



Mayor's Housing Commission

**Thursday, January 5, 2017
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



OFFICE OF THE CITY CLERK

APPROVAL OF PUBLIC AGENDA

ADOPTION OF MINUTES

Mayor's Housing Commission - Public Meeting - Dec 1, 2016 4:00 PM

ADMINISTRATION REPORTS

MHC17-1 Mayor's Housing Commission 2017 Work Plan

Recommendation

That this report be received and filed.

MHC17-2 2016 Rental Vacancy Report

Recommendation

That this report be received and filed.

ADJOURNMENT

AT REGINA, SASKATCHEWAN, THURSDAY, DECEMBER 1, 2016

AT A MEETING OF THE MAYOR'S HOUSING COMMISSION
HELD IN PUBLIC SESSION

AT 4:00 PM

These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.

Present: Mayor Michael Fougere, in the Chair
Councillor Lori Bresciani
Councillor Bob Hawkins
Councillor Andrew Stevens
Robert Byers
Patrick Cooper
Blair Forster
Patrick Mah
Malcom Neill

Also in Attendance: Deputy City Clerk, Erna Hall
Legal Counsel, Jana-Marie Odling
Executive Director, City Planning and Development, Diana Hawryluk
Director Planning, Shauna Bzdel
Senior City Planner, Jennifer Barrett
Coordinator, Social Development, Janice Solomon

APPROVAL OF PUBLIC AGENDA

Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.

APPROVAL OF MINUTES

Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the minutes for the meeting held on September 1, 2016 be adopted, as circulated.

COMMUNICATIONS

MHC16-4 Crime Free Multi-Housing Program

Recommendation

That this report be forwarded to the Board of Police Commissioners for consideration.

Rob Deglau, representing North Central Community Association and Amy Balfour, representing Regina Police Services addressed the Committee.

Janice Solomon, Coordinator, Social Development, made a PowerPoint presentation, a copy of which is on file in the Office of the City Clerk.

Councillor Andrew Stevens moved, AND IT WAS RESOLVED, that the recommendation contained in the report be concurred in.

MHC16-5 Homelessness Partnering Strategy

Recommendation

That this report be forwarded to the December 19, 2016 meeting of City Council for informational purposes only.

Janice Solomon, Coordinator, Social Development, made a PowerPoint presentation, a copy of which is on file in the Office of the City Clerk.

Malcom Neill moved, AND IT WAS RESOLVED, that the recommendation contained in the report be concurred in.

ADJOURNMENT

Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the meeting adjourn.

The meeting adjourned at 5:35 p.m.

Chairperson

Secretary

January 5, 2017

To: Members
Mayor's Housing Commission

Re: Mayor's Housing Commission 2017 Work Plan

RECOMMENDATION

That this report be received and filed.

CONCLUSION

This report is to provide a summary of the work to be undertaken and presented to the Mayor's Housing Commission (MHC) in 2017. This work builds on topics provided by MHC members in 2016 as well as continued implementation of the City of Regina's (City) Comprehensive Housing Strategy (CHS). In some cases, the expertise or background for the topic may be beyond the scope of municipal government or the work of City Administration. For these topics, external presenters and experts have been recommended. A full annual report on implementation of the CHS and housing statistics is planned for the second quarter of 2017. In addition, there is a brief overview of Administration's work that aligns with the topics discussed in 2016.

BACKGROUND

2017 List of Housing Topics for Mayor's Housing Commission

For 2017, meetings for the MHC are scheduled for January 5, May 4, October 5 and November 30. The following topics have been scheduled based on these calendar dates but are subject to change. Additional topics and reports may also be added throughout the year.

CMHC 2016 Fall Rental Market Report (first quarter, presentation) - The Canada Mortgage and Housing Corporation (CMHC) released its latest rental market report for Regina and Saskatchewan in late November. Administration will provide a short presentation outlining the latest statistics on the rental market including vacancy rates, average cost and factors contributing to the rental market. Regina's rental market vacancy rate increased slightly to 5.5 for the fall 2016; slightly higher than the reported rate of 5.4 per cent reported in fall 2015.

CMHC Federal Housing Programs (second quarter, presentation) - An expert from CMHC will deliver a presentation that will include a summary of CMHC's housing programs and an overview of CMHC and its role in Canada's housing market.

Comprehensive Housing Strategy (CHS) Annual Report (second quarter, report) - Since 2014, Administration has submitted an annual report on implementation of the CHS including progress to date, a scorecard of measures identified in the CHS Implementation Plan and a housing update. The housing update contains housing statistics for 2016 including both market-rate and

affordable housing data which also accounts for the City's funding contributions. The housing update also includes information used to identify strengths and weaknesses in the housing market to inform policy recommendations.

Saskatchewan Housing Corporation (second quarter, presentation) - A member of the Saskatchewan Housing Corporation will provide an update on provincial housing programs.

National Housing Strategy (third quarter, report) - In September 2016, members of the MHC were asked to provide feedback on a National Housing Strategy as part of consultations conducted by the federal government. In November 2016, the federal government released a report on the outcome of consultation sessions. A presentation will be delivered by City Administration to provide an overview of the consultation feedback and next steps for the creation of a National Housing Strategy.

