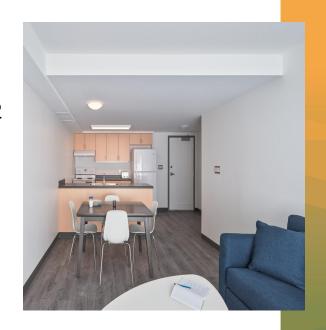


## How the policy works

Per City Policy C582, developers seeking DC1 and DC2 re-zoning for multi-unit housing must:

- Offer City option to buy 5% of units at 85% market value; or
- Pay the City 15% of market value for 5% of units as cash-in-lieu; or
- Provide the City with comparable public benefit
  (i.e. heritage designation)

Units purchased by City are managed by homeED and rented at below-market rates





## Why the policy was created

- Council wanted a tool to obtain affordable housing contributions through rezoning
- The City had limited power to compel private sector to contribute to affordable housing, it now has broader powers to compel contributions
- Developer sponsored affordable housing policy provides a creative way to get private sector involved in up-zoning scenarios





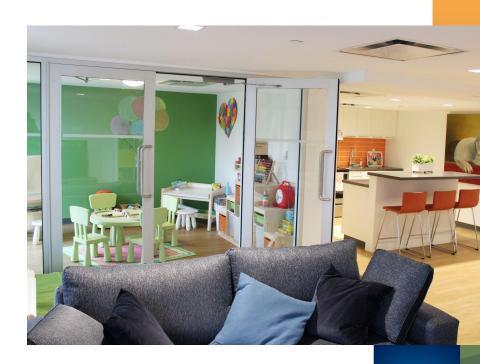
## Findings of the policy review

- Not as cost-effective as other affordable housing initiatives
- 28 units purchased by the City in 6 developments since 2010
- Numerous limitations around unit availability for purchase
- Factors contributing to lack of units to feed into the program, include:
  - Weak condo market multiple economic downturns
  - Direct Control rezonings have failed to construct or are converted to rental properties (the policy does not apply)
  - High-end developments don't align with affordable housing objectives: too expensive for the City to buy, high condo fees



#### **Next steps**

- Advance a report to rescind the C582 policy this Spring
- Engagement with stakeholders to establish a work program for a replacement approach
- Bring options report with a short list of possible approaches to Committee in 2022



**Edmonton** 

# Thank you. Questions?

**Edmonton** 

## What other cities are doing

#### **Vancouver**

- Density bonusing in exchange for affordable housing
- Introduced an interim rezoning process to secure more affordable housing. Also requires redevelopment of existing stock on redevelopment sites.

#### **Toronto**

- Density bonusing to obtain affordable housing through rezoning.
- Working on adopting inclusionary zoning this year

#### **Montreal**

 Requiring developments of five or more units of housing and seeks contributions equivalent to 20% social housing, 20% affordable housing and 20% family housing depending on location

#### **Calgary**

 Requires a contribution only on City-owned land sold for development, otherwise only 3 projects have provided affordable housing based on an amenity policy

