

Jurisdictional Affordable Housing Fund Review in British Columbia and Other Cities

A jurisdictional review of municipal affordable housing funds in British Columbia and other cities was conducted. This included a literature review of municipal policy documents, institutional research and publications as well as some interviews with municipal staff. These policies are tailored to best suit each municipality's unique contexts, with differences including housing need and demand, residential land values, supply of land, municipal government capacity and resources as well as length of policy implementation, among others. However, there are common elements supported by research, publications and current implementation.

As of May 2019, 12 municipalities in Metro Vancouver and 14 local governments in the Capital Regional District currently have an affordable housing fund. In addition, cities such as Kelowna, Calgary, Edmonton, Saskatoon were reviewed and had similar housing programs.

Metro Vancouver	Capital Regional District	Other Cities
<ul style="list-style-type: none"> • City of Burnaby • City of Coquitlam • City of Maple Ridge • City of New Westminster • City of North Vancouver • City of Port Coquitlam • City of Port Moody • City of Richmond • City of Surrey • City of Vancouver • District of North Vancouver • District of West Vancouver 	<ul style="list-style-type: none"> • City of Colwood • City of Langford • City of Victoria* • District of Central Saanich* • District of Highlands* • District of Metchosin* • District of North Saanich* • District of Oak Bay* • District of Saanich* • District of Sooke* • Township of Esquimalt* • Town of View Royal* • Township of Sidney* • Salt Spring Island and Southern Gulf Islands Electoral areas* 	<ul style="list-style-type: none"> • City of Calgary • City of Edmonton • City of Kelowna • City of Saskatoon

**Local governments that participates in the Regional Housing Trust Fund, a voluntary requisition program managed by the Capital Regional District involving municipalities to provide up to \$1 million in grants to support development of affordable rental housing units for low to moderate income households.*

The table below are a few examples from other municipalities on their current practice of the Affordable Housing Reserve Fund (AHRF).

Municipality	Housing Funding Source	Housing Fund Users	Housing Funding Use	Tenant Assistance Policy?	Comments
City of North Vancouver	<ul style="list-style-type: none"> • Annual General Revenue (discontinued in 2013) • Density Bonus and Community Benefits Policy 2018 - approval for additional density where 20% of cash contributions goes to AHRF 	<ul style="list-style-type: none"> • Non-Profits • City • Others 	<ul style="list-style-type: none"> • Fund has a general term of reference that can allow non-project related use (e.g. conferences, pop-up demonstrations, events, sponsorship etc.) • Not many non-profit redevelopment projects to date • Fund has historically been used to support net new units, typically paying for land costs to facilitate new projects 	Yes	<ul style="list-style-type: none"> • DCC waiver can apply with project application • Lower parking requirements for rental housing can apply with project application
City of Burnaby	<ul style="list-style-type: none"> • Community Benefit Bonus Policy 2014 – approval of additional density in exchange for contributing a community benefit (community amenity, affordable and/or special needs housing, cash contribution in-lieu) <ul style="list-style-type: none"> ○ Most have opted for cash-in-lieu contributions, where 20% are allocated to the AHRF 	<ul style="list-style-type: none"> • Non-Profits 	<ul style="list-style-type: none"> • Funds new construction and redevelopments • Funds new construction with some in-kind units operated by non-profits • City Lands Program for Non-market Housing - Leases land at reduced or nominal rates, offsetting leasing costs through fund • Fund used to offset city fees • Redevelopment projects application are based on gross or net new units, dependent on project proposal 	Yes	<ul style="list-style-type: none"> • Applicants initiate to staff on project • Burnaby has available land for use and high contributions to fund from development projects

Disclosure: the policy scan was conducted on municipalities only and based on available web information and publications. The scan may have missed other municipalities that currently do have an affordable housing fund but staff was unable to find the relevant information. The purpose of the review is to summarize housing fund practices in other municipalities.