Housing Standards Enforcement Team (HSET) (third quarter, presentation) - The primary goal of the HSET is to enhance quality of life and improve neighbourhoods through the coordination of regulatory efforts. HSET has a special focus on sub-standard housing. HSET's multi-agency approach has been reasonably effective at ensuring that sub-standard housing is repaired and maintained to an appropriate standard. However, new terms of reference are being developed, which will see the inclusion of additional agencies that will enhance the effectiveness of HSET. HSET will also be providing a more structured, formal process for initiation, co-ordination and documentation which will improve efficiencies within its team. A presentation will be provided to MHC for information.

Building Permit Applications - process improvements (third quarter, presentation) - According to MBN Canada, the Municipal Benchmarking Network which Regina joined in 2015, Regina's cost of providing building permit and inspection services per \$100,000 of construction is the lowest by a considerable margin. In a presentation to the MHC, Building Standards will be providing some insight as to how this affects delivery of service, as well as providing the commission with a brief overview of process improvements which will define a new way of doing business while partnering in the improvement process with the building and development community.

Zoning Bylaw Review (third quarter, presentation) - The Zoning Bylaw Review Project will create a new zoning bylaw that aligns the City's land-use regulations with the policies of *Design Regina: The Official Community Plan Bylaw 2013-48* (OCP) while reflecting the needs of changing demographics and construction processes. The project will create a user-friendly resource on which all stakeholders can base land-use decisions and expectations. The project will engage City staff, citizens and stakeholder groups in developing a new zoning bylaw that balances community expectations, industry needs, municipal capacity and budget realities. The project is currently in Phase 2, which involves discussions and additional research on the possible direction and content of the new zoning bylaw. Preliminary assessments will also be provided on the implications of adding new content to the zoning bylaw and the potential impacts on industry stakeholders, residents and the delivery of City services. An update on progress and project scope will be provided to members of the MHC for information.

Homelessness Partnering Strategy (HPS) (scheduled as required) - A member of Administration sits on the Community Advisory Board for the federally-funded Homelessness Partnering Strategy (HPS). Administration will provide updates to the MHC on key initiatives and progress on homelessness and the Homelessness Partnering Strategy for 2017.

Truth & Reconciliation Recommendations (date to be decided, report) - As per a motion at the March 29, 2016 Council meeting, a report will be brought to Executive Committee by Administration on potential actions the City can take to implement the recommendations of the Truth and Reconciliation Commission. The City is currently leading a process with community partners to discuss the Truth and Reconciliation Commission recommendations and the municipal role. Any portions of this report directly related to housing will be brought to the MHC.

Poverty Reduction Strategy (date to be decided, presentation) - In 2015, the Province released a report titled *Recommendations for a Provincial Poverty Reduction Strategy*. While the Poverty Reduction Strategy is a provincial document, it aligns with the strategies and recommendations of the City's CHS including strategies to ensure the supply of safe, affordable and adequate housing for individuals and families with low incomes. A member of the Provincial Ministry of Social Services will provide an overview and update on the Poverty Reduction Strategy to members of MHC for information.

Mayor's Housing Commission Topics and Ongoing Work

This report also builds on the list of topics provided by the Commission in 2016. In early 2016, MHC members provided Administration with a list of topics relevant to their role in overseeing the implementation of the CHS. The following topics provide a brief overview of Administration's work in these areas along with additional work to be undertaken in 2017.

Affordable Housing - Addressing Vulnerable Populations

Housing Incentives Policy

Following the completion of the CHS in 2013, Administration undertook reviews and revisions to the City's Housing Incentives Policy (HIP) in 2013 and 2015. As part of the policy review - aimed at introducing a new policy in 2016 - stakeholder sessions were held and analysis of housing data was completed to guide revisions to the policy. Based on a series of consultations with the development community, Administration heard feedback in support of the following:

- Direct municipal incentives to assist in housing where the need is greatest, including affordable units for large families (three bedrooms or more) and small, affordable units (micro-suites) for single individuals, young adults and hard-to-house individuals. The rental market has provided an adequate number of market-rate units, but the cost of rental units is still increasing, impacting the most vulnerable households.
- Affordable units with complementary social services to meet clients' needs.

The HIP was updated to address the above-mentioned issues in 2016. Updates included:

- An increase in capital grant amounts for developers of below-market rental units in order to increase supply of affordable units. An additional \$5,000 per unit was added to the policy for units with three bedrooms or more to accommodate large families.
- A reduction to the capital grant amount for new affordable ownership units to offset additional funding for affordable rental development.
- Focused incentives for critical infill developments - including areas with core housing needs and aging housing stock - based on an expansion of the areas in existing neighbourhoods eligible for tax exemption for the construction of new affordable and market units. To balance this change, tax exemption for new construction in newly-developed and greenfield areas were phased out effective October 31, 2016.
- Enhancement and streamlining the City's Downtown and Warehouse District incentive programs.
- An update and refinement the administration and evaluation of incentive applications, placing greater emphasis on supporting non-profit housing organizations and supporting critical housing needs.

