



Municipal Housing Strategy Implementation – Municipal Development Plan and Land Use Bylaw Recommendations Report



ISL Engineering and Land Services
City of Lethbridge

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1.0 Introduction

1.1 Project Overview

In 2019, the City of Lethbridge completed a housing needs assessment as part of the development of a Municipal Housing Strategy and Implementation Plan (MHS) to address housing needs over the next five years. This strategy provides a clear roadmap to fill housing gaps and guides the City in leveraging and allocating resources to projects that are strategic in meeting the needs of all residents, especially priority groups. The Housing Strategy identifies several emerging and future housing needs and gaps, concluding that:

- There is a need for more subsidized rental housing options for low income households;
- There is an increasing number of people in the City with special needs, such as seniors, people with disabilities and mental health issues, and homeless people, who require more permanent and transitional supportive and accessible housing options which are program specific;
- The increasing demand for rental housing is putting pressure on both the primary and secondary rental markets, creating a need for more purpose-built rental units and ensuring that the existing stock is in good condition; and
- The City has a large population of seniors and small households (1-2 people) driving the demand for smaller dwellings and creating the need to diversify the housing supply to accommodate their lifestyles.

The City is currently reviewing and updating the Municipal Development Plan (MDP) and Land Use Bylaw (LUB) and because implementation of several of the Municipal Housing Strategy and Implementation Plan short- and medium- term goals would require changes to both these documents. The City prioritized several goals for further review and engagement:

- Adopt a definition of affordable housing based on household income.
- Revise the definition of accessible housing to refer to barrier-free housing.
- Adopt and implement the following recommended housing targets for housing which is affordable to households with low and moderate incomes:
 - ~ 15% of new units be affordable to households with low incomes
 - 30% of these units should be supportive and/or barrier-free
 - ~ 5% of all new units be affordable to households with moderate incomes
 - 40% of these units should be purpose-built rentals.
- Identify additional opportunities to support the development of affordable and supportive housing, such as including alternative parking standards for affordable and supportive housing developments within close proximity to transit.
- Revise the LUB to permit more “gentle intensification” in low-density residential districts across the City.
- Explore the feasibility of developing a rental conversion policy to protect the existing rental housing stock.
- Encourage all new multi-residential developments and developments in the medium and high-density residential districts to have a good mix of smaller units and family-sized units based on the recommended housing targets.



1.2 Public Engagement

Engagement opportunities were available in April 2020 to:

- Gather feedback from residents on several of the short-term goals identified in the Housing Strategy and Implementation Plan
- Understand the level of awareness and support, and perspectives and concerns among the public regarding the short-term goals
- Identify potential changes to the MDP and LUB that are reflective of residents' needs and preferences

A statistically valid telephone survey was conducted between March 25 to April 13, 2020 with 400 residents participating. The purpose of the telephone survey was to gather feedback directly related to the Housing Strategy Implementation actions.

Online engagement was conducted between April 20 to May 3, 2020 on the City of Lethbridge website: <https://getinvolvedlethbridge.ca/municipal-housing-strategy> to explore the acceptability of the tools and regulations available to implement the goals of the Housing Strategy. Online engagement opportunities included:

- Online Survey
- Q and A Tool
- Ideas Tool
- Webinar on April 30, 2020

The Telephone Survey Executive Summary is attached in **Appendix A** and the Engagement Summary Report is attached in **Appendix B**.

1.3 Precedent Research

In addition to the comprehensive engagement strategy undertaken to gather perspectives from residents, precedent research was completed on several comparable municipalities to better understand what other municipalities are doing to address housing needs in their communities. Municipalities were identified based on comparable demographic and socio-economic characteristics to that of Lethbridge. Additional municipalities were reviewed and included to provide supplementary information to that of the comparable municipalities that were the focus of the precedent research.

1.4 Recommendations Report Outline

The following sections outline the precedent research completed and key findings from the review:

- **Section 2** provides demographic and socio-economic data of the comparable municipalities that were reviewed.
- **Section 3** provides a high-level summary of the key policies, regulations, programs and tools that other municipalities have implemented to achieve similar housing goals.
- **Section 4** identifies recommendations for potential changes to City's MDP and LUB to be explored further based on the findings from the precedent research and community feedback.

