capacity

Current and Future Operating Budget:

Work required to produce the Corporate Strategy fits within current business plans and budget. Existing resources within the Affordable Housing Division in the Office of Land Servicing and Housing will be focused on this work.

Other business units will be required to dedicate time to ensure the timely completion of the Corporate Strategy.

Current and Future Capital Budget:

There are no direct implications on the capital budget arising from this initiative. The City currently allots 5% of proceeds of industrial land sales to the development of new affordable housing units.

Risk Assessment

The required community engagement in the Corporate Strategy development process could be impacted based on future direction and support of the Community Housing Affordability Collective. Although a great deal of input was obtained during the development of the Community Housing Affordability Collective framework and report, additional engagement will be required to ensure necessary buy-in and participation is achieved.

Additionally, the timelines for the delivery of the Corporate Strategy are aggressive. Dedication of resources and time from both OLSH as well as other business units will be required for successful completion.

COMMUNITY WORK

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The Community Housing Affordability Collective is a framework that enables that housing community to work together in the long-term to tackle housing affordability in Calgary (Attachment 5). Establishing the Community Housing Affordability Collective framework was the first and most critical step in a process. As the Community Housing Affordability Collective

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

governance is formalized, a Terms of Reference (TOR) for the Steering Committee and other members of the Collective will be completed and reported back in March 2016. It is important to note that these TOR are intended to establish accountabilities moving forward as a Collective, while the TOR approved by Council in 2014 addressed how the Advisory Group of stakeholders involved in the development of the Collective framework would work together, which did not provide accountabilities for longer-term collaboration. Concurrently, the Collective will work on data and research to inform gaps and priorities. When this research is completed, deliverables, measures/targets and timelines will be established and reported back to all Collective members in December 2016 (as outlined in Attachment 7). In addition, progress reports will be provided at the end of Q2 and Q3, 2016.

City of Calgary Implications

The Community Housing Affordability Collective framework and report were community-developed and are intended to be community-owned, and accordingly, the information outlined above represents this community view. City Administration arranged the facilitation of, participated as a contributor to and drafted the report based on the group's input. This process was facilitated by the Westman Centre for Real Estate Studies at the Haskayne School of Business at the University of Calgary. The specific City implications from this community work are outlined below.

The City has been asked to continue to play a key role in the Community Housing Affordability Collective going forward. It is the intention of the Collective that City Administration and a member of Council be represented on the Steering Committee, however, this request would be formalized with a completed Terms of Reference in March. It is also intended that The City, along with the University, continue to support the facilitation of this group through the continued dedication of resources. The request for this continued commitment is for the first year, to be re-evaluated at that time. While The City of Calgary and the University of Calgary are the only organizations being asked to provide dedicated resources to this project, it should be noted that all other members of the Advisory Group and, in particular the Steering Committee, have contributed a significant amount of time and knowledge in pursuit of the Collective's ultimate goal and have agreed to continue this level of commitment as the Collective moves forward.

The development of the Collective framework and report has provided The City with the opportunity to build strong relationships with a number of community partners. Continued support of the Collective will allow for long-term collaboration, and an opportunity to demonstrate leadership in the transformation of the Calgary housing community. It will also allow for ongoing engagement with the Collective for input to The City of Calgary's Corporate Affordable Housing Strategy.

The City, like other stakeholder organizations on the Collective, will receive quarterly progress updates, in addition to the Terms of Reference in March and the strategy and workplan in December 2016.

Details of specific financial implications and risks are presented in subsequent sections.

Stakeholder Engagement, Research and Communication

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

To be successful and obtain buy-in, the development of the framework and report involved participation of stakeholders across the housing spectrum and from all orders of government. The Advisory Group governance model encompassing this approach for strategy development was presented to Council in PFC2014-0650 and was used in the development of the Community Housing Affordability Collective framework and report. Additionally, a City business unit working group was established and engaged throughout the process and The City of Calgary's Engage! Team actively supported the engagement process.

Strategic Alignment

The availability of housing to all Calgarians is an important component of safe, diverse and viable communities. A range of housing is also necessary and desirable in order to attract a stable workforce and to enhance the safety, health and welfare of Calgary residents. These values are reflected in a number of City of Calgary plans, as well as a number of community plans and strategies.

Specifically, the Collective framework helps advance the goals and policies within a number of City plans, including the following:

- imagineCalgary (2007)
- Municipal Development Plan (2009)
- Sustainability Direction 2020 (2010)
- Action Plan 2015-2018
- Seniors Age Friendly Strategy (2015)

A central role of the Steering Committee is to bring together the housing community and align and support the work that is happening to achieve the collective vision. It supports the housing related outcomes of other strategies and plans in the city, and is in fact the only initiative focused solely on housing. The Community Housing Affordability Collective framework and report is aligned to the following external plans and initiatives:

- Calgary's Enough For All Poverty Reduction Initiative (2013)
- Economic Strategy for Calgary (2014)
- Calgary's Updated Plan to End Homelessness (2015)
- InterAgency Council on Housing and Homelessness

It is anticipated that the strategy and workplan to be developed by the Collective will incorporate the achievement of specific goals and outcomes of these plans. The research and data work to be completed in the next year will contribute to the prioritization of support efforts.