Administration is considering amendments to the HIP to address issues that have arisen with the implementation of the new policy. Amendments under consideration may address the maximum grant amount per developer, an evaluation of current income thresholds and clarification of the policy's intent and eligibility criteria. The next comprehensive update to the policy is scheduled for 2018.

Housing Quality

The CHS includes several strategies to address the need to preserve and improve existing housing stock. Actions taken include:

- Amendments to the *Condominium Policy Bylaw* in 2015 to evaluate the impact of condominium conversions on rental unit availability. Changes to the Bylaw restrict the conversion of rental units to condominiums if the conversion would lower the vacancy rate to less than three per cent at the neighbourhood level. A three per cent vacancy rate is the target established in the CHS.
- Ongoing research of municipal repair programs in order to track progress on housing repair through housing data. There are provincial repair programs including the Homeowner Repair Program for low-income homeowners and a component of the Rental Development Program, which includes funding for Acquisition and Repair of buildings for affordable rental housing.
- Ongoing monitoring of internal and external housing data. Data, including building permit data and availability of rental units, is used to evaluate repair to the existing housing stock.

- The Housing Standards and Enforcement Team (HSET) plays a valuable role in the community, contributing to ensuring safe and adequate housing.
- Measuring progress by comparing the 2016 Census data to the 2011 Census data. The data provides an update on the percentage of housing in need of major repair.

Monitoring the Housing Market: Housing Data and Policy Work

Data Collection and Analysis - Neighbourhood Planning continues to collect and evaluate housing data from a variety of sources including CMHC, Regina Realtors, The Canadian Real Estate Association (CREA), building permits and Statistics Canada data to understand changes in the housing market as well as strengths and weaknesses that may be addressed through City policies such as the HIP and implementation of the CHS. This data is also provided in the annual report on the CHS.

Tracking the Impact of Large Infrastructure Projects on Housing - Neighbourhood Planning continues to monitor large infrastructure projects such as the Bypass construction project to understand the potential impact to the City's housing supply.

Administration of the HIP - Neighbourhood Planning administers the HIP, including the review of applications for capital grant funding for affordable housing, coordination of tax exemption applications, confirmation of capital grant eligibility and funding allocations.

Implementation of the Intensification Work Plan (IWP) - As part of the implementation of the intensification policies of the OCP, Neighbourhood Planning is scoping a study to research barriers to infill and development of under-utilized land such as vacant lots and brownfields. This project, the Under-Utilized Land Study (ULS), aligns with Strategies 26 and 30 to demonstrate the benefits and opportunities of increased density and housing diversity and to support the redevelopment of brownfield, greyfield and bluefield properties for affordable housing development.

RECOMMENDATION IMPLICATIONS

Financial Implications

None with respect to this report.

Environmental Implications

None with respect to this report.

Policy and/or Strategic Implications

The CHS was approved by City Council in 2013. Since then, implementation has started on 27 of 35 strategies. The strategies of the CHS align with the City's policy objectives as outlined Section D6, Housing in the OCP. The MHC was established in 2013. As per its Terms of

Reference, the Commission is “to consider and make recommendations to City Council relating to the CHS and provide overall guidance on the Strategy’s implementation unless those items are specifically related to the mandate of another committee.”

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

The Design Regina and City of Regina websites have been kept up-to-date with all documents related to the CHS, as well as reports and information on housing data and new policy documents. Administration continues to receive feedback and engage non-profit housing providers, private developers and housing advocacy groups to build partnerships and discuss housing policies and programs of the City. The MHC provides a forum for discussion, advice and recommendations for the implementation of the CHS.

DELEGATED AUTHORITY

There is no delegated authority associated with this report and it is for informational purposes only.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'SBzdel'.

Shauna Bzdel, Director Planning

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Diana Hawryluk'.

Diana Hawryluk, Executive Director City Planning and Development

January 5, 2017

To: Members
Mayor's Housing Commission

Re: 2016 Rental Vacancy Report

RECOMMENDATION

That this report be received and filed.

CONCLUSION

Canada Mortgage and Housing Corporation (CMHC) has released the 2016 Fall Rental Market Report for the Regina Census Metropolitan Area (CMA) and 2016 Fall Rental Market Report – Saskatchewan Highlights. The rental vacancy rate for the Regina CMA has remained relatively unchanged at 5.5 per cent, compared to 5.4 per cent in October 2015.

BACKGROUND

The Mayor's Housing Commission (MHC) has the authority to seek, gather and research information that will assist in providing overall guidance in the implementation of the Comprehensive Housing Strategy (CHS) which was approved in 2013. As part of the implementation of the CHS, the rental vacancy rate and rental housing supply is continually monitored. When the CHS was developed, Regina's rental market was very tight with the vacancy rate below one per cent and rental rates were increasing rapidly. The CHS established a target of an overall city-wide vacancy rate of three per cent by 2017, which was achieved in the fall of 2014.

CMHC currently completes a rental market survey for major centres across Canada in October of each year. The report for the Regina CMA, released on November 28, 2016, tracks the vacancy rate for purpose-built rental buildings with three or more units for the Regina CMA and the submarket neighbourhood level zones, current supply and demand, as well as the secondary rental market. The 2016 Fall Rental Market Report - Saskatchewan Highlights reports the vacancy rates and average housing rental prices of the 10 major urban centres in the province.

