Affordable Housing Delivery Model:

Future service delivery of Affordable Housing programs and services in St. Albert

City of St. Albert
Planning & Development

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AFFORDABLE HOUSING DELIVERY MODEL:

Part 1 - Background

The Impetus for this Report

On April 26, 2011, City Council requested information on the future delivery of affordable housing programs and services.

Introduction

Since the *Affordable Housing Strategy 2005* and *Community Housing Plan 2006* were approved by Council, the agencies and organizations involved with the delivery of affordable programs and services have changed. These changes have resulted in evolving roles from both the City's and community-based agency's perspectives. This report discusses these changes, implications to the City and opportunities for continuous improvement to achieve efficiencies in program delivery.

The direct allocation of provincial funding to St. Albert for affordable housing initiatives from 2007 to 2010 has increased the City's affordable housing supply through a range of delivery methods. Unfortunately this funding stream has ended, and the City must re-examine the future direction of the City's involvement in affordable housing.

Council has recognized that the development of affordable housing in St. Albert is necessary to strengthen the City's social fabric, encourage business development and attract local employees. Affordable housing has continued to be one of Council's top priorities in recent years.

This report explores the various affordable housing delivery models and funding streams available from the federal to municipal level, and provides information on the number and types of organizations within the City that are currently involved in the delivery of St. Albert housing programs and services.

This report concludes with a number of recommendations and actions for the City to undertake in support of affordable housing development in St. Albert.

Part 2 – Affordable Housing in St. Albert

Affordable Housing Advisory Board

In 2000, St. Albert City Council first established the Affordable Housing Advisory Board (AHAB) in response to the changing demographics and lack of affordable housing options in the City. Rapid population growth together with changes in the demographic profile had resulted in new residential growth primarily catering to higher income families.

The AHAB was formed to serve in an advisory capacity to Council, listen to various advocacy groups and determine what opportunities might exist and could work for St. Albert. The AHAB was also instructed to make recommendations to Council regarding affordable housing to forward to other government levels.

In October 2006 City Council directed Administration by resolution C513-2006 to work with the Affordable Housing Advisory Board to transition from an advisory board to a non-profit society.

In February 2008, the AHAB transitioned into the St. Albert Housing Society and was registered as a non-profit society. Council repealed Bylaw 38/2000, disbanding the Affordable Housing Advisory Board.

Studies and Documents

From 2001 to 2006 the City developed a number of documents to better understand the need for affordable housing in St. Albert.

Affordable Housing Strategy 2005

In 2003 City Council commissioned the preparation of the *Affordable Housing Strategy (the Strategy)* to better understand St. Albert's need for affordable housing and to facilitate affordable, appropriate housing choices. This document involved consultations with Administration, Council, the AHAB and community stakeholders combined with quantitative and qualitative analysis. In 2005, the *Affordable Housing Strategy* was approved by Council.

The Strategy re-affirmed St. Albert's *CityPlan* vision and neighbourhood development goals for an inclusive, family-oriented community with a broad range of housing types, densities, sizes, tenure and prices. It focused on preserving and providing more affordably priced ownership and rental housing choices to meet the needs of seniors, young families and young adult singles.

The Strategy recognized that failure to take a strategic perspective on investment in housing affordability and choice in housing stock can have long-term consequences on the desirability of St. Albert as a place to live, work and play. A healthy mix of housing types, price ranges and tenure options within a community helps to achieve important local, economic and social objectives of socio-economic diversity, a diversified economy, attraction of qualified workers, balanced family and community life.

Through the recommendations contained in the Strategy, the City recognized that by itself it did not have the resources to meet the need for affordable housing units within the community. It also recognized that developing a comprehensive and pro-active approach to the provision of affordable housing must be a responsibility shared by all orders of government, the private sector and the citizens of St. Albert.

Recommendations were provided to assist in reducing barriers towards affordable housing, promoting affordable, appropriate housing choices in St. Albert by:

1. Reaffirming community vision and political will,
2. Creating incentives by developing inclusionary housing policies,
3. Identifying and acquiring land for affordable housing,
4. Improving public awareness of innovative prototype communities and housing forms,
5. Increasing density through lot design and building form,
6. Allowing garden and secondary suites, and
7. Increasing density on underutilized sites.

The Strategy estimated that a range of 12% to 16% of households in St. Albert may be in core housing need.

Community Housing Plan 2006

The *Community Housing Plan* built on the recommendations in the Strategy, summarized key issues in affordable housing specific to St. Albert, and outlined recommendations to City Council from the Affordable Housing Advisory Board (AHAB) that would best facilitate the development of affordable housing in St. Albert. This report was prepared by the AHAB in conjunction with Administration and was approved by Council in March 2006.

The *Community Housing Plan* estimated 2,144 to 3,485 households were in core housing need in St. Albert with the majority earning less than $40,000. The Plan projected that 100 affordable housing units should be developed each year to meet the ongoing demand, in addition to the backlog, over the next ten years.

The *Community Housing Plan* also suggested that the City should explore the viability of a land bank or Community Land Trust organization to facilitate the implementation of affordable housing projects on behalf of the City, to manage associated capital and land assets, and to ensure the land would be used for affordable housing in perpetuity.

Additional recommendations included:

- Infill guidelines for existing neighbourhoods to encourage the preservation of housing stock and the development of affordable housing.
- Adjustments to engineering and planning standards that would reduce costs for projects and be applicable only to projects incorporating affordable housing.
- Fee waivers, delays and/or exemptions only for projects providing affordable housing to meet the goals of the *Community Housing Plan* consistent with other fee policies.
- Mixed-use, higher density districts that incorporate affordable housing and other easily accessible amenities like commercial uses, access to transit and other services.

Both the *Community Housing Plan* and the *Strategy* stated that political will would be required to further the City's affordable housing agenda.

Community Land Trust Feasibility Study 2006

In response to the recommendations contained in the *Community Housing Plan*, Housing Strategies Inc. was retained to study the community's capacity to establish a Community Land Trust (CLT). This study included an evaluation of the city's organizational capacity for land development, affordable housing construction, affordable housing operations/management and related supports.

The consultant recommended that St. Albert would need a combination of market incentives, a non-profit organization to acquire and own parcels of land for affordable housing, and a non-profit housing development corporation. The study stressed that the success of the CLT would depend on its ability to overcome challenges related to development capacity, fundraising and community support.

Prior to the approval of the CLT feasibility study, Council had authorized the transition of the AHAB into a non-profit society. This document formed the basis for the creation of the St. Albert Housing Society and was approved by Council in December 2006.

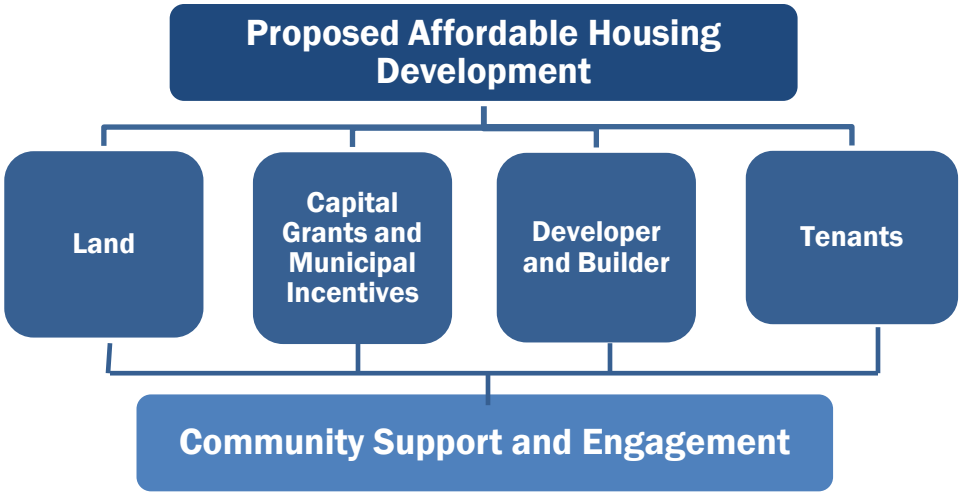
Roles and Responsibilities

Implementation of affordable housing initiatives requires a wide range of community partners including developers, builders, local businesses, local and provincial governments, management bodies and the not-for-profit sector.

