

# Applicant Submission

## O2

On behalf of Attainable Homes Calgary, O2 is proposing to redesignate the parcel located at 1007 6<sup>th</sup> Avenue SW from 'Direct Control 10D2012' to Direct Control – based on CC-MH Centre City Multi-Residential High Rise District with a maximum density of 4.0 floor area ratio and a maximum building height of 26 metres (DC-based on CC-MH f4.0h26). A Direct Control district is required for the addition of 'Modular Dwelling Unit' as a permitted use under the proposed DC based on an CC-MH land use district. 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 subject site is located directly west of the LRT tracks along 9 Street SW, south of 5<sup>th</sup> Avenue SW, and is directly adjacent to the Consulate-General of the People's Republic of China. The site is currently vacant, providing temporary storage for construction materials for Attainable Home's site on the north of 6<sup>th</sup> Avenue.

The surrounding area is characterized by a mixture of high and medium-density mixed-use buildings as well as several commercial office towers. The site is well-served by transit, with access to the 8<sup>th</sup> Street LRT station (350 metres) and Downtown West-Kerby LRT station (250 metres). Bus connections are available along 6<sup>th</sup> Avenue SW and 5<sup>th</sup> Street SW, providing broader connections to Downtown Calgary and beyond. On-street cycling is available on 8<sup>th</sup> Avenue and 7<sup>th</sup> Street SW supporting active transportation to locations such as the Downtown Core, the Bow River Pathway, and Olympic Plaza.

### **Policy Framework**

In the absence of an existing local statutory plan, the site is regulated by Calgary's Municipal Development Plan (MDP). The MDP designates the site within the Greater Downtown Activity Centre, which aims to support the area as the primary hub for business, employment, living, culture, recreation, and entertainment in Calgary.

The proposed development aligns with the MDP's policies for Activity Centres by increasing residential density on an underutilized parcel, allowing more residents to contribute to Downtown as a vibrant residential, cultural, and employment hub. The proposed development also places residents in close proximity to significant transit and active transportation infrastructure, thereby supporting the MDP's policy of promoting greater use of active and public transportation within Activity Centres. Moreover, the inclusion of below-market housing in the proposed development allows more individuals to access housing near employment opportunities, transit, and amenities. This aligns with the Activity Centres' objective of creating an inclusive Greater Downtown environment for all Calgarians.

The site is also located within the boundary of Calgary's non-statutory Greater Downtown Plan (Plan), which outlines the future vision and strategic framework to support the revitalization of Greater Downtown. The proposed development supports several key objectives outlined in the Plan, including the support for inclusive communities by providing more affordable housing options, the provision of diverse housing options with access to services and amenities, and the promotion of increased residential density near transit and active transportation options to cater to people of all ages and abilities.

### **Proposed Land Use Amendment**

The land use amendment application proposes a Direct Control (DC) District designation based on the CC-MH Centre City Multi-Residential High Rise District with a density of 4 Floor Area Ratio and a building height of 26 metres. The use of DC has been utilized to incorporate 'Modular Dwelling Unit' as a permitted use. This inclusion will enable Attainable Homes to efficiently provide below-market housing on site, transforming the site from an existing surface parking lot into an affordable housing development. This opportunity not only increases Calgary's housing supply, but also situates it near transit, amenities, and employment

opportunities, maximizing its accessibility and community impact.

### **Affordable Housing Strategy Alignment**

The proposed land use redesignation to facilitate affordable housing aligns with the objectives and outcomes of the City of Calgary Housing Strategy (CHS). 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 the 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 site responds directly to this objective and policy through the redevelopment of city-owned land in an area with close proximity to transit. Future multi-residential development on this site will benefit from close proximity to the LRT Station and active travel modes, as well as 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 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 the objectives and actions of Calgary's Affordable Housing Strategy on a site underutilized with great access to transit. 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 \$1,737.50 per month. This is "affordable" to people who earn \$69,500.

The proposed development will feature 83 studio units, each +/- 365 square feet in size, rented at approximately \$1,400 per month. This rate is considered "affordable" for individuals earning \$56,000 per year, which is 47.55 percent of Calgary's Area Median Income (AMI) of \$118,000. This project aims to provide deeply affordable housing, with all units rented to individuals earning less than half of Calgary's AMI. In addition, the project will maintain the look, feel, and operation of a regular market rental apartment building.

The ability to offer units at or below market rates is tied to controlled building costs. The project will utilize modular construction by ATCO Structures, ensuring higher quality housing through an environment-controlled facility compared to traditional on-site stick-frame construction. The modular approach also

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reduces construction time and costs by avoiding the need for expensive underground parking and a main floor concrete retail podium, which is impractical given the site's constrained size.

This development will exceed the threshold to qualify for MLI Select by offering 100% of units at rents below \$1,737.50 per month, achieving exceptional affordability without subsidy. The focus on a 6-storey modular apartment format aims to provide affordable housing to as many Calgarians as possible, demonstrating that a disciplined design and construction approach can result in a financially self-sustainable building while offering good, affordable living for tenants.

## **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 Calgary Municipal Development 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 Downtown residents in progressing this application towards approval.