The tracking of housing data is a critical process in the on-going evaluation of the effectiveness and appropriateness of the City of Regina's (City) housing incentives. Current data allows Administration to assess measures that may be taken by the City to improve housing affordability and supply.

DISCUSSION

Data from the CMHC reports for the Regina CMA is based on information gathered in the first two weeks of October 2016. City Administration has summarized the findings from the CMHC

reports below.

Vacancy Rate

The City's overall vacancy rate for purpose-built rental units remained relatively unchanged at 5.5 per cent compared to 5.4 per cent in the fall of 2015. The term purpose-built rental units refers to buildings of three units or more that are built exclusively for rental and does not include ownership units, such as condominiums or homes that may be rented. The term secondary rental units refers to units made available for rent that are not located within a purpose-built rental building and includes rented detached and semi-detached dwellings, freehold townhomes and condominiums units.

Demand for rental units increased over the past year; however construction of new purpose-built rental buildings increased supply at a faster rate than demand, keeping upward pressure on the vacancy rate. As illustrated in Appendix A, this is the third straight year in which Regina's vacancy rate has been at or above three per cent.

Regina's overall vacancy rate is below the Provincial average of 9.4 per cent and differs significantly from the City of Saskatoon (Saskatoon), where the overall vacancy rate has increased to 10.1 per cent from 6.3 per cent in fall 2015. CMHC has noted the contributing causes of the disparity between the two cities, which historically have had comparable vacancy rates include:

- Employment levels - Total employment grew in Regina by about one per cent in 2016 and 2015; whereas Saskatoon saw 0.3 per cent growth in 2015 and net employment loss in 2016.
- Supply - Within the past year, Saskatoon has seen a decrease in rental demand combined with an increase in supply in both the primary and secondary rental markets.

Vacancy Rate – Zone Level:

Vacancy rates are recorded for eight zones in Regina to capture neighbourhood-level data. While the overall vacancy rate remained largely unchanged, different parts of Regina experienced both increases and decreases in vacancy rates. As illustrated in Appendix B, vacancy rates increased in the East, Central and Lakeview/Albert Park zones and decreased in the Northwest, West, Northeast and Wascana University zones.

Vacancy Rate – Secondary Rented Condominiums:

While Regina's overall vacancy rate remains unchanged, the vacancy rate for secondary rented condominium units decreased to one per cent from 4.6 per cent in fall 2015. CMHC has noted that this decline in the vacancy rate compared to purpose-built rental units may be attributed to:

- More renters choosing private condominiums with higher quality fixtures over purpose-built rental units;
- Condominium unit owners offering their units at more competitive rates or providing other incentives; and
- The relatively small number of condominium apartments available for rent within Regina

which, in-turn, amplifies any vacancy-rate shift. There were 1,854 condominium units identified in the CMHC survey compared to 13,373 purpose-built rental units. This means that the decline in this vacancy rate was the result of 18 out of 1,854 condominium units being vacant in 2016 compared to 86 out of 1,876 being vacant in 2015.

Rental Rates

The average monthly rent price for a two-bedroom unit in fall 2016 was \$1,109, up slightly from \$1,097 reported in fall 2015. Overall, average rents within Regina increased by 1.6 per cent over this period. This is approximately the same increase that occurred in 2015. Note that this increase is significantly less from 2006 to 2014, when rent prices were increasing by seven per cent per year, on average.

The greatest average price increase was for three-bedroom units, to \$1,327, up from \$1,251 – an increase of six per cent. The average rental increase for all other unit sizes increased by one per cent or less.

At the neighbourhood zone level, as illustrated in Appendix B, average rents are the greatest in the East and Northwest zones. The higher amount is contributed in part due to the construction of new purpose-built rental apartments within these areas which have higher rates than older rental apartments. No zone reported a decrease in average rental rates.

Rental Supply

The supply of purpose-built rental units grew to 13,373 from 12,989 in fall 2015 with 367 new construction starts reported in the first three quarters of 2016. Since 2010, Regina has experienced a boom in the construction of purpose-built rental apartments with 3,752 new unit starts, representing 29 per cent of total housing starts over this period. 25 per cent of Regina's purpose-built rental units were constructed after 2010.

The estimated supply of secondary rental units has also increased to 13,047 from the 12,782 surveyed in fall 2015. The growth mainly contributed to an increase in the number of single detached dwellings being rented, to 6,725 from 6,411.

Turnover Rate

This year, CMHC expanded its rental market survey to include the percentage of rental units occupied by a new tenant during the past 12 months¹. While this statistic has not been collected long enough to understand its relationship to other rental market variables, it may be useful for both landlords and tenants to understand turnover in the rental market. The turnover rate in the Regina CMA was 35.1 per cent which is slightly less than the provincial average of 36.4 per cent. Looking at other prairie cities, the turnover rate was 39.3 per cent in Saskatoon, 39.7 per cent in the City of Calgary (Calgary) and 35.8 per cent in the City of Edmonton (Edmonton).

¹ A unit can be counted as being turned over more than once in this period.

RECOMMENDATION IMPLICATIONS

Financial Implications

None with respect to this report.

