

Criteria for Exemption from the Non-Market Housing Pause

Recommendation:

That Executive Committee recommend to City Council:

That the following exemptions to the non-market housing pause, be approved:

- mixed-market projects (both market and non-market)
- affordable home ownership projects
- seniors' housing
- small-scale non-market housing (four units or less)
- non-market projects with family-appropriate units (two or more bedrooms).

Report Summary

This report recommends potential exemptions to the non-market housing investment pause.

Previous Council/Committee Action

At the March 22, 2016, Executive Committee meeting, the following motion was passed:

That the March 22, 2016, Sustainable Development report CR_2974, be postponed to the April 12, 2016, Executive Committee meeting, time specific to be determined by the Agenda Review Committee.

At the September 15/18, 2015, Executive Committee meeting, the following motion was passed:

That Administration provide a report on criteria for positive exemption from the Non-Market Housing Pause, such as "mixed market/non-market" housing, affordable home ownership projects, seniors' housing and projects tailored to families.

Report

On October 31, 2012, City Council approved the non-market housing investment pause, a three-year moratorium on City funding for new non-market housing in five neighbourhoods: Alberta Avenue, Central McDougall, Eastwood, McCauley, and Queen Mary Park. The purpose of the funding pause was to allow for a period of relationship-building between residents, stakeholders and the City.

On September 15, 2015, Executive Committee extended the term of the funding pause for one year, until October 31, 2016. The extension has provided time for engagement and study regarding potential exemptions to the housing investment pause. This report provides an overview of stakeholder perspectives on exemptions and

the funding pause in general, and outlines potential exemptions.

Project Background

In 2009, residents in Edmonton's inner city began to raise concerns related to concentrations of low-cost housing, both non-market and market, in their neighbourhoods. In response to these concerns, Administration initiated a series of focus group sessions and completed several research papers on best practices for neighbourhood housing diversity. This initial work culminated in the June 2012 report (2012SHE009 – Consultation with High Stressed Communities), which defined a set of 12 key actions, including the non-market housing investment pause. Since this time, Administration has continued to work with residents and stakeholders in the five "pause" neighbourhoods through a range of initiatives, including Realizing Housing Potential, a project that engaged residents to identify actions that could improve neighbourhood housing conditions.

Stakeholder Perspectives

Stakeholder engagement has been an important component of this project. Since 2009, stakeholders and residents have attended over 50 group meetings, neighbourhood workshops, and open houses to discuss housing issues related to the moratorium. The project has benefited from consistent involvement from a small group of dedicated community volunteers. However, there remain very diverse perspectives among stakeholders. These perspectives range from strong support for an ongoing moratorium to no support and everything in between.

Between November 2015, and January 2016, Administration completed additional engagement activities, including online surveys and in-person meetings, to seek input on potential exemptions to the funding pause. The findings from these activities were consistent with previous results: there were a variety of perspectives on the idea of exemptions. Many residents and community representatives were supportive of the ideas for exemptions described in the Executive Committee motion passed on September 15, 2015. Multiple community leagues were less supportive of exemptions and preferred an ongoing, broadly defined moratorium.

Other residents and stakeholders voiced general concerns about the funding pause approach, and suggested that well-managed affordable housing was part of the solution and not the cause of neighbourhood problems. Multiple stakeholders also argued that the moratorium is a discriminatory practice that stigmatizes low-income residents in the inner city.

Ideas for Exemptions

Among engagement participants who supported exemptions, the following housing types received moderate or strong support:

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- seniors' housing
- projects with family-appropriate units (two or more bedrooms)
- affordable homeownership projects
- mixed-market (both market and non-market units)
- small-scale projects, such as row housing
- housing co-operatives
- projects developed by non-profit organizations with an established track record
- projects that receive community support
- supportive and supported housing
- housing for artists

Engagement participants also consistently opposed expanding the existing supply of:

- Shelter beds
- Transitional housing

These findings are consistent with stakeholder input provided through the Realizing Housing Potential project. See the September 15, 2015, Non-Market Housing Investment Pause and Realizing Housing Potential report (CR_2776), for more information.

City-Wide Housing Activities

Since 2012, community league representatives have consistently requested a "comprehensive City of Edmonton plan" to encourage non-market housing development in neighbourhoods outside of the central core.

Recent projects help to formalize the City's commitment to increase the supply of affordable housing in all areas of the city. First, in July 2015, the City approved Policy C583, which enables the City to utilize surplus school sites for non-market housing development. Current surplus school sites are all located in "established neighbourhoods" (neighbourhoods approved between 1971 and 1995) across the city. Second, the *City of Edmonton Affordable Housing Strategy (2016-2025)* directs the City to "Increase the supply of affordable housing in all areas of the city" (Goal #1). Third, the Affordable Housing Information and Awareness Campaign is designed to educate Edmontonians on the need for affordable housing throughout the city. The campaign also provides a toolkit to enable residents to better engage in affordable housing developments in their neighbourhood.

Multiple stakeholders have encouraged the City to adopt an inclusionary zoning policy to require affordable housing in neighbourhoods throughout the city. Due to restrictions in provincial legislation, specifically the *Municipal Government Act*, the City of Edmonton does not have the authority to enact inclusionary zoning at this time.

Exemptions

Criteria for Exemption from the Non-Market Housing Pause

The following proposed criteria for exemptions are designed to achieve a compromise between diverse stakeholder perspectives. Administration recommends implementing the following exemptions to the non-market housing investment pause:

- mixed-market projects (both market and non-market)
- affordable home ownership projects
- seniors' housing
- small-scale non-market housing (four units or less)
- non-market projects with family-appropriate units (two or more bedrooms).

Public Consultation

Administration engaged with seven stakeholder organizations and a number of interested residents through focus groups, online submission forms and a public survey from November 2015 through January 2016.

Justification of Recommendation

Creating exemptions for these housing types will achieve a compromise between diverse stakeholder perspectives and help to achieve positive neighbourhood outcomes.

Others Reviewing this Report

- R. Smyth, Acting General Manager, Citizen Services