2.0 Comparison Municipalities

2.1 Introduction

A group of nine municipalities was initially identified from professional experience and judgement as being potentially comparable to Lethbridge. These municipalities were all included in the demographic and socioeconomic comparison:

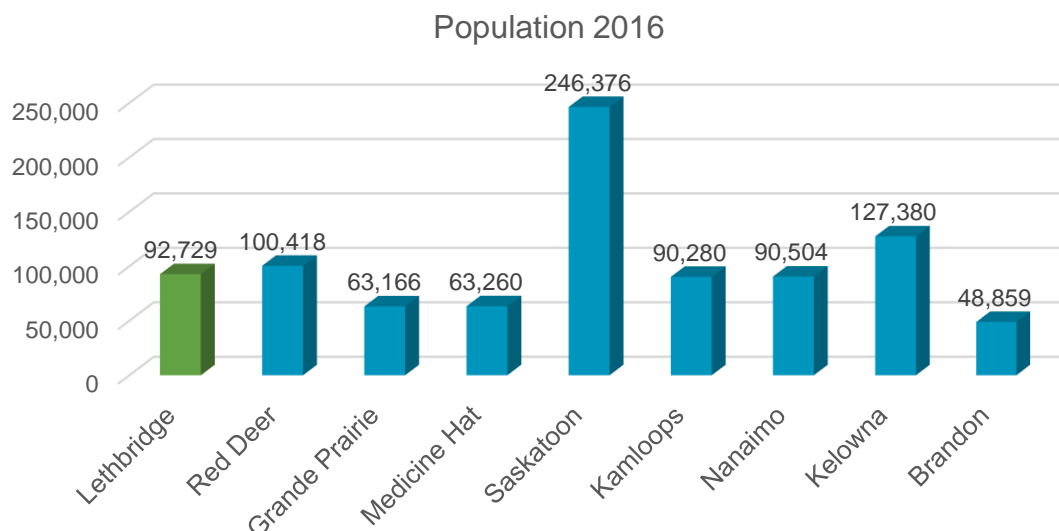
- Lethbridge, AB
- Red Deer, AB
- Medicine Hat, AB
- Grande Prairie, AB
- Kamloops, BC
- Nanaimo, BC
- Kelowna, BC
- Saskatoon, SK
- Brandon, MB

The results show that there is some variation in the size of the selected municipalities, as well as the socioeconomic characteristics of the population, especially those related to low income status and unemployment. These differences account for the economic climate and locational advantages of the regions where each municipality is located, among other factors. It was found that most municipalities are sufficiently comparable and have similar challenges to the ones facing the City of Lethbridge.

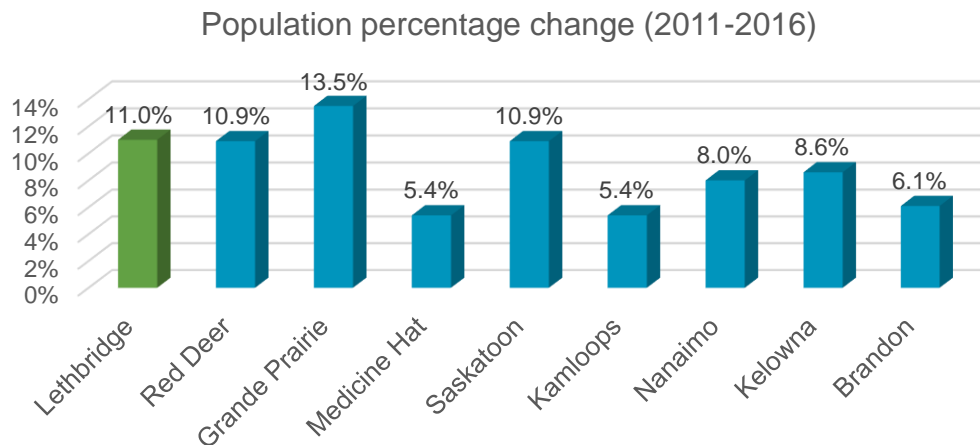
2.2 Demographic and Socioeconomic Comparison

This section presents an overview of the results of the demographic and socioeconomic comparison between the municipalities initially scoped for this analysis. The source of the Information is the 2016 Federal Census reported by Statistics Canada.

