

November 14, 2013

To: Members,
Mayor's Housing Commission

Re: Comprehensive Housing Strategy Implementation Update

RECOMMENDATION

1. That this report be provided to the Mayor's Housing Commission as a RECEIVE and FILE.
2. That Administration return in the third quarter of 2014 with an annual report on the implementation of the Comprehensive Housing Strategy.

CONCLUSION

The Comprehensive Housing Strategy (CHS) was approved by Council on April 29, 2013. A Housing Strategy Implementation Plan was approved by Council on June 10, 2013. Since the approval of the CHS and implementation plan, Administration has begun implementation. This report is to serve as the first update of implementation to date provided to the newly-created Mayor's Housing Commission. A full, annual implementation report will be provided to the Housing Commission and Council in Q3 of 2014 including reporting on the score card included in the Implementation Plan.

In short, implementation of housing strategies has addressed, at least in part, eight of the ten short-term strategies and eight medium-term strategies. These include:

- *Strategy 1*: Revisions to two of the City's three housing incentives policy, the Housing Incentives Policy (HIP) approved by Council on July 29, 2013, and the Downtown Residential Tax Incentives Policy (DRIP) approved by the Housing Commission on October 24, 2013, which will undergo Council review on November 25, 2013.
- *Strategy 10 and Strategy 17*: Revisions to the bylaw governing the conversion of rental units to condominiums, which was approved by the Regina Planning Commission on Wednesday, October 23, 2013 and will be reviewed by Council on November 25, 2013. The report will be provided to the Housing Commission as a receive and file at the November 2013 meeting.
- *Strategy 3*: A pilot project to evaluate laneway suites in a new subdivision.
- *Strategy 13 and Strategy 15*: A five-month study including public consultation to evaluate the City's Zoning Bylaw regulations around the rental of single-detached homes to multiple tenants (aka Rooming Houses) and subsequent revised Zoning Bylaw regulations that will come before Council on November 25, 2013. The process included enhanced mechanisms for enforcement of property safety and maintenance.
- *Strategy 2 and Strategy 21*: Six city-owned sites offered through a Request for Proposals to non-profit housing providers for affordable housing. Proponents for the development of these sites have been selected. Five of the six sites were presented to the Finance and Administration Committee on November 5, 2013 and will be reviewed by Council on November 25 for sale at below market.

- *Strategy 28 and Strategy 35*: The City is chairing the Community Advisory Board of the Homelessness Partnering Strategy 2014-2019. A detailed report and presentation on the Homelessness Partnering Strategy will be provided to the Mayor's Housing Commission at its December meeting. Regina also has a Cold Weather Strategy to ensure that no one is without a safe place to sleep on cold nights in Regina.
- *Strategy 27*: Continued support for housing and homelessness initiatives through the City's Community Investment Grants Program.
- *Strategy 25*: The Mayor's Housing Summit held in May 2013 provided a forum for discussion of rental supply and housing affordability, housing innovation and partnerships. Since the Summit, Administration has been engaged in on-going discussions with landowners and developers regarding new housing types: pocket suites project, shipping container project, student housing and others.
- *Strategy 10 and Strategy 31*: A tracking system for recording and evaluating citywide housing data and the effects of the City's housing policies.
- *Strategy 6*: A process for prioritizing below market and affordable housing projects with the Current Planning Branch.
- *Strategy 9*: Communication with the Province, property owners, developers and landlords to help with access to provincial programs and to help the City better understand and work within the Province's funding programs.
- *Strategy 10 and Strategy 31*: An update on Housing Incentives Policy capital incentives for 2013.
- *Strategy 10, Strategy 31 and Strategy 34*: Summary housing statistics update.

BACKGROUND

The *Comprehensive Housing Strategy* – consultant's final report (February 2013) is the culmination of a more than year-long project to evaluate Regina's housing issues, to research and develop strategies to address these issues, and to define the role of the City. Background research and a strategy framework were reviewed and vetted by a group of 19 industry stakeholders, representing all sectors of housing, as well as internal members of the Administration. The CHS, along with Administration's Recommendations for strategy implementation, and stakeholder and public feedback to date, were brought to Council on April 29, 2013. At this meeting, Council approved the CHS along with Administration's Recommendations which identified 28 strategies for implementation, six strategies for further consideration and deemed one strategy unfeasible. At that meeting Council directed Administration to prepare an implementation plan and return to Council before the end of the second quarter.

The Housing Strategy Implementation Plan, approved in June 2013, includes work plans for implementation of the housing strategies recommended for consideration and implementation by Administration. With Council direction, Strategy 15 was removed from the implementation plan for further research and consideration by Administration. For the other 34 strategies, implementation and further consideration began with Council's approval of the work plans in the Housing Strategy Implementation Plan based on short, medium and long-term timeframes.

