

## Edmonton's plan to build an affordable future

by Christel Kjenner

Edmonton's city plan outlines the choices needed to be made to become a healthy, urban and climate-resilient city of two million people that supports a prosperous region. The plan's goals around homelessness and affordable housing are simple yet ambitious: no chronic or episodic homelessness in Edmonton. Nobody is in core housing need.

These may seem like insurmountable challenges, but we know what the solutions are. The most significant lever available to municipalities in Canada to reduce poverty is increasing the supply of affordable and supportive housing.

Click on any Canadian real estate article these days and you might see Edmonton mentioned as one of the last affordable cities in the country. And that remains true for many Edmontonians and the thousands of people moving here from other provinces and around the world.

Households that bring home a median income or higher - which, at \$90,000 in

Edmonton, is higher than the national average of \$84,000 - can access the market and fulfil the dream of homeownership. But a combination of higher interest rates, inflation, and a growing population trend is tightening vacancy rates and increasing average rent prices across the city.

For the one-in-five Edmonton households earning less than \$45,000 a year, the consequences of current market conditions are very few affordable and



The City of Edmonton's investment of \$133 million helped create more new affordable housing in four years than in the decade prior. Photos courtesy of City of Edmonton

suitable housing options. All households are increasingly cash-strapped due to rising costs of food, shelter, and other costs of living. This is putting pressure on many families and individuals, pushing some toward housing insecurity and even homelessness.

According to the city's latest housing needs assessment, which was updated in 2023 using data from the 2021 census, one in eight households – including homeowners – is in core housing need. That means their housing falls below one or more of the standards for acceptable housing: adequacy, suitability, and most commonly affordability.

According to the Canada Mortgage and Housing Corporation, housing must be:

- Affordable The household pays less than 30 per cent of its before-tax income on shelter costs, including costs like rent or mortgage payments, utilities, taxes, and condo fees.
- Adequate There are no major repairs required, such as defective plumbing or electrical wiring, or structural issues with walls, floors, or ceilings.
- Suitable There are enough bedrooms to meet the needs of the entire household. According to National Occupancy Standard requirements, an adult couple that lives together, anyone over 18, and boys and girls over

five years of age should each have their own bedroom.

## Plan to Address Housing Needs

As of 2021, more than 46,000 households were falling below one or more of those standards in Edmonton. Renters are four times more likely to be in core housing need than homeowners. One-in-four IES renters is in core housing need; among Indigenous renter households, it rises to one in three. On top of this, the number of people without a permanent home has doubled since the onset of the COVID-19 pandemic.

As of November 2023, more than 3,000 people were experiencing homelessness in Edmonton, eclipsing the previous peak in 2008. Of those, a little over half were provisionally housed, meaning they are in a temporary but unstable living arrangement, like couch surfing. More than 1,200 people were sleeping in emergency shelters or outside on any given night. This is a situation that the market alone cannot solve.

Since 2019, the City of Edmonton has responded to the critical need for more affordable and supportive housing through its affordable housing investment plan.

This approach positions the city as an early investor in new non-market

housing projects, providing city-owned land at a nominal price (typically one dollar) and/or capital construction grants. Additionally, the city helps non-market developers identify available and suitable land, ideally located near amenities like grocery stores, libraries, and employment opportunities, as well as transit.

The city also prioritizes permitting applications and dedicates resources to ensuring a smooth development and permitting process. And as of 2023, the city will offset 100 per cent of the municipal portion of property taxes on residential units for eligible non-profit entities operating permanent affordable housing.

Through this approach, the city's investment of \$133 million helped create more new affordable housing in four years than in the decade prior. Every dollar invested by the city attracted another \$4 from other orders of government and affordable housing developers.

This month, the city is planning to release its updated affordable housing strategy, which looks ahead to the next few years. The strategy recognizes the urgency of the affordable housing crisis and presents a clear path forward with deep commitment to improving the lives of its most vulnerable residents.

It is an ambitious plan that will ensure Edmontonians have access to housing that will remain affordable, and that they have the support they need to maintain that housing.

The strategy sets new targets, both in the medium term and long term. By 2026, the city aims to surpass its success from the previous four-year investment plan (2019-2022), which resulted in a total of 2,807 units of affordable housing, including 644 units of supportive housing.

But that's just the beginning. By 2050, the city will need 3,800 new rent-geared-to-income units for very low-income households, 30,200 deep and shallow subsidy units for lowand moderate-income households, and 5,700 near-market units for average income households to achieve the city plan goals.

## Looking to the Future

Municipal governments are best positioned to understand and respond to affordable housing and homelessness needs.

Municipal governments have close ties with community groups, agency partners, and residents, which help with understanding and articulating needs. In addition, municipal governments have responsibility for regulating and stewarding land use, including zoning and permitting, responding to homelessness on public lands, and access to available land for the purpose of developing affordable housing.

Edmonton is ranked number one across major housing markets by the Canadian Home Builders Association for processes, approvals timelines, and charges and fees that contribute to housing affordability and alleviate supply issues.

In 2020, the city became the first major Canadian municipality to eliminate onsite parking minimums citywide, which can help reduce housing development costs. Most recently, city council adopted a new zoning bylaw in 2023 and rezoned the entire city to support more housing types in every neighbourhood. Up to eight residential units in a variety of configurations can be built on almost any lot in Edmonton.

The groundwork for meeting Edmonton's housing needs is set. Over the next three years, the city will be scaling up the capacity, speed, and infrastructure of affordable housing development by creating:

- · a long-term land acquisition framework
- an inventory of publicly owned land available for affordable housing development
- accelerating the development of surplus school sites The housing supply will be diversified by focusing on groups that are known to have greater need, including newcomers with large families, Indigenous people, and people with very low incomes who need the deepest subsidies.

Co-operative housing supported by the provincial and federal governments will be renewed and expanded. And the city will leverage relationships and partnerships to help people struggling with their housing cost and security - because this is not just about building structures; it is about people and the communities we're building.

The city is helping tenants understand their rights and working with community groups to build a stronger sense of connection for renters to their neighbourhoods. The city will also advocate for an easier way to apply for affordable housing through a single portal and for the provincial government to fund non-housing construction costs for ancillary spaces that help make a house a home.



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These efforts will be supported by the federal government's housing accelerator fund, which was created in 2023 to incentivize municipal governments to boost housing supply.

Late last year, the federal government announced that Edmonton will receive up to \$175 million to help create more than 5,200 units of housing over and above "business as usual" projections of 30,000 new units over the next three years.

The city will receive the funding in four instalments, based on how

successful it is in meeting the goal of creating not just supply, but the right type of supply. The funding structure incentivizes mid-rise, multi-unit, and transit-oriented affordable housing, helping to create more complete, low-carbon, and climate-resilient communities.

We'll never be able to prevent every situation that leads to homelessness and housing insecurity, from relationship breakdowns to job loss. But by creating the conditions for the right kind of

housing and support, we can ensure that these experiences are rare and brief.

Cities can end homelessness and housing insecurity and in doing so, help create a thriving urban environment that is not just welcoming but also affordable for all.



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