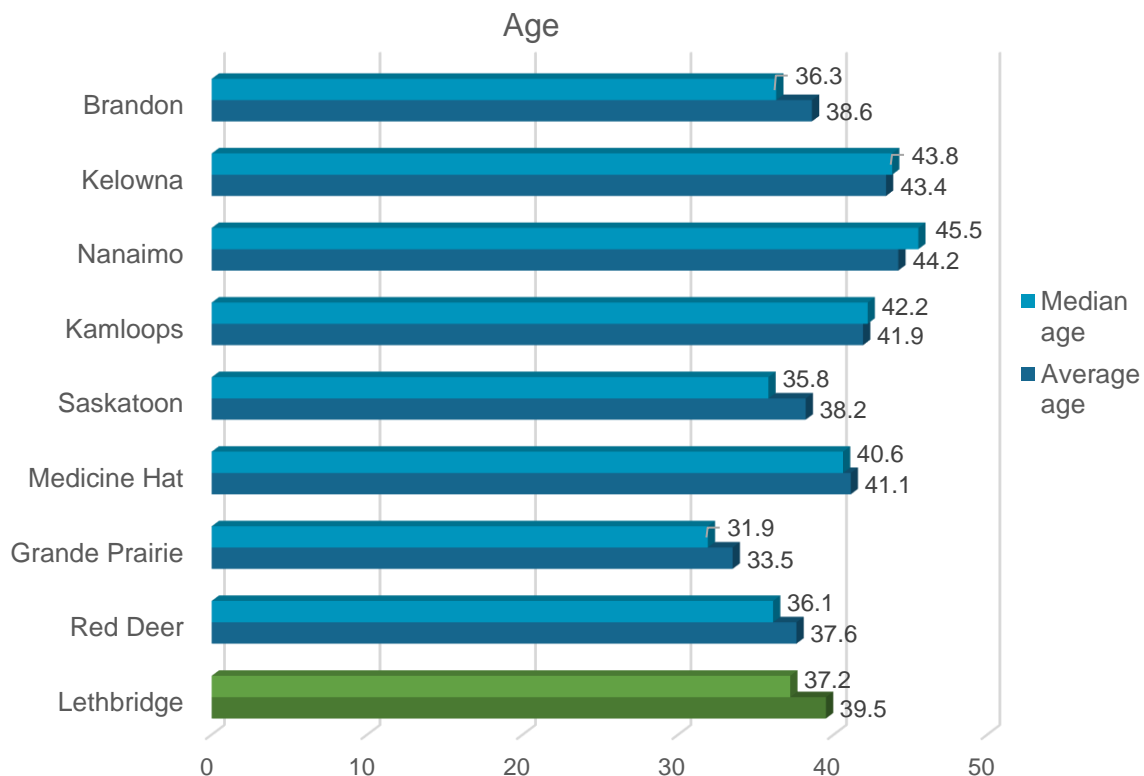
Population and Size



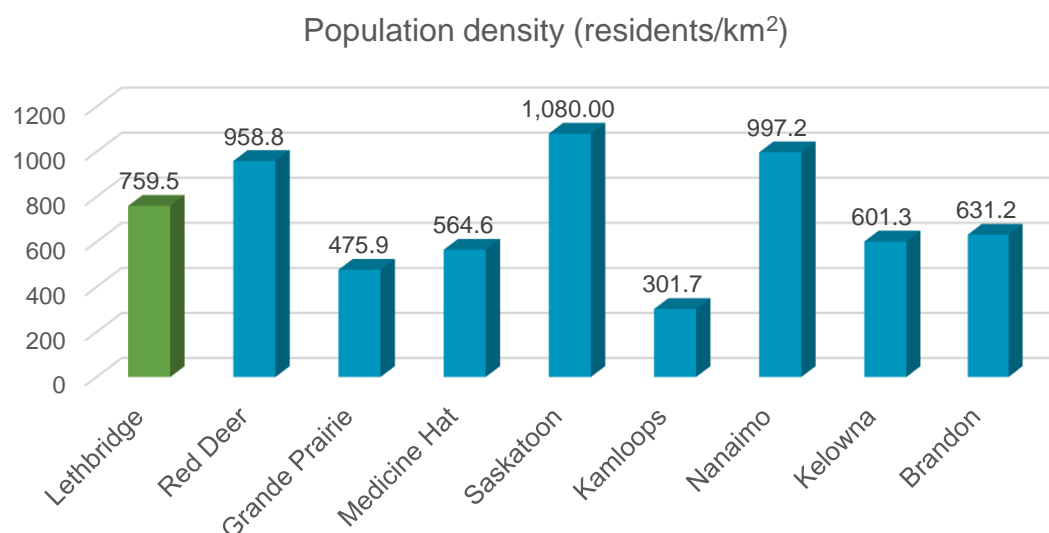
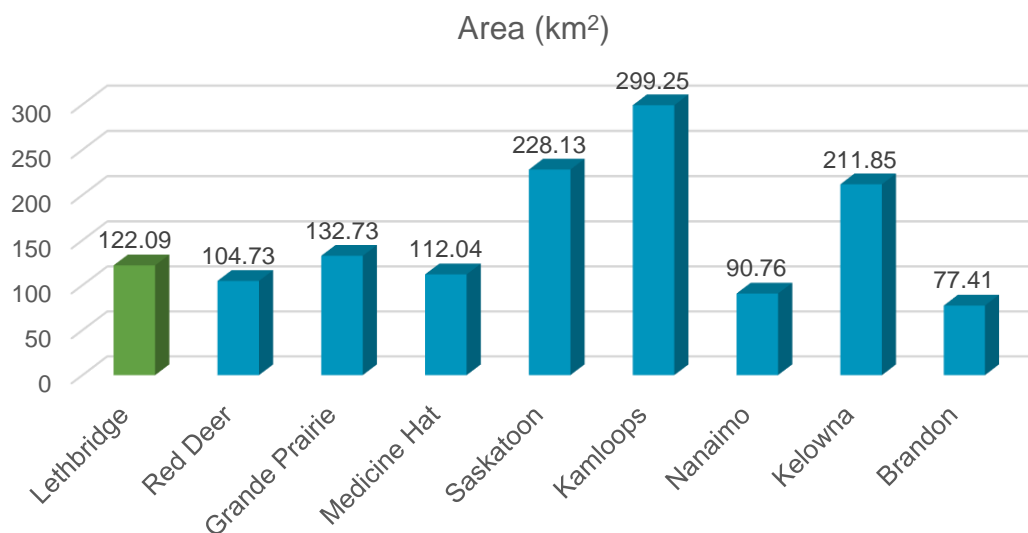
Based on the population size of this sample, these municipalities can be classified in small (<90,000), medium (90,000 to 130,000) and large (>130,000). In this sense, Lethbridge is a medium sized municipality and is most comparable to Red Deer, Kamloops, Nanaimo and Kelowna. At 246,376 inhabitants reported in 2016, Saskatoon is about 2.6 times the size of Lethbridge.



The average growth rate of these municipalities is 8.8% in the 4-year intercensal period. Lethbridge is 2.2 points above average, and comparable in terms of pace of population growth to Red Deer, Saskatoon, Nanaimo and Kelowna. Grande Prairie is the fastest growing municipality, with a growth rate 4.7 points above average, evidencing a different population growth dynamic.



The age of the population also has a small dispersion but presents a more significant variation. The youngest populations seem to be in Saskatoon, Brandon and Alberta municipalities, while municipalities in British Columbia have a higher proportion of older adults and seniors, bringing up their median and average age. In Alberta, Lethbridge and Medicine Hat have the oldest populations.