In fact, the successes of affordable housing projects are dependant on the combined contributions of each sector to achieve the desired outcome, as illustrated in Figure A.

The City's success has been realized by concurrently supporting a number of initiatives utilizing a variety of organizations, and having a sustainable funding stream which enabled to City to make strategic plans.

FIGURE A - ELEMENTS OF AN AFFORDABLE HOUSING PROJECT



The delivery of housing programs and services involves a large number of partners and agencies, from the federal, provincial and municipal governments, through to local community groups. A complementary coordinated approach provides the greatest opportunity to facilitate community based solutions.

Part 3 - St. Albert's Housing Programs and Services

St. Albert has a variety of housing programs and services to assist households in need. Currently, there are more than eleven organizations supplying these services throughout the City.

Housing Support Services

Housing support services are defined as services that assist households to maintain their housing by providing emergency assistance, rent supplements, or services that include a housing component as shown in Figure B. While each of the organizations providing services act independently, community coordination is achieved through regular meetings of the Temporary Residential Services Committee (TRS).

FIGURE B – HOUSING SUPPORT SERVICE AGENCIES



Rental Assistance Programs

St. Albert Rental Assistance Program – Parent's Place

The St. Albert Rental Assistance Program is currently under the auspices of the St. Albert Family Resource Centre. As of July 1, 2012 the program will be relocated to the St. Albert Community Village. The Rental Assistance Program Coordinator manages the program and works with the supported households on exit strategies that will allow them to move toward managing their living costs without the support of the Rental Assistance Program. This coordinator position is supported through the United Way's community initiatives grant. Allocation of United Way funding towards the Rental Assistance Coordinator position is reviewed yearly by the St. Albert Strategy and Mobilization (SAM) Committee, comprised of designated representatives from St. Albert Family & Community Support Services, St. Albert Royal Canadian Mounted Police, Alberta Child & Family Services, St. Albert

Protestant School Division, Greater St. Albert Catholic Regional Division, St. Albert Public Health/Capital Health, Community Services Advisory Board and the St. Albert Ministerial Group.

Since the program was introduced in 2008, 173 households have received a rental supplement through the program. At the current subscription rates, we estimate the Rental Assistance Program will be operational until 2015 - 2016. The program's budget of $1,265,206 has been allocated from the City's affordable housing grant funding.

As of September 2011, 89 families, individuals, and seniors have received assistance with 44 carrying over from 2010 and 45 being new to the program.

Households eligible for the St. Albert Rental Assistance Program generally are not eligible for the Provincial Rent Supplement Programs.

Provincial Rent Supplement Programs

Capital Region Housing Corporation (CRHC) delivers three provincial rent supplement programs in the Capital Region that include St. Albert. Program delivery includes the Direct Rent Supplement, Provincial Fixed Rate Subsidy, and the Private Landlord Rent Supplement Program. CHRC also delivers two rent supplement programs in Edmonton, which are funded by the City of Edmonton. Table 1 provides a summary of St. Albert resident's currently being assisted through CRHC programs.

TABLE 1 - CRHC PROGRAM UTILIZATION IN ST. ALBERT JANUARY 2012

Program Type	St. Albert Clients Served
Rental Assistance Programs	34
St. Albert Community Housing	2
Applicants originally from St. Albert now living in Edmonton	17

Access to the Provincial programs is based on highest need as ranked through a point system. The Provincial programs differ from the St. Albert Rental Assistance Program as only those clients with very high housing need qualify for the subsidy. Clients are able to remain on a waiting list in case their need or circumstances change. If their need does not rank sufficiently high on the points system, they are unlikely to ever receive a subsidy.

Direct Rent Supplement Program

The Direct Rent Supplement Program provides a supplement directly to the tenant in market based housing units. The amount of assistance is based on the difference between the tenant's qualified rent and 30% of their income, to a maximum subsidy of $550. Total gross

household income cannot be more than the Core Need Income Threshold limits. Capital Region Housing Corporation (CRHC) administers this program in Edmonton and surrounding communities, including St. Albert.

Provincial Fixed Rate Subsidy Program

The Fixed Rate Subsidy Program is a direct-to-landlord rent subsidy in selected market rental complexes. CRHC pays a set subsidy to a maximum of $550 directly to the landlord each month to help cover a portion of the rent. The tenant then pays the remainder of the rent directly to the landlord. Subsidies are based on available suites and priority of need. Households with the greatest need are offered the next available subsidy.

The program is available to single individuals, couples, and families with children requiring a short term moderate subsidy, and whose incomes are below the Core Need Income Threshold limits.

Private Landlord Rent Supplement Program

In this program, clients rent from a private landlord. The tenant pays the landlord his portion of the rent based on 30% of the household's gross income. CRHC pays the landlord the difference between the agreed market rent and the subsidized rent paid by the tenant. Eligibility for continued assistance, subject to ongoing funding, is reviewed annually.

To qualify, applicants must be Canadian citizens, independent landed immigrants, or government sponsored landed immigrants. Assets and belongings cannot exceed $7000. The Private Landlord Rent Supplement subsidy is attached to the rental unit and does not transfer should the tenant move out.

Community Outreach Services

Outreach Worker - St. Albert Community Village Family and Community Support Services

The St. Albert Food Bank (SAFB) and Community Village (CV) play a vital role in supporting families in crisis situations including those individuals who are homeless. The Village services include a Community Liaison Outreach Worker who is available to assist households in housing distress, homeless, or in need of service supports. This position is funded through the Family and Community Support Services Grant.

The SAFB and CV provide homeless individuals with food, shower facilities, clothing, laundry facilities, assistance with appointment referrals, and services through the Outreach Worker. The SAFB and CV work closely with St. Albert churches and service

organizations such as the Salvation Army in the coordination of supports to St. Albert residents.

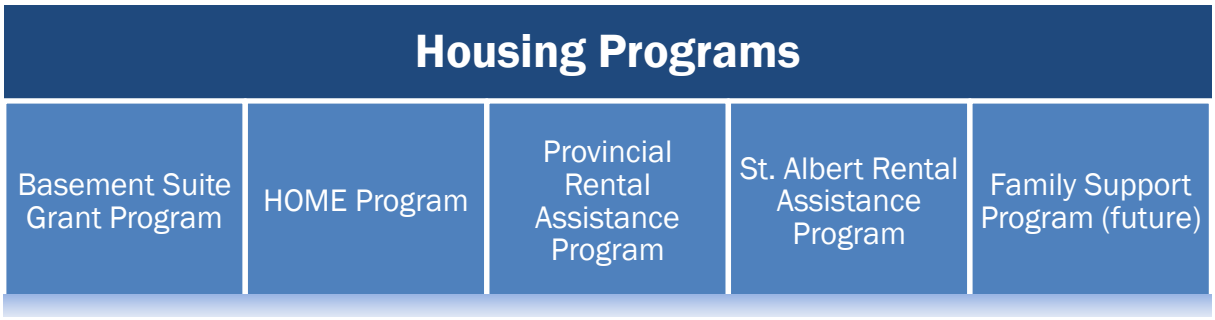
Supportive Programs

Poundmaker's Lodge has two facilities in St. Albert that offer residential addiction support programs. Concepts are based on Aboriginal cultural and spiritual beliefs, with programming open to individuals of all cultures. Treatment focuses on the root causes of addiction and empowers individuals in their recovery from addiction. These programs provide clients with essential tools for living clean and sober, developing skills in communication, problem solving and healthy assertiveness.

Housing Programs

The housing programs shown in Figure C are currently offered in St. Albert and have been quite successful in supporting local households in need. Information on Rental Assistance Programs has been included under Housing Support Services in the previous section.

FIGURE C- HOUSING PROGRAMS OFFERED IN ST. ALBERT



Basement Suite Grant Program

In 2007 Council amended the Land Use Bylaw to allow basement suites as a permitted use in single-detached homes. St. Albert was one of the first municipalities in Alberta to permit suites in all areas of the community, resulting in safe, legal rental accommodation in existing neighbourhoods. St. Albert homeowners can apply for a grant up to $15,000 to develop a new basement suite or up to $10,000 to renovate an existing suite in single family dwellings.

The City has approved continuing the program until the allocated funding has been expended. As of December 2011 there is sufficient funding remaining to develop five new suites or eight existing suites depending on the combination of grant applications received.

