



# **RECOMMENDATION**

That the July 12, 2023, Urban Planning and Economy report UPE01448, be received for information.

| Requested Council Action  |  | Information Only                                     |  |
|---|--|--|--|
| ConnectEdmonton's Guiding Principle                                       |  | ConnectEdmonton Strategic Goals                      |  |
| <b>CONNECTED</b><br>This unifies our work to achieve our strategic goals. |  | Urban Places   |  |
| City Plan Values  | LIVE   |  |  |
| City Plan<br>Big City Moves   | A Community of<br>Communities<br>A Rebuildable City  | Relationship to<br>Council's Strategic<br>Priorities | 15-Minute Districts<br>Economic Growth |
| Corporate Business<br>Plan  | Transforming for the Future  |  |  |
| Council Policy, Program<br>or Project<br>Relationships                    | <ul> <li>City Policy C599A - Community Amenity Contributions in Direct Control<br/>Provisions</li> <li>Bylaw 12800 - Edmonton Zoning Bylaw</li> </ul>  |  |  |
| Related Council<br>Discussions  | <ul> <li>CR_6225 Zoning Bylaw 12800 amendments: Analysis, Implications and<br/>Options - Missing Middle Zoning Review, Urban Planning Committee, July 9,<br/>2019</li> <li>CR_1417 Addressing Barriers to Multi-unit Family Oriented Development -<br/>Update, Executive Committee, March 24, 2015</li> <li>CR_1107 Multi-unit Family Oriented Housing Market Analysis - Update,<br/>Executive Committee, June 4, 2014</li> <li>CR_81, Market Analysis - Multi-unit Family Oriented Housing, Executive<br/>Committee, September 9, 2013</li> </ul> |  |  |

#### **Previous Council/Committee Action**

At the August 16, 2022, City Council Public Hearing, the following motion passed:

That Administration provide a report to Committee on opportunities to increase the number of family oriented housing (i.e. three bedroom dwellings) in the Centre City.

# **Executive Summary**

- The City Plan encourages the creation of diverse housing which includes units with two or more bedrooms to accommodate larger households with children.
- While most family oriented housing in Edmonton is in ground oriented housing forms such as houses and duplexes, these forms are not common in Centre City, which means family oriented housing there will need to include apartment units.
- There are fewer large households and large units in apartment buildings in Centre City than elsewhere in Edmonton.
- The City seeks to attract families and family-oriented housing through policy and zoning incentives, new infrastructure such as parks and improvements to amenities and the public realm, and community enhancement programs like those supported by the Downtown Vibrancy Strategy.
- Additional City action may help attract families to the Centre City through changes to policy, regulations, design guidance, infrastructure and service decisions, collaboration with partners including school boards and community leagues or programs.
- Should Council wish to take additional steps to encourage family oriented housing, Administration would complete additional research to ensure the efficacy of any new approaches.

# REPORT

The City Plan provides direction to "Encourage medium and high density residential development that serves households above the average Edmonton household size." According to the 2016 Edmonton Census Profile<sup>1</sup>, this means Edmonton households with three or more people. These households require a minimum of two bedrooms, as per the Canada Mortgage and Housing Corporation's National Occupancy Standard.

Although "family oriented housing" has not been defined in Bylaw 12800 - Zoning Bylaw since 2019, it is treated in this report as a dwelling that has at least two bedrooms and design features that make them child-friendly.

Administration has explored diverse issues affecting the supply of family oriented housing units in multi-family buildings, resulting in nine reports to Executive Committee, Urban Planning Committee and City Council related to the topic since 2011 shown in Attachment 1. These reports describe what families with children want from urban family oriented housing and ways to support new units through regulations and incentive programs.

Administration found that there are families interested in living centrally in Edmonton. A 2013 market study commissioned by the City surveyed families that either lived, or would consider

<sup>&</sup>lt;sup>1</sup> Statistics Canada. 2017. Edmonton, Alberta and Alberta. Census Profile. 2016 Census. Statistics Canada Catalogue no. 98-316-X2016001. Ottawa. Released November 29, 2017.

living in a central apartment building, and found that the most important features affecting housing choice were price, unit size, availability of more than one parking space and unit location. Regarding location, the most important factors were proximity to green space, a grocery store, pedestrian-friendly street, playground and public transit.

However, there are fewer families with children living in Centre City than elsewhere. Centre City is defined as per Map 1 of The City Plan in Attachment 2. In Centre City, households with children make up nine per cent of all households, compared to 29 per cent for the city overall. Apartment units in Centre City also have fewer bedrooms. Across Edmonton, half of all rental apartments have two or three bedrooms. This ratio drops to one-third in central areas. Fewer multi-bedroom apartments in central areas is common among major Canadian cities shown in Attachment 2.

#### **Attraction and Retention in Centre City**

The City strives to attract and retain families in dense urban areas through amenities and infrastructure and through incentives in policy and the Zoning Bylaw to create larger units suitable for larger households.