Environmental Implications

None with respect to this report.

Policy and/or Strategic Implications

Implementation of the CHS was established in the Housing Strategy Implementation Plan approved by City Council on June 10, 2013. The strategies of the CHS align with the City's policy objectives as outlined in *Design Regina: The Official Community Plan Bylaw 2013-48*.

The CHS set a target of a three per cent vacancy rate by 2017. This goal was achieved in fall 2014 and the vacancy rate has remained steadily above three per cent since.

The Condominium Conversion Policy is affected by the vacancy rate. A rental building may be considered for condominium conversion when the average of the two most recently published fall vacancy rates for the Regina CMA and neighbourhood zone are at or above three per cent. Under this policy, condominium conversions may now be considered in all neighbourhood zones except south: Wascana-University and the Northwest, provided that the conversion would not result in a vacancy rate in that zone to fall below three per cent. Additional restrictions apply to units that have received rental incentives through the City's Housing Incentives Policy (HIP).

Other Implications

None with respect to this report.

Accessibility Implications

Five per cent of units in any individual rental development must be accessible as per the provincial *Uniform Building and Accessibility Standards Regulations*. Development criteria established for eligibility for housing incentives encourages development of accessible units that exceed the required five per cent in multi-unit rental developments. The criteria also encourages the creation of accessible units in ownership developments.

COMMUNICATIONS

None with respect to this report.

DELEGATED AUTHORITY

There is no delegated authority associated with this report and it is for informational purposes only.

Respectfully submitted,

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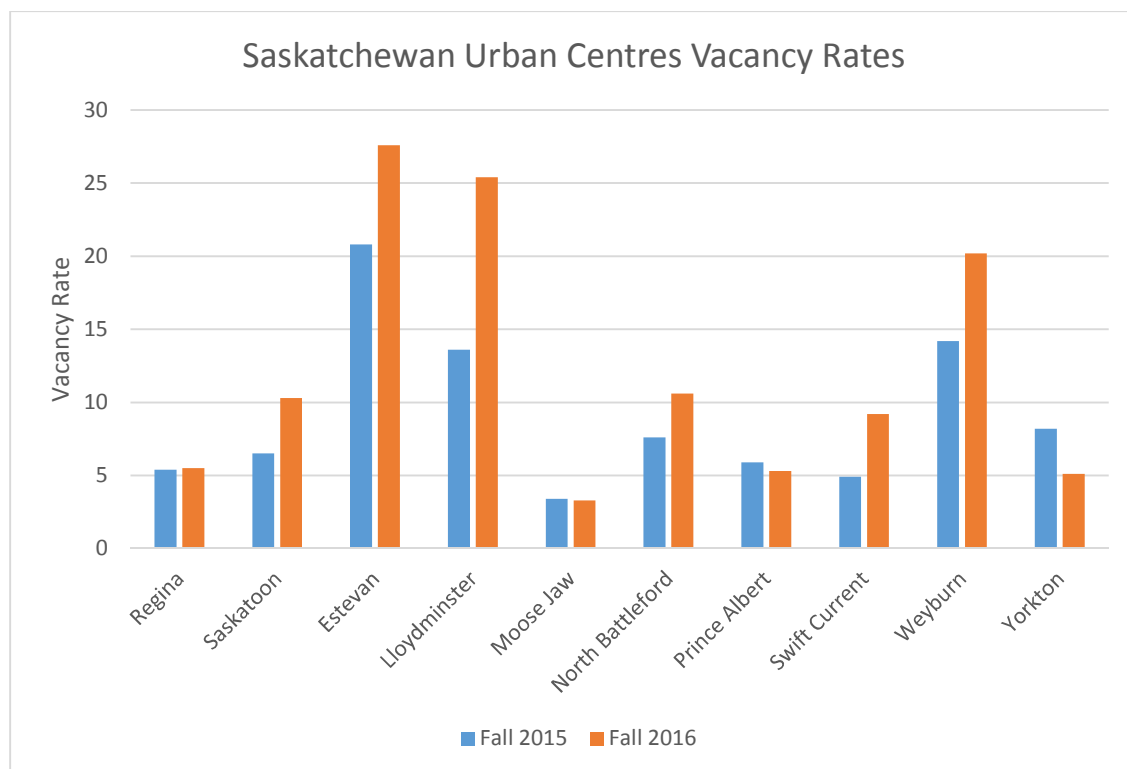
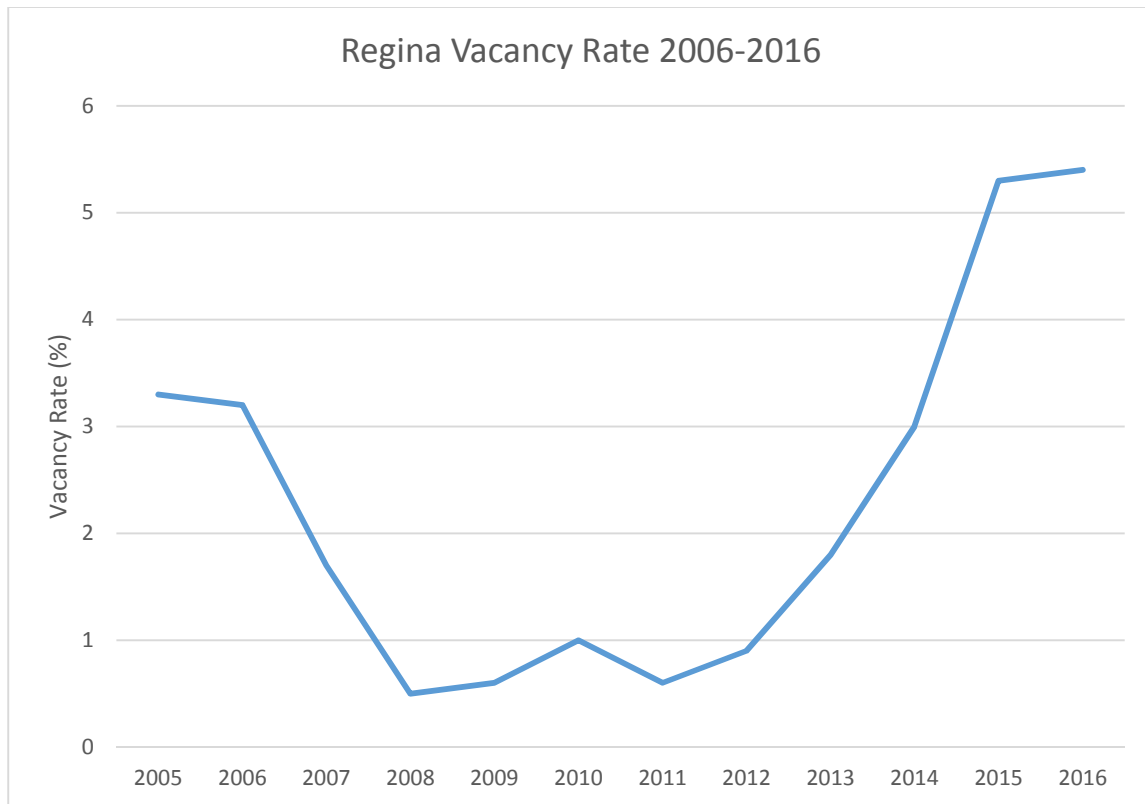
Shauna Bzdel, Director
Planning Department

