



Report Number: EC2025-0524

Meeting: Executive Committee

Meeting Date: 2025 May 13

NOTICE OF MOTION

RE: Reviewing Density Bonusing Options for Affordable Housing

Sponsoring Member(s) of Council: Councillor Courtney Walcott

WHEREAS Council provided direction through *Home is Here: The City of Calgary's Housing Strategy (2024-2030)* to increase housing supply at a rate of "3,000 new non-market homes per year;"

AND WHEREAS through *Home is Here*, Council approved the creation of the Housing Land Fund and approved its \$20M recurring budget alongside the development of a strategy to increase this fund to \$100M;

AND WHEREAS the Housing Land Fund sits within the Corporate Housing Reserve that was created in 1999 to support the development of affordable rental, social, and special needs housing, including infrastructure and operating costs associated with affordable housing initiatives;

AND WHEREAS The City recently received an additional \$22.8 million in federal funding for exceeding housing targets through the Housing Accelerator Fund (HAF), and part of the new funding will be allocated to support a new Downtown Density Bonusing Offset Incentive Program for projects that contribute to a Council-approved fund;

AND WHEREAS density bonusing is a voluntary mechanism that may be used to exchange additional density (measured by floor area ratio; FAR) for additional public benefits and amenities, including conservation of heritage resources, public spaces, public art, and affordable housing;

AND WHEREAS there have only been three approved developments to date, which have engaged in density bonusing to provide affordable housing units in exchange for additional FAR; resulting in a total of 18 housing units out of 820 residential units across all three projects;

AND WHEREAS provisions are available in the Land Use Bylaw 1P2007, and may only apply to identified lands in the communities of Downtown Core, Chinatown, and Beltline; and the *Beltline Area Redevelopment Plan* (Parts 1 and 2), and *Chinatown Area Redevelopment Plan* include policies to further guide density bonusing options outlined in the Land Use Bylaw;

AND WHEREAS the negotiation, monitoring, and enforcement of the necessary Special Development Agreements and Housing Agreements place significant administrative burden on the City;¹

AND WHEREAS the funds used to create these Affordable Housing units could be leveraged to a greater extent city-wide than they are in the creation of units in the Greater Downtown;

¹ Administration estimates that approximately 100 hours of staff time across Housing Solutions and Planning and Development Services were required to negotiate the Special Development Agreements and Housing Agreements for a recent development permit, which provided three affordable housing units in exchange for density bonusing. This estimate does not include staff time for the Law Department.

NOW THEREFORE BE IT RESOLVED that Council direct Administration to return to Infrastructure and Planning Committee by Q3 2026 with a report and recommendations that:

1. Evaluates the existing Density Bonusing provisions intended to incentivize the creation of “Affordable Housing Units” in the Greater Downtown and any other communities where it has been used, including but not limited to the:
 - a. Processes through which the City and development proponents negotiate density bonusing items, costs, and terms for approval and for the life of the housing units;
 - b. Type(s) of affordable housing provided;
 - c. Number of affordable housing units achieved to date;
 - d. Number of years that units are maintained as affordable units;
 - e. Amount of rental subsidy provided to tenants, if any;
 - f. Amount of staff time and administrative resources required to negotiate Development Agreements and Housing Agreements, and continued monitoring and enforcement to ensure compliance with the agreements; and
 - g. A jurisdictional scan of density bonusing programs, including the methods and outcomes of density bonusing in exchange for affordable housing units, or cash in lieu for affordable housing units;
2. Identifies opportunities to be more strategic, effective and efficient with public resources required to support the delivery of affordable housing units through density bonusing options, including but not limited to:
 - a. Removing the density bonusing option of “Affordable Housing Units;”
 - b. Adding the density bonusing option for “Contribution to Affordable Housing Fund” or “cash in lieu contributions for Affordable Housing Units;”
 - c. Exploring the opportunity for Density Bonusing funds provided through “Contribution to Affordable Housing Fund” or “cash in lieu contributions for Affordable Housing Units” to be used city-wide, through the following mechanisms:
 - i. Corporate Housing Reserve; or
 - ii. Another fund, as deemed appropriate by the Chief Housing Officer; and
3. Proposes necessary amendments to relevant City policies, the Land Use Bylaw, and terms of reference for City funding sources, funds, or reserves, including but not limited to the *Beltline Area Redevelopment Plan* (Parts 1 and 2), *Chinatown Area Redevelopment Plan*, *East Village Area Redevelopment Plan*, the terms of reference for the *Corporate Housing Reserve*, and the terms of reference for the *Incentive Density Funds of the Commercial Residential District*.

Attachment:

1. Notice of Motion Checklist