#### Amenities and Infrastructure

A number of private and City-led projects aim to make living centrally more desirable for families with children, such as the opening of a new grocery store downtown and improvements to the public realm. A number of projects are underway or recently completed, including the Warehouse, Alex Decoteau, Kinistinâw and Beaver Hills parks, the redesign of Stanley Milner Library and 104 Street and 103A Avenue streetscape improvements. The downtown bike network and new LRT connections in Centre City also improve mobility options for residents. The Downtown Vibrancy Strategy implementation is focused on actions related to a vibrant and safe downtown. Based on the stated preferences in the 2013 market study, these investments should make Centre City more attractive to families with children.

#### **Policy and Zoning Incentives**

The City encourages family oriented housing in apartment buildings citywide by providing incentives in the Zoning Bylaw for the provision of larger units. Bylaw 12800 and the draft new Zoning Bylaw both offer additional floor area where developers provide a minimum number of three bedroom units. These incentives apply to each of the apartment zones in the current Zoning Bylaw and the zones which allow mid- and high-rise apartments in the draft new bylaw. Policy C599A - Community Amenity Contributions in Direct Control Provisions also incentivizes three bedroom units in certain rezonings. Administration has not evaluated the effectiveness of these incentives in increasing the supply of family oriented housing.

Regulations that would require the provision of family oriented units, rather than incentivize them, have not been considered as part of the draft Zoning Bylaw. Such regulations would conflict with the Zoning Bylaw Renewal Initiative goals to reduce regulatory barriers with a streamlined and simplified bylaw and may conflict with the City's intensification goals by increasing barriers to apartment construction.

#### **Jurisdictional Review**

Some other municipalities experiencing high density growth in core areas have used policy, zoning, design and other methods to encourage the provision of family oriented housing. These approaches are summarized in Attachment 3.

#### **Opportunities to Increase the Number of Family Oriented Units in Centre City**

Previous research and the experience of other municipalities suggest there may be additional ways that the City could encourage the provision of family oriented housing, or otherwise attract families to live in Centre City. This could include creating a family-friendly strategy that encompasses policy, regulations, design guidelines and incentives. It could also consider how programs and services levels meet the needs of families in Centre City. Administration recommends that any additional work on this issue first address outstanding questions, such as:

- Do existing incentives create larger units occupied by families with children?
- What challenges and costs do family oriented units pose for buyers, tenants, developers and landlords?
- What incentives may be effective to encourage developers to build family oriented units?
- What other issues prevent families with children from living in Centre City (e.g., childcare, schools, safety)?
- What additional amenities and services might encourage more families to choose to locate in Centre City?

If Council directs, Administration would conduct research to answer these questions prior to preparing any changes to policy, regulations or programs to ensure action is effective and results can be measured. This work could begin in 2024 as resources are made available and current work, such as the District Planning project, concludes.

# **COMMUNITY INSIGHT**

Attachment 1 includes previous work on this topic such as community engagement on questions regarding what unit, building and public amenities attract families. Industry feedback also informed the current regulations and policy. No additional engagement was conducted for this report.

New work on family oriented housing, including answering the questions outlined above, would require additional research and engagement with a variety of stakeholders, including tenants, landlords, developers and real estate agents.

### **GBA+**

Since the City's current approach to encourage family oriented housing is contained within the Zoning Bylaw, equity considerations are drawn from the GBA+ analysis conducted for the Zoning Bylaw Renewal Initiative.

This analysis found that the City should:

- Review Household definition and remove values around what defines "family"
- Permit diverse housing typologies
- Explore incentives for affordable/accessible housing among other housing types

These actions are underway through the Zoning Bylaw Renewal Initiative, in addition to consideration of a potential regulatory approach to incentivize dwellings, which could accommodate families with children. Given the lack of supply of units with more than two bedrooms in central areas shown in Attachment 2, and the stated demand found in the market survey reviewed in Attachment 1, there may be families with children whose needs are not met by the housing market.

# **ENVIRONMENT AND CLIMATE REVIEW SECTION**

This report was reviewed for environment and climate risks. The environmental risks and opportunities summarized below were identified using City-developed environment and climate screening criteria. With respect to Centre City family oriented housing:

- Encouraging family-oriented housing in Centre City is not anticipated to directly impact the environment or climate. However, because density and living in centrally located areas are associated with reduced car trips and emissions, attracting families to these areas could provide families living in Centre City with opportunities to participate in Edmonton's transition to a low-carbon future.
- Opportunities to increase marketability of Centre City for families may include opportunities to improve the climate resilience of the area. This could include increased access to active transportation options that reduce greenhouse gas emissions and including elements in the design of public amenities, such as parks, that reduce urban heat island effects and improve stormwater management.

# **ATTACHMENTS**

- 1. Summary of Previous Reports
- 2. Apartment and Households Types in Edmonton and Central Areas
- 3. Summary of Approaches in Other Municipalities