Basement suites increase the number of rental units available in St. Albert quickly, and provide affordable living to two households, the renter and the homeowner.

The City has been able to develop more housing units through housing programs than direct funding towards the purchase of units. The Basement Suite Grant Program has created 60 suites with an expenditure of $753,837. This same funding would have supported the purchase of five units at a cost of $150,767/unit.

HOME Program

The HOME program is a homeownership education program geared at assisting low and moderate income households to become homeowners through education, individual support and advocacy. Eligible graduates of the program receive down payment and underwriting assistance if they purchase a home through an eligible member of the Alberta Real Estate Association with the contribution amount based on the household's income. Homeownership education sessions are offered free of charge to all interested participants regardless of income or home ownership status.

The HOME program has been offered in St. Albert for the last three years, with 64 participants attending homeownership education sessions. Of those, 40 are still active and moving through the program. Classes are currently offered twice a year in St. Albert through St. Albert Continuing Education in partnership with the Alberta Treasury Branch. Interested participants can also attend sessions in Edmonton or the surrounding area.

Family Support Program

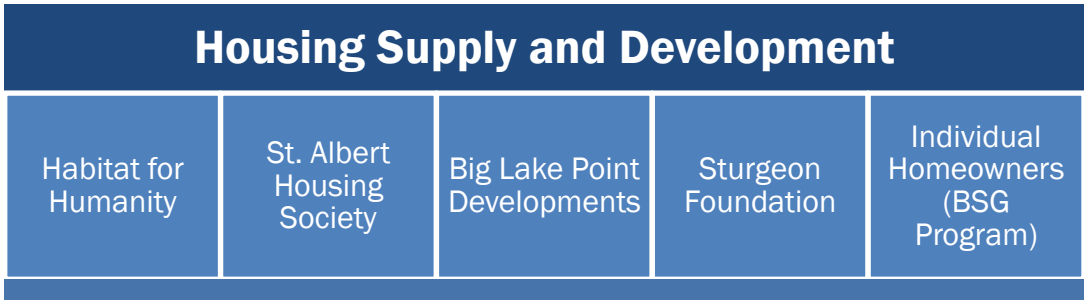
The St. Albert Housing Society has been fundraising for their Family Support Program over the last three years. While the program has not been active in providing funding assistance to local households, the Society's intent is to activate a Family Support Program once the Society has available rental units and funding for the program.

The Family Support Program is expected to offer rental housing and income support for qualifying families; however it is unlikely that the program will be able to offer the extent of support currently being provided through the Rental Assistance Program. The Society's intent is to partner with St. Albert agencies currently providing supportive services to local households.

Housing Supply and Development

The success of the City's affordable housing programs has been accomplished by providing funding to a variety of organizations and initiatives as shown in Figure D. These housing units are being developed concurrently, maximizing on each organization's capacity.

FIGURE D - HOUSING SUPPLY AND DEVELOPMENT



Each of these organization's projects have been described in detail in other sections of this report.

Affordable Housing Operators

St. Albert has more than eleven different organizations involved in operation and supply of affordable housing units as shown in Table 2. This includes a combination of for-profit developers, management bodies and non-profit entities. As each project is owned and operated independently, there currently are no opportunities for consolidation of operations.

These affordable housing operators are an asset to encourage the development of new projects and housing services in the City.

TABLE 2 - AFFORDABLE HOUSING UNITS IN ST. ALBERT

Organization Type	Organization Name	Existing Units	Under Development
Management Body	Sturgeon Foundation	188	
	Capital Region Housing Corporation	2	
Housing Cooperative	Liberton Terrace Housing Cooperative	43	
	Heritage Hills Housing Cooperative	50	
Non-Profit or Charitable Organization`	Habitat for Humanity	5	30
	Transitions	15	
	St. Albert Housing Society		15
	St. Albert Housing Society		7*
	Lo Se Ca Foundation	21	
Private Landlords	Basement Suites	60	10
	City of St. Albert	1	
	Alpha/Anderson		63
	Rosedale Developments	70	
	Christensen Developments	31	
Subtotal		**486**	**125**
Total		**611**	

- *Additional units can be purchased by the Society if sufficient funding is raised.*

Community Coordination

Temporary Residential Services Committee

The Temporary Residential Services Committee (TRS) was formed in 2005 to address the growing concern for persons in St. Albert who were in need of affordable housing, youth who were couch surfing and those experiencing homelessness.

Thus far the committee has focused on affordable housing concerns in St. Albert. The committee advocated that the transitional housing portions of the 2007-2010 municipal affordable housing grants go towards the Rental Assistance Program.

The future focus of the committee will be on the development of supports for households facing homelessness and housing instability in St. Albert. The committee objectively advocates for programs and services that will provide the greatest community benefit. The steering committee currently consists of the St. Albert Food Bank/Community Village, Salvation Army, St. Vincent de Paul, St. Albert Rental Supplement Program Coordinator, City of St. Albert Affordable Housing Liaison, City of St. Albert FCSS, Habitat for Humanity, the St. Albert Housing Society, Transitions Rehabilitation Association and the Sturgeon Foundation.

Homelessness

In October 2007 the TRS Committee presented to Council the findings of their study into homelessness and those at risk of becoming homeless. The study concluded that while a continuum of housing options and supports should be available to all St. Albertans, an emergency or transitional shelter would not be the best model for St. Albert to begin servicing its homeless people. In fact, the majority of homeless people in St. Albert were temporarily sheltered or unstably housed, and hidden from the public view. The study recommended that St. Albert look into the Housing First model and its applicability to St. Albert.

The Committee is coordinating with organizations supporting the Housing First model to develop a strategy for St. Albert homeless residents. In Edmonton Homeward Trust is the funding distributor for homelessness. Their funding from the Federal Government, the Province, and the City of Edmonton is specifically for Edmonton, and cannot be utilized in outlying communities such as St. Albert.

City Supported Housing Organizations

The City provides operational funding support to two organizations:

1. Sturgeon Foundation Seniors Housing (Management Body)
2. St. Albert Housing Society (Non-Profit Society)

Sturgeon Foundation

The Sturgeon Foundation is a provincially mandated management body established and governed by the *Alberta Housing Act*. The City is provincially legislated to provide operational support the Sturgeon Foundation under this legislation. The Sturgeon Foundation manages 419 seniors housing units in its operational area which includes St. Albert. In St. Albert it owns and/or operates 188 housing units.

Each of the seven participating municipalities, Bon Accord, Legal, Redwater, Gibbons, St. Albert, Morinville, and Sturgeon County are represented by elected officials on the Board of Directors. This ensures that the Foundation works as a community-based entity with an equal voice for each of the participating communities. Operational funding for the Foundation is from three income sources:

- resident rent,
- yearly operational funding requisition from participating municipalities based on government equalized assessment, and

- Lodge Assistance Program grant and special services grants.

Capital Region Housing Corporation (CRHC), a regional management body, delivers the Provincial rent supplement programs in St. Albert and manages two rent-geared-to-income housing units in St. Albert. The City does not provide operational funding to CRHC.

Future Direction

St. Albert has an opportunity to coordinate with the Sturgeon Foundation on regional initiatives such as the Capital Region Board sub-regional planning model, and opportunities that may arise from the provincial reinvestment of the Social Housing Corporation retained earnings. These funds are targeted for the redevelopment and renovation of existing government owned housing sites in the Foundation's management area.

Management Bodies currently deliver 75% of the province's housing programs and services.

St. Albert Housing Society

The St. Albert Housing Society (SAHS) is a non-profit organization incorporated in December 2007 that began its operation in April 2008. The City voluntarily provides operational support to the SAHS through the yearly budget process.

Council has allocated financial support annually to the SAHS for its operations. The City also purchased the land for the Society's Big Lake Pointe project ($2,319,318).

Big Lake Pointe

The Society's most recent partnership proposal for Big Lake Pointe has been funded by the Province (2011) and involves a partnership with developer Alpha-Anderson, now called Big Point Developments Inc. The mixed income development comprised of 118 rental units will include 78 affordable units (rented at 10% below market) with the remaining units rented at market rates. The Society will own 15 of the 78 affordable units. All 78 units will be rented and managed by Big Point Developments as affordable units for a 20 year period (including the 15 units owned by the Society) as dictated by the funding agreement with the Province. The developer's and the Society's investment has been summarized in Table 3.