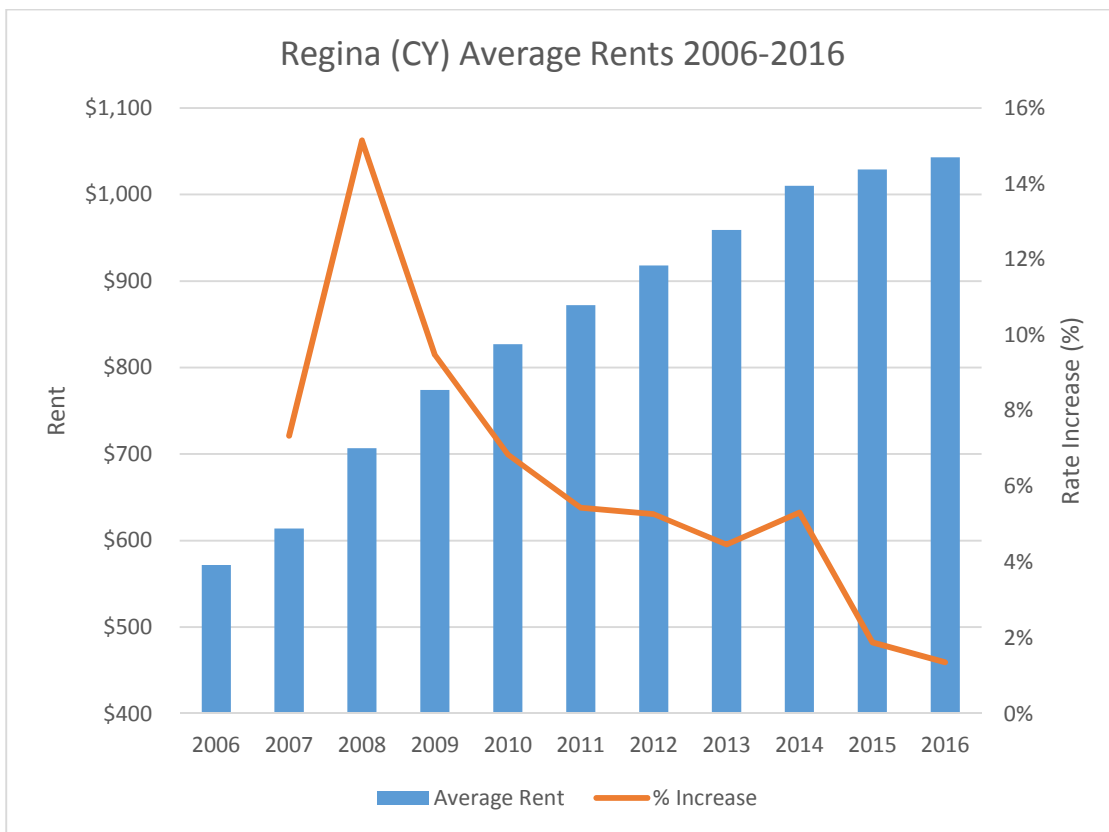
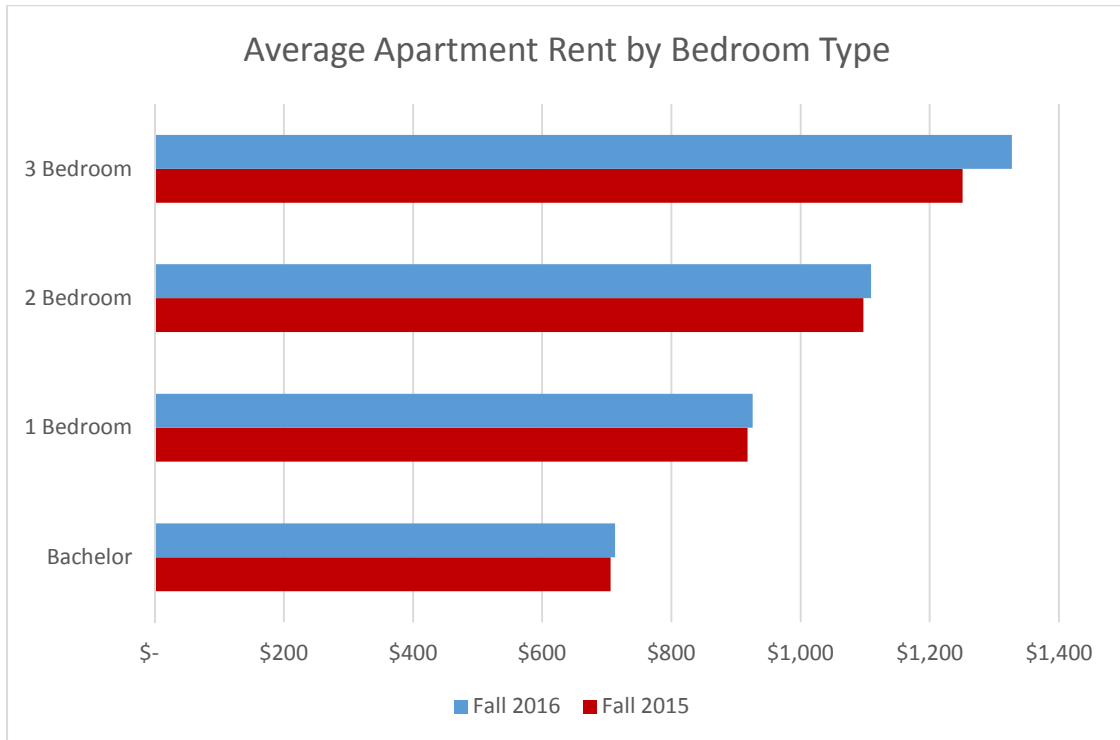
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Diana Hawryluk".