Additional detail on alignment with community plans and strategies is available in the Community Housing Affordability Collective Strategy template (Attachment 7).

Social, Environmental, Economic (External)

A stable and secure housing market contributes to creating jobs, attracting new workers, meeting the needs of seniors and families, and keeping our most vulnerable off the street. Evidence shows that this in turn reduces impacts on the health care system, the justice system, social services and other municipal and provincial services. Being adequately housed enables

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

all Calgarians to maximize their contributions to the wider community, which is the ultimate goal of the Collective that can be realized through collaborate, rather than siloed, efforts.

Financial Capacity

Current and Future Operating Budget:

The Community Housing Affordability Collective report requests a resource to be funded by The City of Calgary to be a 'Project Facilitator', supporting the Steering Committee with research, project management and facilitation, as well as administration for the initial year as the strategy is developed. The Affordable Housing Division in the Office of Land Servicing and Housing is asked to continue its current level of commitment over this year, to support the Collective in the manner in which this report was developed. Existing resources within the Affordable Housing Division in the Office of Land Servicing and Housing will be focused on this work. Additional funding sources will be sought and applied for in order to support any additional operating costs, eliminating City support for these purposes.

Current and Future Capital Budget:

There are no direct implications on the capital budget arising from this initiative. The Community Housing Affordability Collective framework and report does not have an impact on existing plans for Affordable Housing outlined in Action Plan 2015-2018. These initiatives will continue to be delivered within the approved Action Plan. Existing resources within the Affordable Housing Division in the Office of Land Servicing and Housing will be focused on this work.

Risk Assessment

The Community Housing Affordability Collective has not yet defined its Terms of Reference or priorities. There may be risk related to the perceived support of Council for the group's recommendations with this initial support. Council will, however, subsequently have an opportunity to determine support for The City's continued involvement and investment in the priorities and plans of the Collective, when the group reports back at the end of December 2016.

Over 25 stakeholders representing a significant portion of the housing community across the spectrum have been involved in the development of the Collective framework and report. Many have dedicated significant time to the analysis and difficult discussions that have resulted in a framework that addresses the core issue of silos within the housing community. A number of dedicated individuals representing the housing community have also committed to forming an interim Steering Committee to ensure that the framework move forward. The University of Calgary has also committed resources and applied for additional grant funding to support research that will contribute to this initiative. Without endorsing, The City of Calgary will be at risk of losing the ability to enhance our relationship or even impacting our current relationship with these organizations that have dedicated time and are engaged and excited about moving forward. The Advisory Group recognizes the value and importance of The City perspective in these discussions. Without endorsement, The City will also be at risk of losing the opportunity to be a leader in the housing community and provide the important City of Calgary perspective to contribute to the ideas that the Steering Committee generates and prioritizes.

Additionally, The City is now accelerating its Corporate Affordable Housing Strategy. While significant information has been gathered through the development of the Collective framework,

AFFORDABLE HOUSING – COMMUNITY AND CORPORATE STRATEGIES

ongoing engagement with this community group in the development of The City's Strategy will be of great value. Without supporting the continued advancement of the community work, The City will be at risk of negatively impacting this opportunity, and creating challenges in further engaging the housing community for input. Without the continued access to housing community stakeholders, the timeliness of delivery and quality of the Corporate Strategy will be at risk.

REASON(S) FOR RECOMMENDATION(S):

Given the ongoing need for affordable housing in Calgary and that it has been identified that stakeholders need to work collectively to address the gaps in the housing system, the Community Housing Affordability Collective report and framework provides a critical mechanism to enable long-term change. It envisions a process through which Calgary's housing community can more effectively operate and produce results than in the siloed framework that currently exists. Council support of continued participation in the Collective will demonstrate commitment to improving housing affordability in Calgary.

Concurrently, Council's support of the Corporate Affordable Housing Strategy will allow Administration to use the information gathered from stakeholders to date, and ongoing engagement of the housing community, to accelerate the development process to July 2016.

ATTACHMENT(S)

1. City of Calgary Corporate Affordable Housing Strategy
2. 2002 City of Calgary Affordable Housing Strategy Background and Progress Report
3. City of Calgary Contributions to the 10 Year Plan to End Homelessness
4. Attainable Homes Calgary Corporation Contributions to the 10 Year Plan to End Homelessness
5. Calgary's Community Housing Affordability Collective
6. Calgary's Community Housing Affordability Collective: Progress Update
7. Calgary's Community Housing Affordability Collective: Strategy Template