TABLE 3 – BIG LAKE POINTE

	Amount
Land Value	$2,319,318
Units Transferred to SAHS based on land value exchange	15
Developer's cost per unit	$83,578
Grant per unit	$87,020
Total Unit Value	$170,598
Total 78 Unit Project Development Cost	$13,306,615
Provincial Grant Received	$6,787,554

If the Society is able to bring additional equity to the project prior to construction completion, they will have the option to purchase another seven market units in the development at an agreed price.

Future Direction

As the Housing Society evolves, there may be future opportunities for coordination of services currently managed by the City and other organizations in relation to program delivery, community capacity building, and advocacy. Operational funding grants to the Society are based on their current organizational structure. Additional roles undertaken by the Society may trigger higher operational grant funding requests.

Project Status

70 Arlington Drive

Habitat for Humanity is currently completing the first eight units of the 30 unit semi-detached development. It is expected that these units will be turned over to St. Albert applicants in the fall of 2012. The remaining units will be completed in stages with project completion scheduled prior to September 2013.

Big Lake Pointe

Big Point Developments will be starting construction of the Big Lake Pointe project in January 2012. The project is expected to be completed in mid 2013.

Basement Suite Grant Program

The Basement Suite Grant Program has sufficient funding remaining as of December 15, 2011 for 5 new suites or 8 existing suites depending on the combination of applications received. Though the program will be ongoing over the five year term of the agreement, it is expected that the funding for the grants will be fully allocated by May, 2012.

Rental Assistance Program

The Rental Assistance Program is expected to end in mid 2016 based on current subscription levels.

The Province recently announced an increase in the Assured Income for the Severely Handicapped (AISH) benefit payments and eligible earnings. This increase is expected to reduce the reliance of AISH households on provincial rental support programs and reduce the amount of subsidy required to retain AISH households in affordable accommodation (paying 30% of their income towards rent).

In future years, the use of United Way funding for the Housing Coordinator position may end, which will result in a change in location and possible direction of the program. These changes will also be influenced by the development of the *Social Master Plan*.

Effect of City Involvement

The projects completed over the last 5 years illustrate the "leveraging effect" of the City's support as shown in Table 4- Leverage Value of Capital Grant Funding. Capital grant funding allocated to projects through the City, the Province, and/or the Federal Government have resulted in an investment of $69 million in housing infrastructure. This equates to an average leverage value of 3.4 times the original contribution amount.

Without financial grant assistance, it is unlikely that any of the affordable housing projects would have been built in the form that they currently exist. Continued contributions towards affordable housing initiatives will benefit the city by compounding the value of the City's contributions towards affordable housing. Other benefits to the community will be realized through increased construction activity, population growth, and decreased reliance on community social support services.

TABLE 4- LEVERAGE VALUE OF CAPITAL GRANT FUNDING

Recipient	Funding Amount	Affordable and Market Unit Cost + Land Value at Construction	Leverage Value of Investment	Affordable Units/ Total Units
Rosedale Developments	$3,120,000	$12,650,000**	4.1 x	70/152
Citadel Mews West	$2,397,593	$10,345,500**	4.3 x	31/122
North Ridge Place	$8,000,000	$17,079,026	2.13 x	48/48
Basement Suite Grant Program	$979,351	$1,687,268	1.72 x	69/69
Habitat for Humanity	$493,000	$1,093,000	2.21 x	4/4
Habitat for Humanity	$840,000	$6,090,000	7.25 x	30/30
Big Lake Pointe	$9,364,872*	$20,130,500	2.15 x	85/118
Total	**$25,194,816**	**$69,075,294**	**3.4 x**	**337/543**

* *Big Lake Ponte Funding includes grant of $6,787,554, land cost of $2,319,318 and funding allocation of $258,000*

** *Value of land has not been added in calculation*

Note: the funding allocated towards the Rental Assistance Program ($1,265,206) has not been included in this summary as the funds have not been utilized for capital projects.

The City has already made a clear commitment to fulfilling its ongoing role in affordable housing by allocating resources, establishing programs and creating policy documents.

- Documents: *Community Housing Plan*, *the Strategy*, *Community Land Trust Feasibility Study*, and the future *Social Master Plan*
- Staffing: P&D and FCSS
- Programs: Basement Suite Grant Program, Rental Assistance Program
- Resources: staff allocated to ensure representation at regional level

Continued Demand for Affordable Housing

The number of units developed over the last five years will meet 16% of the backlog of 2,144 affordable units identified in the *Community Housing Plan 2006* (CHP). The CHP has estimated that 100 additional units would be required each year to meet the demands of the city's growing population as shown in Table 5.

TABLE 5 - COMMUNITY HOUSING PLAN STATISTICS

	No. of units
2006 Projected Need	2,144
2006 – 2011 (100 units/yr)	500
Units developed	(339)
Rental Assistance	(158)
Total Need 2011	**2,247**

The insufficient supply of affordable housing will continue to be an issue for St. Albert to meet the needs of seniors, youth, and newcomers to the City. At a regional level, the Capital Region Board has identified social and affordable housing as a priority. Further pressures will be placed on the City to address affordable options as the expected growth of the Capital Region occurs.

Increasing numbers of homeless individuals also demand that the City endeavor to find solutions to this problem while the numbers are still small enough to address.

Part 4 - Capital Region Board Plans and Initiatives

On April 15, 2008, the Government of Alberta established the Capital Region Board (CRB) by adopting the Capital Region Board Regulation AR 49/2008. The Regulation identified the 25 participating municipalities of the Capital Region and directed the CRB to prepare a Capital Region Growth Plan by March 31, 2009. The expected growth rate of the Capital Region demanded a comprehensive plan to attract employees and employers to the region.

The CRB was required to include four components in the Capital Region Growth Plan:

- A comprehensive, integrated regional land use plan
- A regional inter-municipal network transit plan
- A plan to coordinate geographic information services
- A plan for social and market affordable housing

Capital Region Board Plan for Social and Market Affordable Housing

The Capital Region Board (CRB) *Plan for Social and Market Affordable Housing* (Housing Plan) was developed in 2009 through consultation with elected representatives, municipal administration, and private industry in response to the Minister's direction. The focus of the regional housing plan was based on ensuring that the need and demand for all forms of housing was being met to address the changing demographic and socio-economic needs of Capital Region citizens.

The report concluded that market and non-market affordable housing should be located in all Capital Region municipalities to ensure future sustainability and support growth throughout the region. The equitable distribution of non-market housing would be based on the principle that equitable distribution would allow citizens to remain in their community, close to friends and family as well as employment opportunities.

