

Applicant Submission

2024 May 14

O2

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On behalf of Attainable Homes Calgary, O2 is proposing to redesignate the parcel located at 1020 2 Avenue NW from 'Multi-Residential – Contextual Grade Oriented' (M-CGd72) to Direct Control – based on M-H1 Multi-Residential- High Density Low Rise with a maximum density of 4 FAR and a maximum building height of 26 metres. A Direct Control district is required to accommodate the bonus density framework outlined in with the Hillhurst-Sunnyside Area Redevelopment Plan. The redesignation will enable a 6 storey multi-unit affordable housing development that will advance key housing supply and affordability objectives outlined in Calgary's Affordable Housing Strategy.

Site Context

The site is commonly known as the "triangle site", located 100 metres from the Sunnyside LRT station and north of 2 Avenue NW. The site is a prominent location in the heart of Sunnyside and is currently occupied by an art installation comprising shipping containers with graffiti. Affordable housing in this location will be well-connected to public transit and efficiently utilize a prime parcel of City-owned land for housing.

The surrounding area is characterized by multi-residential development on 2 Avenue NW and 9a Street NW. Daily retail amenities are available west of the LRT tracks on 10 Street, including a full-sized grocery store, coffee shop and other commercial offerings. Frequent bus service is located directly adjacent to the site (Route 104) with a direct connection to major employment areas, institutions, and commercial hubs. Active transportation options is well supported, with cycling connections on 9a Street NW, 2 Avenue NW and 9 Street.

Policy Framework

The site is within the Hillhurst-Sunnyside Area Redevelopment Plan (ARP). The site is in the ASP's Transit Oriented Development-Medium Density Mid-Rise policy area. The ARP indicates a maximum density of 4.0 floor area ratio (FAR) and a maximum building height of 26 metres. The ARP also identifies the site (the "Warehouse Site") as an Urban Design Initiative site for residential development and an integrated open space corridor along the LRT. The proposed development for the site maintains this intended vision and advances the ARP's promotion of transit-oriented development by increasing residential development within the vicinity of the Sunnyside LRT Station.

The site is also located within the boundary of the city-initiated Riley Communities Local Area Plan (LAP), currently in progress and set to enter Stage 4 by Winter 2024. The draft mapping designates the site as 'Neighbourhood Flex', permitting various uses with emphasis on a street-oriented ground floor with a maximum height of 26 storeys. The future development of the site maintains the LAP's vision and adheres to the prescribed design guidelines ensuring consistency with the existing built form.

Proposed Land Use Amendment

The land use amendment application proposes a Direct Control (DC) District designation based on the M-H1 Multi-Residential- High Density Low Rise with a density of 4 FAR and a building height of 26 metres. In support of this application, the applicant has included a draft DC bylaw that outlines the following:

- A maximum density of 4 FAR achieved through the provision of affordable housing units or a cash contribution to the Hillhurst/Sunnyside Community Amenity Fund
- Maximum Height of 26 metres
- Multi-Residential development as a permitted use
- The reduction of motor vehicle parking stalls to 0.0 with the provision of 0.5 bicycle parking stalls per unit and a bicycle parking facility

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Affordable Housing Policy Alignment

The proposed land use redesignation to facilitate affordable housing aligns with the objectives and outcomes of the City of Calgary Housing Strategy and Housing Needs Assessment (2023). The housing strategy focuses on increasing the amount of available housing in Calgary, leveraging underutilized parcels of city-owned land, and supporting housing partnerships to deliver affordable housing.

The housing strategy encourages redevelopment of city-owned land as a mechanism to increase the supply of affordable housing (Objective 1A and Policy 1.A.1). The development of affordable housing on the Triangle responds directly to this objective and policy through the redevelopment of city-owned land in a transit-oriented development location. Future multi-residential development on this site will benefit from proximity to the LRT Station and active travel modes, connections to employment and community amenities to support the everyday needs of Calgarians. Future redevelopment of this site will more efficiently utilize existing services and infrastructure in the area and create a convenient and desirable location for future residents to live.

Since 2009, Attainable Homes has been actively working to help moderate-income Calgarians achieve their dream of home ownership. The Calgary Housing Strategy (CHS) outlines the significance of strategic partnerships, emphasizing the key role of Attainable Homes Calgary in spearheading housing development on behalf of the City (Action 3.A.1). Future residential development on the site supports affordable housing providers, like Attainable Homes to achieve their mandate to make a positive impact for aspiring homeowners (Objective 2A).

The proposed development creates an opportunity to implement objectives and actions of Calgary's Affordable Housing Strategy on a transit-oriented development site in Sunnyside. New development on this site will be well-connected to amenities, transit, and employment, and enhance the site beyond what exists today. Future residential in this location will increase the supply of affordable housing in a contextually appropriate location, working towards more housing for Calgarians.

Implementation of Affordable Housing

According to the Canada Mortgage and Housing Corporation (CMHC), housing can be called "affordable" when a household spends less than 30% of its pre-tax income on adequate shelter. More specifically, the CMHC loan support program that will be used to finance this project, the Mortgage Loan Insurance (MLI) Select Multi-unit program, sets the criteria for an affordable multi-unit building, where a minimum percentage of units within the building must be rented at or below 30% of median renter income for Calgary. This number is currently \$69,500 in Calgary. This equates to a rent rate of \$1737.50 per month. AHC will far surpass the MLI Select minimum of 15% of units in the building being below this threshold to qualify for MLI Select by offering 50% of units in the building at a rent rate below \$1737.50 per month. This is "affordable" to people who earn \$69,500.

Area Median Income in Calgary is currently \$118,000. Half the units in the building will be rented to people who earn less than 58.9% of the Area Median Income for Calgary. This is exceptional affordability, all done without subsidy. Furthermore, 100% of the units will be rented to Calgary who earn less than the Area Median Income for Calgary.

Ultimately, AHC's ability to create and rent units at or below the market rate is tied to building costs. If the building must be constructed of concrete, include an underground parkade, or include a main floor concrete retail podium, cost will increase significantly which raises rents and decreases the ability to deliver affordable homes. The more superfluous design features, the higher rents will be. The proposed development format of 6-storey modular apartment is focused on providing affordable housing to as many Calgarians as possible. This proposal will ensure HALF of the units will be rented to people who earn less than 58.9% of AMI and ALL units are rented to Calgarians who earn less than Area Median Income.

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Conclusion

In summary, the proposed land use amendment enables a development that will:

- Increase much needed affordable housing supply in proximity to existing public transit, active travel routes, and amenities.
- Provide housing that aligns with the vision and policies of the Hillhurst-Sunnyside Area Redevelopment Plan and future Riley Communities Local Area Plan.
- Directly supports the objectives and goals outlined in the City's Affordable Housing Strategy.

Attainable Homes Calgary along with O2 look forward to working collaboratively with officials at the City of Calgary, representatives from the local Councillor's office, and residents of the Hillhurst-Sunnyside community in progressing this application towards approval.