Since the approval of the CHS in April 2013 and the approval of the Implementation Plan in June 2013, Administration has begun implementation of the short-term and medium-term strategies of the CHS. With the creation of the Housing Commission and the need to bring the Commission up to date on work to address the housing strategies, this report is meant to serve as an update of implementation and progress since implementation began in June 2013. A full,

annual implementation report will be provided to the Housing Commission and Council in Q3 of 2014.

DISCUSSION

Revisions to the Housing Incentives Policy (HIP) and the Downtown Residential Tax Incentives Policy (DRIP)

Revisions to the Housing Incentives Policy (HIP) were approved by Council on July 29, 2013 and the new policy became effective November 1, 2013 for incentives offered in 2014. Revisions to the Downtown Residential Tax Incentives Policy (DRIP), approved by the Housing Commission on October 24, 2013, will undergo review by Council on November 25, 2013. The goal of these revisions was to adjust the policies to address the need to increase rental unit and below market unit supply and to increase housing diversity throughout the city. The policy changes are in keeping with the recommendations outlined in Strategy 1 of the CHS.

Revisions to the Condominium Conversion Policy

The Condominium Policy Bylaw governs the conversion of rental units to condominium units. Revisions to the Condominium Policy Bylaw will increase the rate at which conversion could happen from a two per cent rental vacancy rate to a three per cent vacancy rate for both the Citywide and Zone vacancy rates to align with a three per cent rental vacancy rate target as defined in the CHS. Revisions to the Condominium Policy Bylaw were approved by the Regina Planning Commission on Wednesday, October 23, 2013 and will be reviewed by Council on Monday, November 25. The report on revisions to the Condominium Policy Bylaw has been provided to the Housing Commission as a receive and file for the November 14, 2013 meeting.

Laneway Suites Pilot Project

The City currently allows secondary suites in most residential zones. However, a suite cannot be more than 40 per cent of the total building (house) area and must be located within the existing home. The most common secondary suite is a basement suite. An 11-unit pilot project is currently underway in the Greens on Gardiner subdivision to evaluate laneway suites or suites over a garage. The pilot project will be evaluated to examine the advantages and challenges of laneway suites in terms of servicing, parking, privacy, neighbourhood compatibility and liveability. The Current Planning Branch has received a proposal for a similar pilot project in Harbour Landing, which will go before Regina Planning Commission and Council in November-December 2013. Although similar in scope and look, this pilot would enable Administration to evaluate a second pilot with slight variation in the development standards from the Greens on Gardiner project. Pilot projects will be used to inform changes to the Zoning Bylaw in the future.

Rooming Houses and Short-Term Accommodation Regulations

A five-month study including public consultation was undertaken to evaluate the City's Zoning Bylaw regulations around the rental of single-detached homes to multiple tenants (aka Rooming Houses). The intention of proposed Zoning Bylaw revisions is to regulate the use, not the user. Therefore, proposed amendments will require discretionary use permits for residential homestays defined as rooms that are rented for short-term accommodations for less than 30 days. The outcome of this evaluation also includes enhanced mechanisms for enforcement of property safety and maintenance through existing bylaws and the City's Housing Standards Enforcement Team (HSET). Strategy 15 of the CHS has been amended to reflect the proposed Zoning Bylaw amendments and to address the need for additional low-cost rental accommodations.

Administration's recommendations were approved by Council on October 15, 2013. Subsequent Zoning Bylaw revisions will come before Council on November 25, 2013.

City-Owned Sites Offered Through a Request for Proposals

Six city-owned sites were offered through a Request for Proposals to non-profit housing providers in Q3 of 2013. Proponents for the development of sites for affordable rental and ownership housing were selected in late September. Five of the six sites were presented to the Finance and Administration Committee on November 5, 2013 and will be reviewed by Council on November 25, 2013 for sale at below market.

Homelessness Partnering Strategy 2014 - 2019

The federal government has announced a renewed Homelessness Partnering Strategy based on a Housing First approach. Housing First is an evidence-based approach capable of producing measurable results. It represents a shift from managing homelessness to reducing the size of the homelessness population. Regina will receive \$1.1 million each year for five years from April 2014 to March 2019 to support the priorities identified in the Community Plan. The City is chairing the Community Advisory Board that will develop Regina's Community Plan, make recommendations on funding, and establish partnerships to advance the homelessness issue. A detailed report and presentation on the Homelessness Partnering Strategy will be provided to the Mayor's Housing Commission at its December meeting.