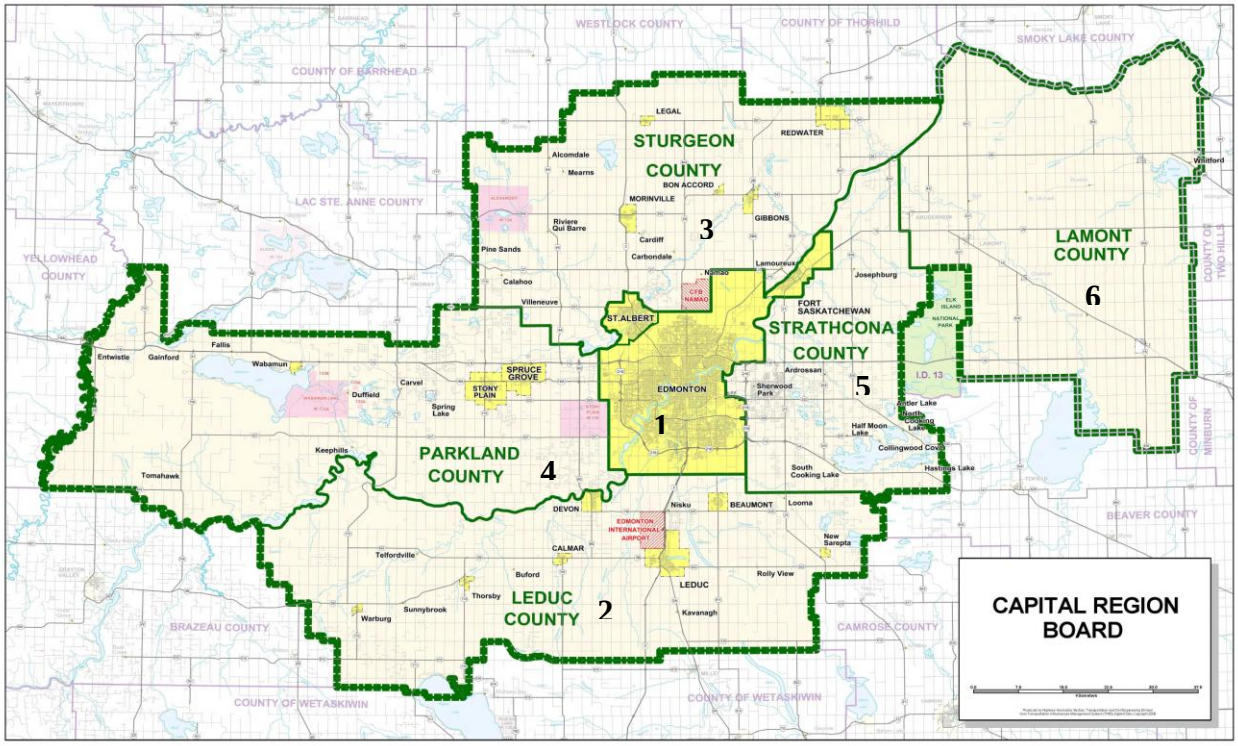
One key aspect of the CRB Housing Plan is the development of a sub-regional partnership model for the provision and management of affordable housing. The success of this model would build on existing partnerships within each community and stakeholder groups. Housing distribution would be based on six sub-regions relating to existing Housing Management Body service areas. The sub-regional planning model would eventually ensure that non-market housing is not concentrated in any one sub-region. This planning model will be developed through the efforts of the CRB, Province of Alberta, management bodies, municipalities, and other community stakeholders.

The CRB Housing Plan recommends long-term plans to include the distribution of housing funding on a sub-regional basis as shown in Figure E, through the development of a 10 year

rolling Regional Housing Plan. Project development will meet regional needs based on equitable distribution of non-market housing in each sub-region with preference given to municipalities that have the necessary health and support services, and access to public transportation (existing or planned).

The City of Edmonton has endorsed the distribution of affordable housing to regional municipalities. This model will benefit Edmonton by reducing the number of households moving to Edmonton in search of affordable accommodation.

FIGURE E – SUB-REGIONAL PARTNERSHIP MODEL



Regional Housing Need

In developing the CRB Housing Plan, a statistical analysis of the Capital Region identified regional housing gaps based on a household spending a maximum of 30% towards housing. These statistics were used to establish annual non-market and market housing requirements for the next ten years until 2019, based on Provincial growth projections and Canada census data.

In addition to determining the projected housing need in the Capital Region, the study summarized the current non-market housing regional inventory and compared this to the number of renter households paying more than 30% of their income towards rent.

Implications for St. Albert

In December 2009 the CRB provided an in depth analysis of renter households in the region[1]. This data shows that in St. Albert, 450 renters out of the 2,665 total renter households were paying more than 30% of their income towards housing as indicated in Table 6. These households' needs were not being met through existing non-market housing inventory or programs. While St. Albert has the second highest number of renter households requiring non-market housing next to Edmonton, it is important to note that Edmonton's need for affordable housing is 58 times greater than any other Capital Region municipality, which is not a fair comparator for actual numbers.

TABLE 6 - CRB 2009 NON MARKET HOUSING NEEDS ANALYSIS

	2009 Total Renter Households	Current Un-met Need		Households served by existing non-market housing inventory		Total non-market housing need and inventory	Total % of need being met
		# of Renter Households in Need	% of Renter Households in Need	# of rental units	% of renter households		
Edmonton	112,919	26,120	23%	20,079	18%	46,199	43%
St. Albert	**2,665**	**450**	**17%**	**419**	**16%**	**869**	**48%**
Strathcona County	2,474	440	18%	563	23%	1,003	56%
Leduc	1,982	385	19%	442	22%	827	52%
Ft. Saskatchewan	1,674	285	17%	168	10%	453	37%
Spruce Grove	1,635	265	16%	222	14%	487	46%

The CRB Housing Plan estimates that St. Albert will require 898 new housing units each year from 2010 – 2014 based on the population and employment forecast (2009 – 2044). Another 616 housing units are anticipated to be required each year from 2015 – 2019.

Housing is projected to be distributed through three categories:

1. Non-Market Housing – 20%,
2. Market Affordable Housing – 20%,
3. Pure market housing – 60%.

[1] *Capital Region Growth Plan Addendum, December 2009, Section 4, page 35.*

In 2010 the St. Albert Food Bank assisted 412 renter households – 372 of those households were paying more than 30% of their income on housing, which is comparable to the CRB projections.

It is important to note that in 2010, St. Albert did not meet the growth rate projected by the CRB. A comparison of other Capital Region communities building permit statistics show that most communities met or exceeded the housing starts target with the exception of Stony Plain and St. Albert. St. Albert achieved only 23% of the projected growth as found in Table 7.

TABLE 7 – GROWTH PROJECTIONS VERSUS BUILDING PERMITS ISSUED

	CRB Projected number of units required 2010 – 2014 (per year)	No of units achieved based on Building Permits issued 2010	Growth in relation to CRB projections
Edmonton	5,568	6,315	113% of projected growth
St. Albert	**898**	**208**	**23% of projected growth**
Strathcona County	615	925	150% of projected growth
Spruce Grove	382	491	128% of projected growth
Stony Plain	187	135	72% of projected growth
Leduc	290	328	113% of projected growth
Fort Saskatchewan	390	434	111% of projected growth

This data further correlates information contained in the *Affordable Housing Strategy* and the *Community Housing Plan* that high market housing costs are having an impact on the City's growth rate. Households who are unable to afford the high cost of housing in St. Albert are locating elsewhere.

TABLE 8- HOUSING STARTS BY HOUSING TYPE

	2010 Population**	Single Family	Multi-Family (duplexes, semi-detached, row housing, apartment)	Total Permits Issued for Housing Units
Edmonton	782,439	3,380	2,935	6,315
St. Albert	**60,138**	**204**	**4**	**208**
Strathcona County	87,998	493*	422	925
Spruce Grove	24,646	281	131	491
Stony Plain	14,177	n/a	n/a	135
Leduc	23,293	254	47	328
Fort Saskatchewan	18,653	265	169	434

**Mobile homes have been included in single detached dwelling statistics*

***Alberta Municipal Affairs 2010 Official Population List*

As shown in the breakdown in Table 8, St. Albert had significantly less multi-family housing starts compared to other Capital Region communities in 2010. Multi-family developments are often the first step in the housing ladder for first-time homebuyers. These statistics may be comparable to other communities once the 2011 building permit data is available. St. Albert recorded 126 multifamily starts in 2011.

Another possible reason for St. Albert's low housing starts has been a lack of development opportunities. The annexation of additional land in 2007 ended a six-year process to bring more land, with more opportunities for housing development into the City. Prior to this there was little available land for development. The City is finally seeing development begin in the newly annexed lands as a greater number of developers are finalizing planning work. It is anticipated housing starts will soon see a greater annual increase.

Part 5 - Funding Sources for Affordable Housing

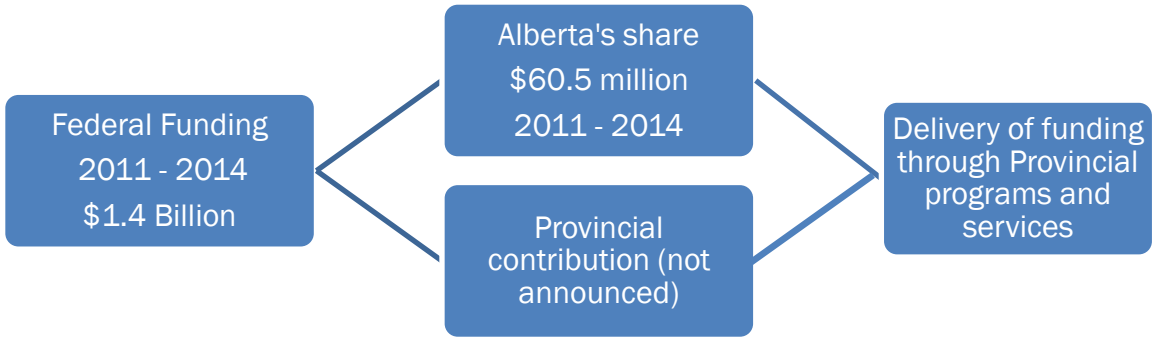
Federal and provincial funding contributions towards affordable housing have been essential to further the development of housing projects in Alberta. Historically, the federal and provincial government's housing priorities dictate the type of projects and programs that will be funded, increasing the supply of specific housing types.