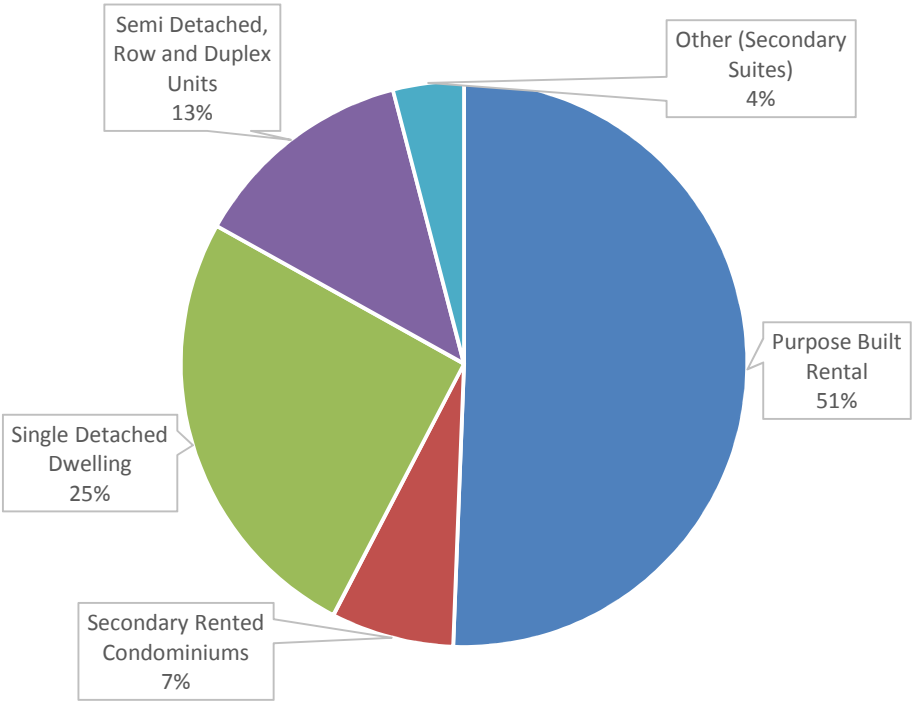
Diana Hawryluk, Executive Director
City Planning & Development