Cold Weather Strategy for Regina's Homeless Population

Regina has a Cold Weather Strategy. In March and April 2013, the Ministry of Social Services convened service providers to Regina's homeless population, including shelters, emergency service agencies, the City, and health services to develop a cold weather strategy for the community. The purpose is to ensure services work together so no one is without a safe place to sleep on cold nights in Regina. The strategy is designed to work with existing services and frontline service providers and is in place from November 1 until March 31 unless weather conditions require that the dates of service be extended.

Community Investment Grants Program

In addition to our housing incentives policies, the City provides funding through the Community Investment Grants Program to organizations that provide community and social development programs and services. Many of these service providers deliver direct services including shelters, second stage housing, transitional and housing support services required to address Regina's housing needs, especially homelessness. In 2013, the City provided \$188,000 to these organizations, and from 2006-2012 provided close to \$840,000 to these types of agencies.

Mayor's Housing Summit and New Housing Types

Following the release of the Comprehensive Housing Strategy and the Mayor's Housing Summit, Administration has been engaged in on-going discussions with landowners and developers regarding new housing types: pocket suites project, shipping container project, student housing and others. In advance of a full Zoning Bylaw review to follow the completion and approval of the Official Community Plan, Administration has been able to accommodate pilot projects for innovative housing such as the laneway suites project through a Direct Control District.

Improved Internal Processes and Reporting

A tracking system for recording and evaluating the housing situation, in general, and the effects of the City's housing policies has been established. This information will be used for annual reporting on the Comprehensive Housing Strategy, which will come before the Housing

Commission and Council in Q3 of 2014 and will include reporting based on the score card established in the Housing Strategy Implementation Plan.

In addition, a process for prioritizing below market and affordable housing projects has been established with our Current Planning Branch. This process does not remove any requirements for planning and permitting including public review but it gives planners notification that an application for affordable housing has been made so it can be prioritized as “first in queue” for review and processing. Neighbourhood Planning Branch and Current Planning Branch will meet in Q4 of 2013 to review the process and its effectiveness.

Work with Saskatchewan Housing Corporation

Administration has called on members of Saskatchewan Housing Corporation to review draft housing incentives policies to ensure they are compatible with provincial funding programs where appropriate. To date, a number of recent projects have qualified for both the City’s housing incentives policy as well as provincial programs including the Rental Construction Initiative, the Rental Development Program, the Affordable Home Ownership Program and the Headstart on a Home program. The stacking of city and provincial programs provides benefits to developers, housing providers, tenants and purchasers including greater choice and diversity in housing and increased funding to provide social or subsidized units that are offered well below the City’s requirements for units below market average. Communication with the Province also helps Administration be able to assist property owners, developers and landlords to learn about and access provincial programs, and has helped the City better understand and work within the Province’s funding programs and funding schedules.

Housing Incentives Policy – Capital Contributions for 2013

Administration has finalized all approvals and agreements for capital incentives for 2013 under the Housing Incentives Policy (HIP). In total, Administration has approved \$1.7 million in capital incentives to provide a \$10,000 per door capital incentive to below market ownership and rental units. Rental units (64) must be kept at or below the average rent for the unit size for five years. Ownership units (102) must be sold to households that meet provincial requirements for assisted homeownership and the capital incentive is passed on to the purchaser either through a reduction in the sale price or as a mortgage helper.

Updates on tax incentives offered through the HIP for 2014 are being finalized and final numbers will be available in Q1 of 2014.

Housing data update

The following information is intended to provide a general overview of the housing context in Regina and changes seen in the past three years. The majority of data has been drawn from CMHC data. Despite a strategy of the CHS to update data with the 2011 Census information (Strategy 34), Administration has found that given the extent to which the housing context has changed since 2011, CMHC data provides the most current and relevant data. Additional data and reporting on housing and the City’s housing incentives and initiatives will be included with an annual report on the housing strategy in Q3 of 2014.

Indicator	2011	2012	2013f
Housing starts	1,694	3,093	2,875 f ¹
% multi-units ² of total starts	43%	58%	60% f ³
Rental starts	219	552	699 f ⁴

f = forecast

¹ CMHC forecast (October 2013)

² Includes semi-detached, row houses, multi-unit buildings

³ Forecast based on starts to date (CMHC)

⁴ Based on applications received by the Current Planning Branch

Indicator	2011	2012	2013f
Rental vacancy rates	.6%	1%	1.9%
Rental vs. ownership	32% : 68% (2006)		29% : 71% (2011) ¹
% rental units of total starts	13%	18%	29% f
Below market rental units (HIP) / all rental	39 / 218	48 / 552	64 / 699 f
Below market rental as % of all rental starts	18% of rental starts	9% of rental starts	9% of rental starts ²

¹ Number based on Census data, although Stats Canada has warned against comparing 2006 census to 2011 census data due to differences in data collection (mandatory vs. voluntary reporting); in areas where a large percentage of households rent, the survey response rate was significantly lower than in areas with high percentages of households who own their home.