Federal Funding and Initiatives

Funding for affordable housing initiatives starts at the federal level. Federal funding is distributed through the Province and Canada Mortgage and Housing (CMHC) initiatives.

Recently, the Federal government announced a contribution of $1.4 billion to be distributed under a new Federal/Provincial/Territorial Affordable Housing Framework between 2011 and 2014. This funding distribution will give the Provinces and Territories the flexibility to invest in a range of programs to address local housing needs and priorities. Alberta will receive $60.5 million over three years. Program funding is delivered through the distribution model shown in Figure F.

FIGURE F - FEDERAL FUNDING DELIVERY



Canada Mortgage and Housing Corporation

Canada Mortgage and Housing Corporation (CMHC) is the housing delivery agent for Federal programs and services. Historically in Alberta, CMHC managed the delivery of local programs in smaller population centres, with Edmonton and Calgary delivering their own CMHC programs through direct funding allocations.

Through the new distribution model, funding normally distributed by CMHC for residential rehabilitation programs has been terminated. This funding has been combined with the funding allocated to each individual province and territory by the federal government.

CMHC offers several small funding programs such as the Project Development Funding (up to a $100,000 loan) and seed funding ($10,000 grant). The amount of funding available is not sufficient to have any significant impact on capital projects.

Provincial Housing Funding and Program Delivery

Alberta Municipal Affairs is the department responsible for the delivery of capital funding and housing programs to assist lower income people with housing needs. This delivery is based on the following goals:

- That low-income Albertans have access to a range of safe and affordable housing options and supports including rent supplements and supports to maintain housing stability.
- That homeless Albertans have access to stable housing and the supports they need to reach their highest level of independence. This goal will continue to implement and monitor *"A Plan for Alberta: Ending Homelessness in 10 Years"*.
- That pressures related to housing and homelessness in urban centres are effectively managed.

Long Term Need

The Province is currently working on its Five Year Affordable Housing Plan and expects to see sustained demand for affordable housing over the next decade. The demand will be particularly pronounced in the Edmonton CMA, Calgary CMA and Fort McMurray.

Demand for affordable housing is expected to result from four key drivers:

1. Demand outpacing supply. The existing affordable housing units currently meet less than half of the households identified as being in core housing need.
2. A growing population.
3. An aging population. The Province expects that the majority of demand for new affordable housing units in the next decade will come from seniors.
4. An affordability gap. Seniors and younger households, including recent immigrant and aboriginal households, are likely to experience severe housing need.

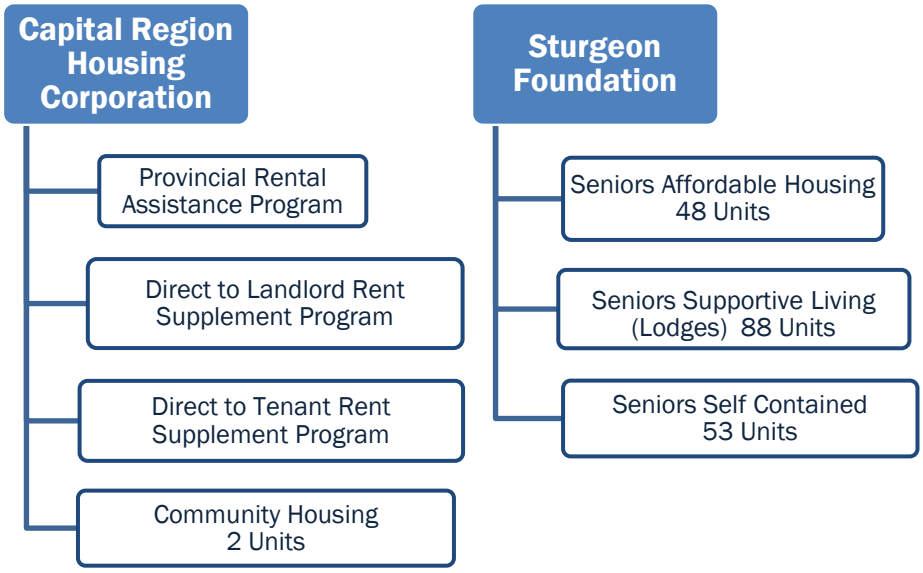
Provincial Program Delivery

Management Bodies (123 in total) are the official housing program delivery agent of the Province, and currently deliver 75% of the Province's housing programs and services. This includes the Province's community and seniors housing portfolio, affordable housing units, rent supplement allocations, and special assistance programs.

The Province is currently working with local management bodies in the Capital Region to expand their operations to include affordable housing options for households other than seniors, as permitted through the governing legislation.

As mentioned earlier, and indicated in Figure G, the Sturgeon Foundation is the management body delivering seniors housing programs and services in St. Albert. Capital Region Housing Corporation (CRHC) delivers the provincial rental supplement programs to eligible households within the Capital Region, and manages two community housing units in St. Albert on a rent-geared-to-income basis.

FIGURE G - MANAGEMENT PROGRAM DELIVERY IN ST. ALBERT



Affordable Housing Task Force

In 2007 the Government of Alberta appointed the Alberta Affordable Housing Task Force to find innovative and practical ways to make affordable housing more accessible and available to all Albertans. The Task Force travelled throughout Alberta holding public meetings in nine communities soliciting responses from each locale on the current housing situation and problems experienced with the current housing program delivery system. The Task Force final report: *Housing First – An Investment with a Return in Prosperity*[2] included a series of short, medium and long term recommendations to stimulate the creation of new affordable housing. Collaboration and integrated planning was deemed essential for the success of the program. The Task Force estimated a need of 12,000 housing units in Alberta from 2007 to 2012.

Provincial Housing Funding

In response to the Affordable Housing Task Force recommendations, the Province provided $285 million in new funding to address immediate housing pressures. Funding was allocated to municipalities with high growth rates, and rental rates above the Provincial average (including St. Albert). The Province's goal was to create 11,000 affordable housing units by 2011/2012 utilizing the Province's funding contribution as an incentive. This target has been exceeded with funding allocations towards 12,000 affordable housing units.

Between 2007 and 2010, the Province allocated $5.4 million in affordable housing funding directly to St. Albert. This funding has been utilized to address housing needs through a range of delivery methods (purchase of land, rental assistance, basement suite development and support of the St. Albert Housing Society, Habitat for Humanity, and Sturgeon Foundation initiatives).

The distribution of funding to municipalities required the City to have a vested financial interest in the delivery of affordable housing programs and services. Provincial funding could be utilized for up to 70% of capital costs with the remaining 30% funded from other sources. Council has contributed matching funding dollars to project development initiatives (Habitat for Humanity, St. Albert Housing Society) and for administrative costs above the 1.5% authorized by the Province.