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City of Port Moody	<ul style="list-style-type: none"> Community Amenity Program (CAC) 2017 – voluntary CAC contributions be made to the city in the amount of floor area being developed on lot for residential use in a rezoning application. <ul style="list-style-type: none"> 33% of the contribution will be allocated to the AHRF 	<ul style="list-style-type: none"> Non-Profits City 	<ul style="list-style-type: none"> Fund used to acquire land by city for affordable housing projects Fund used to help lease land at below-market rates Contributions to fund can be waived to cover city fees, DCCs, etc. for affordable rental No non-profit redevelopment projects; up to Council's discretion for funding allocation on gross or net new units 	Yes	<ul style="list-style-type: none"> Preference for low-income units Waiving any fund guidelines in policy will be subject to the discretion of Council
City of Coquitlam	<ul style="list-style-type: none"> Density Bonus Program – Approximately 10% of all density bonus contribution goes to AHRF. High density residential and mixed-used sites contribute 50% to the housing fund as part of the 3-step density bonus system (only step 3 for high density projects contributes to AHRF) 	<ul style="list-style-type: none"> Non-Profits 	<ul style="list-style-type: none"> Non-profit can request partnership with developer to help build project construction For-Profit can select non-profit partners in the form of in-kind affordable market rental projects <ul style="list-style-type: none"> E.g. For-profit developers can build units within project and sell units to non-profit (hard and soft cost apply only) Cap city contribution amount to non-profits to not exceed amount contributed by the Province Redevelopment project applications are based on gross units 	Yes	<ul style="list-style-type: none"> Focus on affordable housing for low- and moderate income, single parent, family, single-person household Letter of Intent submitted to General Manager of Planning and Development

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City of Saskatoon	<ul style="list-style-type: none"> Land Banks – revenue generated on the sale of city-owned lands, maintenance and expansion 	<ul style="list-style-type: none"> Non-Profits 	<ul style="list-style-type: none"> Fund provides non-profits 10% cash grant of total capital projects Non-profits can also receive a 5-year tax abatement of incremental increase in property tax Would support redevelopments applications based on gross units (value of project, point of retaining stock, and adding new) 	No	<ul style="list-style-type: none"> First-come, first-serve on a yearly allotment Evaluation on a point-based system Also has CMHC mortgage flexibility program for affordable homeownership Saskatoon has available land for land banks
City of Kelowna	<ul style="list-style-type: none"> Rental Housing Grants – partial DCC credits funded by taxation Rental Housing Tax Exemption program – Tax exemption on value of improvements for 10 years 	<ul style="list-style-type: none"> Non-Profits For-Profits 	<ul style="list-style-type: none"> Partial relief of DCCs for all rental housing projects (5-15% depending on number of applications) Tax exemption is available to all rental housing projects as long as vacancy rate is below 3% Would support redevelopment applications based on gross units 	No	<ul style="list-style-type: none"> Fixed pool of grant offered on a yearly intake Tax exemption can be at any time of the year 10-year Housing Agreement required Non-profits and for-profits have equal opportunity to the fund

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City of Edmonton	<ul style="list-style-type: none"> • Affordable Housing Investment Plan (2019-2022) – support the creation of 2,500 new or renovated units of affordable housing in next 4 years (investment of approx. \$132 million of city resources) <ul style="list-style-type: none"> ○ Grants allocation of \$10 million per year 	Non-Profits	<ul style="list-style-type: none"> • Contributing land as sale or long-term lease at nominal values or limit funding affordable housing projects to increase ability to generate additional funding from other orders of government or through self-sustainable funding models • Leverage city resources further of \$377 million of combined provider equity, private financing, and funding from other orders of government • Would support redevelopment projects based on net new units 	No	<ul style="list-style-type: none"> • Has capital and operating budgets in plan for affordable housing investments • Has land to offer development opportunities for non-profits • Grant program application process expected to launch 2019 under Edmonton's priority investment areas

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City of Calgary	<ul style="list-style-type: none"> Economic Resilience Strategy - Community Economic Resiliency Fund allocation 	Non-Profits	<ul style="list-style-type: none"> Housing Incentive Program – encourage the development of affordable housing and stimulate the economy <ul style="list-style-type: none"> Grant up to \$50,000 to cover pre-development activities with affordable housing projects Rebate on all city development fees related to affordable housing project Home Program Grant – helps non-profit groups support Calgarians in affordable housing by launching initiatives in areas of increasing community well-being <ul style="list-style-type: none"> Completed within 12 months from time of fund awarded Budget of \$15,000 or less E.g. salaries, rental of space, project materials, meeting costs, office expenses, volunteer engagement and recognition Property Tax Exemption - reduce tax burden on eligible non-profits to provide necessary service No clear indication on redevelopment projects 	No	<ul style="list-style-type: none"> Has capital and operating budget in Economic Resiliency Strategy for affordable housing investments Has city-owned lands to offer sale to non-profits for development CMHC mortgage flexibilities program on Affordable homeownership projects is available

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