² Although capital incentives have been funding a larger number of below market rental units, due to the increase in total rental starts the percentage of below market rental units to all rental unit starts has decreased. However, 9.2 per cent is the number of households reported by CMHC to be in the “core housing need” meaning that they are spending more than 30 per cent of income on housing and/or are unable to find adequate housing. New data is required to calculate whether or not this number has changed in 2012-2013.

RECOMMENDATION IMPLICATIONS

Financial Implications

None with respect to this report.

Environmental Implications

Increasing multi-unit development will help the city decrease its environmental footprint through more population density requiring less area of streets, roads, pipes and other forms of servicing. Further, incentives for downtown residential construction should encourage additional development downtown where residents can benefit from proximity to jobs and services and be less auto-dependent.

Policy and/or Strategic Implications

Implementation of the housing strategies reflects the work plans as established in the Housing Strategy Implementation Plan approved by Council on July 29, 2013. The strategies of the CHS align with the City’s policy objectives as outlined in the new draft Official Community Plan.

Other Implications

None with respect to this report.

Accessibility Implications

Strategy 19 of the Comprehensive Housing Strategy addresses the need for accessible housing. Currently, multi-unit rental buildings are required to provide a minimum of five per cent accessible units. Through the City’s Housing Incentives Policy, Administration encourages the creation of additional accessible units in other housing forms.

COMMUNICATIONS

The Comprehensive Housing Strategy went through both stakeholder and community consultation including:

A Stakeholder Consultation Group of 19 individuals who reviewed and vetted research, policy alternatives, goals and objectives throughout the process of completing the Comprehensive Housing Strategy.

The Comprehensive Housing Strategy and Administration's Recommendations were posted on March 22, 2013 on the Design Regina website for public review, and individuals were able to provide written feedback prior to the report to Council on April 29, 2013.

On April 18, 2013 three public sessions provided an overview of the Housing Strategy and attendees were provided comment sheets to submit feedback either in written form or on-line. More than 100 people attended these sessions and 26 feedback forms were received. All public comments were provided as part of the report to Council on April 29, 2013.

The Mayor's Housing Summit provided a forum for the public and private sectors including all levels of government, non-profit organizations, developers, realtors and others to discuss the City's housing situation and share positive examples of projects, policies and programs. A 90-minute interactive session on day two of the Summit provided an opportunity for delegates to comment on ideas presented at the Summit and to provide feedback on next steps and important actions.

Two public events were held to discuss the issue of Rooming Houses (Strategy 15) in single-family neighbourhoods, one organized by the community association in Hillsdale/Whitmore Park and a second organized by Administration and held in a downtown location. Both events drew more than 100 people each and more than 100 comment forms were submitted and reviewed by Administration.

Developers and property owners who have received municipal tax and capital incentives in the past have been notified of policy changes and provided with a general overview of the new housing policy.

Specific development projects, such as the laneway pilot project, are subject to the review requirements of any Zoning Bylaw amendment or rezoning application. Going forward, additional pilot projects or housing development requiring discretionary use permit, rezoning or a Zoning Bylaw amendment are subject to a review process including:

- written notice (including plans) to area property owners and residents as well as to the local community association;
- public notification signage posted on the property;
- a public open house may be held depending on the nature of the project (e.g. pilot project)
- notification to residents who provide their written comments and leave contact information for the Regina Planning Commission and City Council meeting dates where they have an opportunity to appear as a delegation.
- a public hearing (RPC/Council meetings).

Reports on the City's housing incentives and housing policies that have gone before a committee and Council provide an opportunity for the public to provide written and verbal comments on the proposed action.

On an on-going basis, comments on the Comprehensive Housing Strategy and housing incentives and initiatives can be sent via e-mail (to chs@regina.ca) as noted on the Design Regina website and will be responded to by Administration.

As the housing implementation plan continues, the City will notify and communicate with the public and stakeholders as required. More specifically, there are 11 strategies identified for public consultation as per the implementation plan. Additional pilot projects and the proper public review process will provide opportunities for public outreach and consultation.

DELEGATED AUTHORITY


The disposition of this report is within the authority of the Mayor's Housing Commission.

Respectfully submitted,



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