In 2010 the Province ended the distribution of affordable housing funding directly to municipalities. The City will remain responsible for the use and allocation of this funding

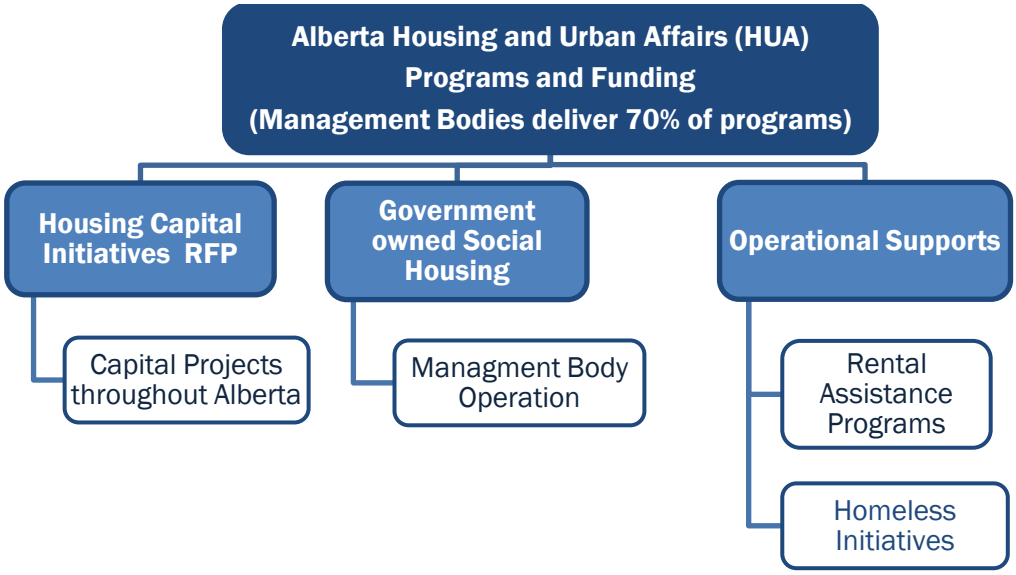
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[2] Housing First, An Investment with a Return in Prosperity, March 19, 2007 Alberta Affordable Housing Task Force. Available at: http://www.housing.alberta.ca/documents/Housing_Task_Force_report.pdf

for the 10 year term of the agreement. The Provincial agreement includes a clause requiring the return of funding not utilized for affordable housing development.

Municipal Affairs distributes funding to a variety of housing programs and services as shown in Figure H. Management bodies deliver 75% of the government's housing programs and services.

FIGURE H- PROVINCIAL HOUSING FUNDING DISTRIBUTION



Capital Project Funding Delivery

Capital projects are now typically funded through a Province-wide Request for Proposal call each year based on the amount of funding available. This process is highly competitive and oversubscribed. While successful projects must be cost effective, the Province strives to achieve an equitable geographical distribution of projects throughout Alberta concentrating projects in the higher need areas of Edmonton, and Calgary.

Project proposals are evaluated and ranked based on established criteria including the amount of grant funding requested, cost per unit, rental rates, project sustainability, community need, previous funding allocated to the community, and alignment with Provincial goals. Smaller development proposals have a better chance of being funded, as a lower funding request enables the Province to fund a larger number of projects across Alberta.

While the City is able to apply for funding to continue municipal programs such as the Basement Suite Grant Program, and Rental Assistance Program, or possibly a future Home

Ownership Program, the City is in direct competition with non-profit organizations and other community groups for project related funding.

Provincial Funding Allocated to St. Albert

To date, a total of $26,460,022 in municipal and provincial grant funding has been allocated to St. Albert projects from various affordable housing grant programs as indicated in Table 9.

TABLE 9- HOUSING FUNDING ALLOCATED TO ST. ALBERT

Program	Recipient	Funding Amount	Population Served
Rural Alberta Supportive Living Initiative 2004	Rosedale Developments	$3,120,000	Seniors needing DAL** services
Seniors Supportive Living Initiative 2009	Christenson Developments	$2,397,593	Seniors needing EDAL** services
Affordable Housing Program 2008/2009 RFP	Sturgeon Foundation	$8,000,000	Independent seniors with low to moderate incomes
Affordable Housing Municipal Funding	Basement Suite Grant Program	$979,351	Low to moderate income households
Affordable Housing Municipal Funding	Rental Assistance Program	$1,265,206	Rental households with low incomes
Affordable Housing Municipal Funding	Habitat for Humanity	$493,000 $840,000	Families with children
Affordable Housing Municipal Funding	St. Albert Housing Society	$2,319,318 $258,000	Low to moderate income households
2011 Housing Capital Initiatives	Big Point Developments	$6,787,554	Low to moderate income households
Total		**$26,460,022**	

*** Access to affordable Designated Assisted Living (2 hr. care/day) and Enhanced Designated Assisted Living facilities (3hr. care/day) is based on an assessment of care needs through Alberta Health Services.*

The Province strives to achieve an equitable geographical distribution of projects throughout Alberta. Due to the limited funding available, and a large number of applicants, St. Albert would have little chance of receiving *"more than our fair share"* through the competitive process.

Smaller development proposals have a better chance of being funded, as a lower funding request enables the Province to fund a larger number of projects across Alberta.

Future Funding Distribution

Future funding for affordable housing is expected to be project specific, with an emphasis on the Province's housing priorities delivered through Management Bodies, the Request for Proposal Process or possibly the Capital Region Board.

In 2011, the Government of Canada announced the continuation of the Federal Housing Program committing $60.5 million to Alberta over the next three (3) years. This funding will be distributed through the Province, with greater funding flexibility based on regional and local needs. Traditionally, the Province matches or exceeds federal contributions; however the change in Provincial leadership may dictate a change in traditional funding practices.

If St. Albert wishes to develop a more aggressive approach to developing affordable housing, it needs to create a sustainable ongoing funding stream. While the City has been fortunate to receive its fair share of funding, it is clear that the City cannot rely solely on the RFP funding process to create affordable units. There simply isn't enough funding available through Provincial grants to meet the demand, and the Province's funding distribution process may not continue in its existing form.

Part 6 - Future Delivery of Housing Programs and Services in St. Albert

The downloading of housing from the federal and provincial level leaves the responsibility of developing a comprehensive housing strategy to municipalities. This results in the City with the ongoing responsibility of undertaking a leadership role to encourage affordable housing development through the implementation of policy initiatives, legislative authority, planning incentives, and the creation of an effective integrated, and comprehensive "tool box" to motivate the development of affordable housing. These tools can then be utilized to leverage additional resources from other levels of government and the private sector.

Municipalities set the tone of the community by creating an environment through policy and incentives where the market is encouraged to supply housing that meets the needs of residents.

The City's strategic perspective on housing investment will be reflected in the desirability of St. Albert as a place to live, work, and play. High housing costs have adversely affected St. Albert's growth rate in comparison to other Capital Region municipalities as shown in Table 8 on page 27. The effects of an aging population and reduced number of residents aged 19 – 35 accentuate the need to attract and retain younger households to the City. Households who cannot afford to live in St. Albert (particularly those in their early income earning years) will move elsewhere in the region. These households may not return to St. Albert in later years as they have established roots elsewhere.

The City's aging resident population will also present challenges in the future as they will require more supportive housing options in ongoing years.

The City's involvement in the delivery of affordable housing and municipal incentives will continue based on the following contextual factors:

- Continued shortage of affordable housing
- Council's commitment to addressing affordable housing issues
- Conclusion of provincial funding programs
- An increased profile of housing at a regional level

Within the Capital Region, municipalities that actively support the development of affordable housing and a range of housing products in their communities will have an economic advantage over their neighbours. This advantage will encourage the attraction of

businesses to the community, higher growth rates, and a better quality of life for low income residents.

Strategic Direction

In moving forward, it is recommended that Council consider the following value statements to guide the future service delivery of affordable housing in the community:

- St. Albert is a community of choice for families regardless of income.
- St. Albert residents should be able to remain in St. Albert throughout all stages of their life.
- Affordable housing is an investment in economic prosperity, supporting and attracting local businesses and industry to St. Albert.
- Affordable housing options retain and attract young families to the community.
- Young adult households in early income earning years require lower cost housing options than mature residents in their highest income earning years.
- Lack of affordable housing translates into increased dependence on other social support services.
- Supportive housing options will be required for seniors, persons with disabilities, and households facing housing instability including homelessness.

The ability to close housing gaps and develop solutions will be based on the City's priorities, available funding and resources. These actions will be implemented in coordination with the recommendations contained in the *Community Housing Plan*.

The *Community Housing Plan* adopted in 2006 identified nine key areas needed for encouraging continued work on affordable housing:

- Research
- Policy Initiatives
- Financial incentives
- Regulatory changes
- Administrative measures
- Advocacy

- Community education
- Partnerships
- Direct provision of housing

These areas continue to provide a suitable strategic framework for the City to undertake, by combining them to streamline the approach for future service delivery. Efforts by the many other providers would fit within these parameters but have not been discussed in this report.

Core City Strategies for 2012 - 2017

In keeping with the recommended community values, the following strategies are recommended specifically as the City's responsibility over the next five years, with the realization that adjustments, changes, and evolving priorities may be required in response to social or economic trends, or to take advantage of emerging opportunities.