APPENDIX A – Highlights from CMHC October 2016 Rental Market Reports

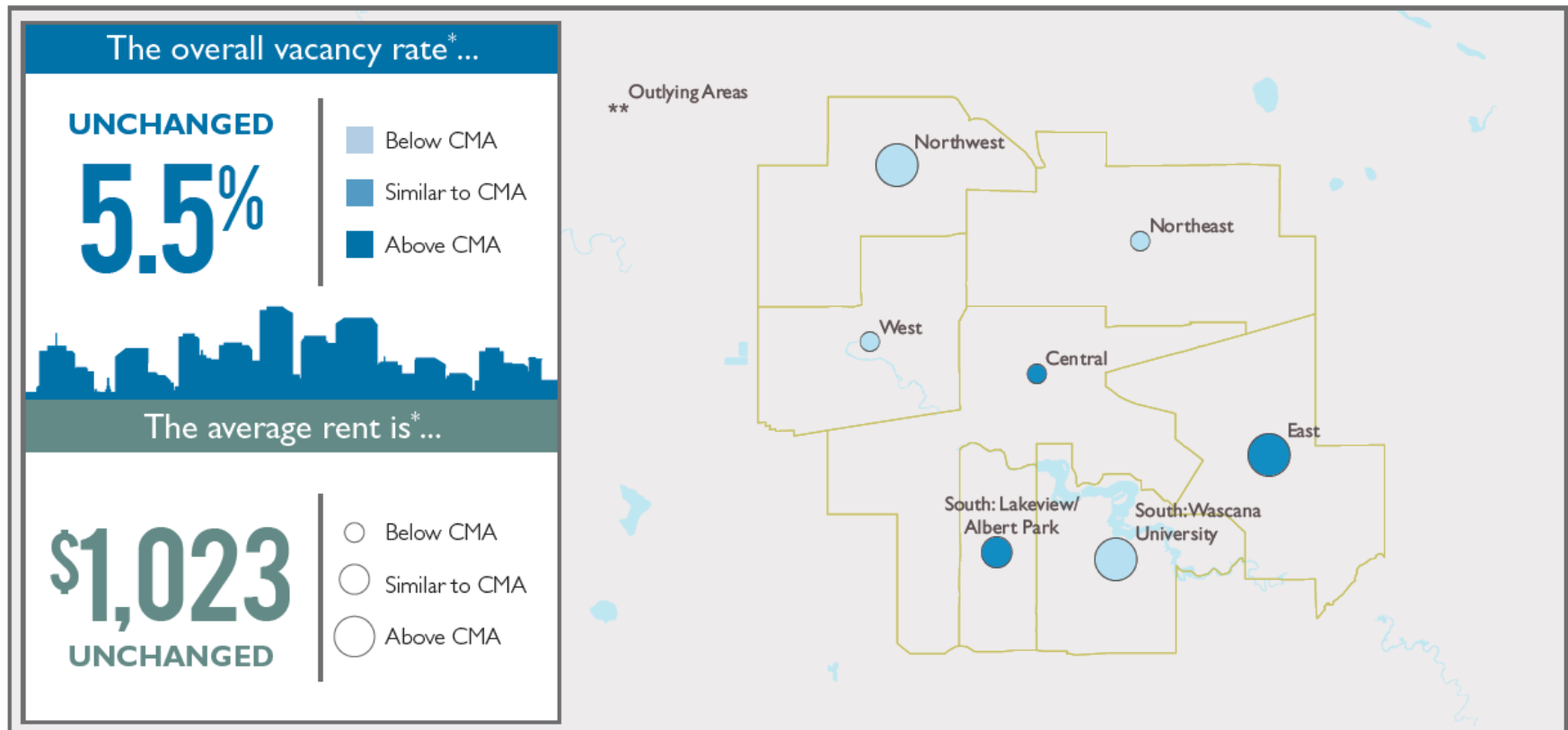




Regina Rental Universe - Fall 2016



APPENDIX B – Vacancy Rate and Average Rent by Neighbourhood Zone



*CMHC collects data on the primary and secondary rental market annually, in the fall. These data refer to the primary rental market, which only includes rental units in privately-initiated apartment structures containing at least three rental units. The secondary rental market covers rental dwellings that were not originally purpose-built for the rental market, including rental condominiums. The primary vacancy rate and rent level is based on all surveyed structures, while the rent increase is based only on structures common to the survey sample in both the current and previous year.

VACANCY RATE AND AVERAGE RENT BY ZONE NEIGHBOURHOOD

ZONE	VACANCY RATE			AVERAGE RENT		
	OCT-15	OCT-16	Change	OCT-15	OCT-16	Change
Central	5.5	6.9	25%	\$929	\$960	3.3%
South: Lakeview/Albert Park	4.4	6.5	48%	\$1,024	\$1,025	0.1%
South: Wascana University	3	2	(33%)	\$1,065	\$1,081	1.5%
East	10.6	6.6	(38%)	\$1,090	\$1,127	3.4%
West	6	4.9	(18%)	\$920	\$923	0.3%
Northeast	4.6	4.7	2%	\$952	\$956	0.4%
Northwest	3.5	1.8	(49%)	\$1,238	\$1,253	1.2%