While the majority of these recommendations can be undertaken with little or no cost to the City, the commitment of funding towards affordable housing initiatives will play an instrumental role in the City's ability to lead and prioritize housing initiatives and supports.

It should be noted that no one incentive or administrative measure implemented in isolation will be instrumental in encouraging affordable housing development. The most effective solution for improving housing affordability will require a combination of coordinated and complementary strategies in order to achieve the desired result.

Each of the recommendations will be brought back to Council for approval prior to implementation.

Research, Policy and Regulation

Strategy #1 – Create a Municipal Affordable Housing Policy

The creation of an affordable housing policy will define and guide the City in its processes and efforts to meet the needs of the city's lowest income residents by:

- providing clear definitions of what constitutes affordable housing and target incomes for affordable units,
- defining the processes for consideration of incentives towards these developments,
- clarifying the priorities of Council in relation to the inclusion of affordable housing in developments, and

- specifying the use and disposition of surplus municipal land towards affordable housing.

Currently "affordable housing" is a loosely described term that is utilized to promote the sale of market based housing. It does not reflect or relate to the incomes or needs of the City's lowest income residents. Incentives provided by the City for affordable housing developments are currently based on lobbying skill and timing, which does not provide an equitable or fair assessment of the all the opportunities available to the City when evaluating funding designations to outside organizations.

Value added services such as priority development and building permit review for affordable housing projects can be incorporated at no charge to the City, and can be used as a tool to encourage affordable housing development.

Strategy #2 – Rank Housing Priorities

The City's recent efforts to encourage affordable housing development have focussed on the development of a diversified housing program to create a wide variety of housing choices by concurrently supporting a number of initiatives with a sustainable funding stream. Now that the provincial funding has ended, it will be necessary for the City to rank its priorities to ensure that the City's highest priority needs are being met.

1. **High Priority** needs are those activities which the City will attempt to fund over the next five years.
2. **Medium Priority** needs may or may not be funded based on available resources. The city may seek funding from other sources to address the needs identified within this category.
3. **Low Priority** needs will not be funded by the City. The City may encourage other organizations to address these needs, but will not provide funding towards their development.

The ranking of priorities will enable the City to address a portion of the housing gaps and backlog. Realistic goals can be established based on available funding towards housing priorities, and the leverage value of the City's investment.

Strategy #3:- Establish Housing Targets and Objectives

Establishment of targets to evaluate the City's success will be based on:

- Council's housing priorities,

- the availability of funding or incentives to promote affordable housing development, and
- the desired outcomes.

These targets will evolve over time, based on evolving community needs and issues.

The establishment of incentives towards affordable housing programs and projects will ensure that funding aligns with desired outcomes.

Strategy #4 – Provide Ongoing Monitoring of Housing Needs

The City will continue to monitor annual affordable housing statistics and progress with regards to the City's *Community Housing Plan* on an ongoing basis. Every five years, coinciding with the release of the Canadian Census data, the City will conduct a complete review and update of the Affordable Housing Needs assessment. The most recent census was completed in 2011. It is expected that the pertinent housing data will be released in 2012.

Changing needs will continue to be monitored from information received from waiting lists, rental vacancy reports, food bank statistics, real estate sales and municipal census information.

The Housing Needs Assessment will shape community-specific objectives that are measurable and achievable.

Advocacy and Community Education

Strategy #5 - Support Regional Initiatives and Implementation Plans

Coordination and implementation of the regional housing initiatives through the Capital Region Board will continue in upcoming years. The City's participation from an administrative and political level through the Housing Committee will ensure that the City's views are represented.

The Housing Committee is currently working on the following projects:

1. Education and Awareness Strategy – Implementation of a multiyear advertising campaign providing information and generating support of affordable housing developments throughout the region. This project is expected to continue until 2014.
2. Development and Implementation a Sub-Regional Planning Model – A sub-regional planning model was one of the key recommendations contained in the CRB Housing Plan. This project will include the cooperation of the Province, management bodies in

the six sub-regions, municipalities and non-profit organizations. This project is expected to continue into 2013. Implementation of sub-regional initiatives will continue after this date.

3. Integrated Land Use and Affordable Housing Framework – This project involves an exploratory approach to find common ground between developers and municipalities for alternative standards to reduce the price of market housing. This project is expected to be completed in 2012.
4. Public Policy Approach to Addressing Legislative Gaps – This project is intended to identify and lobby for changes to gaps in legislation that currently limit a municipality's ability to legislate the provision of affordable housing in private sector developments.

Partnerships, Incentives and Direct Provision of Housing

Strategy #6 - Coordinate Efforts of Housing Providers

Coordination and role sharing between local agencies will require the continued services of City staff, not-for-profits, and regional entities to ensure a complementary synchronized approach to the facilitation of affordable housing services in St. Albert. Coordination with other organizations and groups within the Capital Region will also need to be developed to expand the services available to specific groups such as homeless individuals.

The location of existing programs and services has been based on the skills and infrastructure required to operate the program, and the willingness of the designated agency to host the program and the required staff supports.

It will be critical to ensure a streamlined mechanism is identified to facilitate ongoing coordinated efforts, without duplication.

TRS Committee

The Temporary Residential Services Committee's composition of local housing providers, social service agencies and municipal employees provides a coordinated, community based approach to St. Albert's housing issues and solutions. The TRS Steering Committee membership includes organizations that work with households in housing crisis or provide supportive services on an ongoing basis.

It is recommended that the TRS Committee be approached and asked to consider how their expertise may best serve City Council, as their expertise and grass root community knowledge is invaluable to issues on housing.

Strategy #7 – Provide Funding/Incentives towards Housing Initiatives

The elimination of the Provincial affordable housing funding to St. Albert has left the City with little ability to incent the development of affordable housing, or provide direct funding towards housing initiatives. The creation of a stable funding stream for affordable housing initiatives would expand the City's options and become an effective tool to encourage development.

The City has two existing funding sources that provide funding for local initiatives:

1. The Community Grants Program provides a source of funds for eligible capital projects to be undertaken by eligible not-for-profit community groups that provide broad and inclusive recreational, cultural or social services within the City of St. Albert. Eligible capital projects include new construction, expansion, renovation, or a replacement project for an existing facility.
2. The Capital Asset Revolving Fund has been established from the proceeds of the disposition of road rights-of-way, sale of properties and facilities, and non-residential property tax revenues generated from newly developed lands. The fund is utilized for the purchase of land and City facilities for municipal purposes, other than recreation and to purchase land and service non-residential development.

It is recommended that the City investigate the opportunities to develop two separate housing funds to create a stable funding stream for affordable housing initiatives.

1. Revolving Housing Fund

Revolving funding sources towards housing supports will return the City's contribution at a later date, enabling the City to fund other housing programs or services in future years. Revolving funding sources could include program models such as:

- First Time Homebuyer's Program
- Rental Unit Incentive Program
- Deferred Property Tax Program

Fund growth would be realized based on increased resale price, or payback options.

The County of Strathcona is currently offering a down payment assistance program for first time homeowners in partnership with the HOME Program. Strathcona County provides a grant of $5,000 towards the down payment when participants graduate from the HOME program. The program has been very successful, assisting over 100 households with their first time home purchases for a capital cost of $500,000.

St. Albert has the ability to initiate a similar program, modifying it to create a revolving funding stream, with a stipulation that the grant must be repaid when the home is sold.

2. Community Housing Grant Program

Once a fund is established, an ongoing Community Housing Grant program would be developed. Grant funding distribution options could include:

- Fee rebates for affordable housing projects
- Property tax incentives for affordable housing
- Rental suite development grants
- Financial grants to housing projects meeting Council's priorities
- Forgivable loans to first time homeowners

The grants process would provide a fair equitable evaluation of all funding requests at the same time. This funding could also incent private developers to include a number of affordable housing units in their projects.

Conclusion

The responsibility of developing a comprehensive affordable housing implementation plan remains with the City. Resources to support housing initiatives have been identified from City departments drawing upon traditional municipal areas of expertise such as planning, engineering, land use regulation, and social service coordination. The commitment of municipal tangible assets, money, and human resources are needed to provide a wide range of housing incentive plans and effective solutions. Involvement and engagement of various orders of government and community based organizations will be required to continue to implement the greatest range of affordable housing choices.