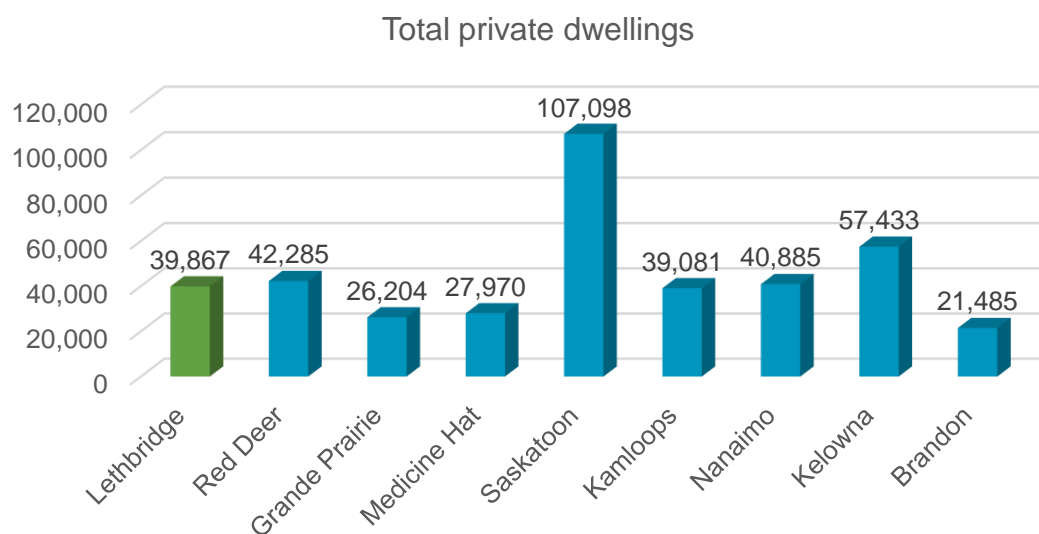
Factoring in the area of these municipalities, the size classification is subject to change. Based solely on area, these municipalities can be classified as small (<100 km²), medium (100 to 200 km²), and large (>200 km²). Under this classification small municipalities include Nanaimo and Brandon, medium sized municipalities include Lethbridge, Red Deer, Grande Prairie, Medicine Hat and Kelowna, and large municipalities include Saskatoon and Kamloops. A summary of size classification is presented in the following table:

Table 2.1: Size of Municipality

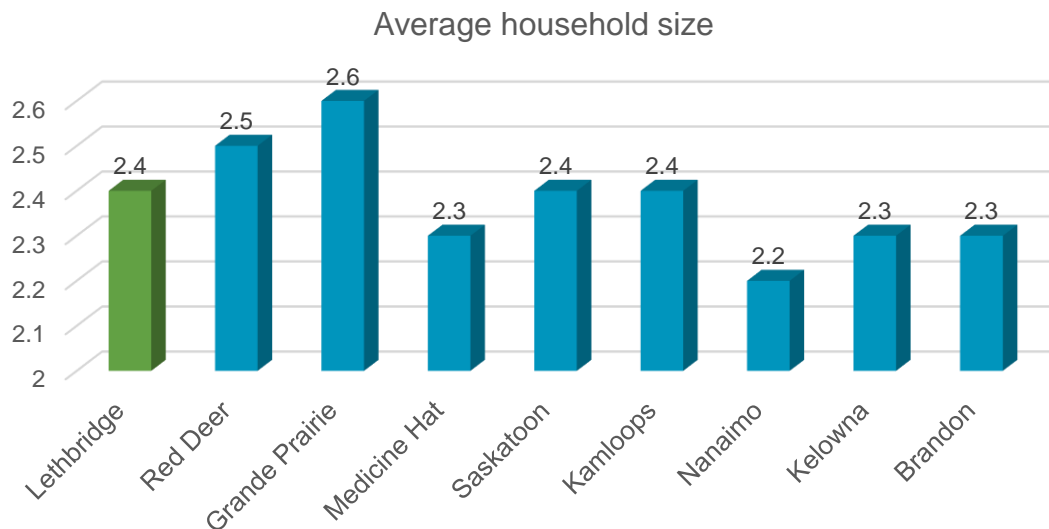
Municipality	Size based on population	Size based on area
Lethbridge	Medium	Medium
Red Deer	Medium	Medium
Grande Prairie	Small	Medium
Medicine Hat	Small	Medium
Saskatoon	Large	Large
Kamloops	Medium	Large
Nanaimo	Medium	Small
Kelowna	Medium	Medium
Brandon	Small	Small

For some municipalities, the discrepancies between the two classifications can be explained by either a very high or very low population density. This is the case of Kamloops, which has a medium population size but a very large area, resulting in the smallest population density of the sample, at 301.7 residents/km². Lethbridge has a density of 759.5 residents/km², and is most comparable to Red Deer, Nanaimo, Kelowna and Brandon.

Household Characteristics



Even though there are some differences in the size of these municipalities, the number of private dwellings has a relatively small dispersion, except for Saskatoon. Excluding Saskatoon to avoid skewing the data, the average number of private dwellings is around 36,525, very close to the count for Lethbridge (39,867). Based on this average, Kelowna and Brandon are also somewhat different, followed by Grande Prairie and Medicine Hat. Red Deer, Kamloops and Nanaimo are the most comparable to Lethbridge.



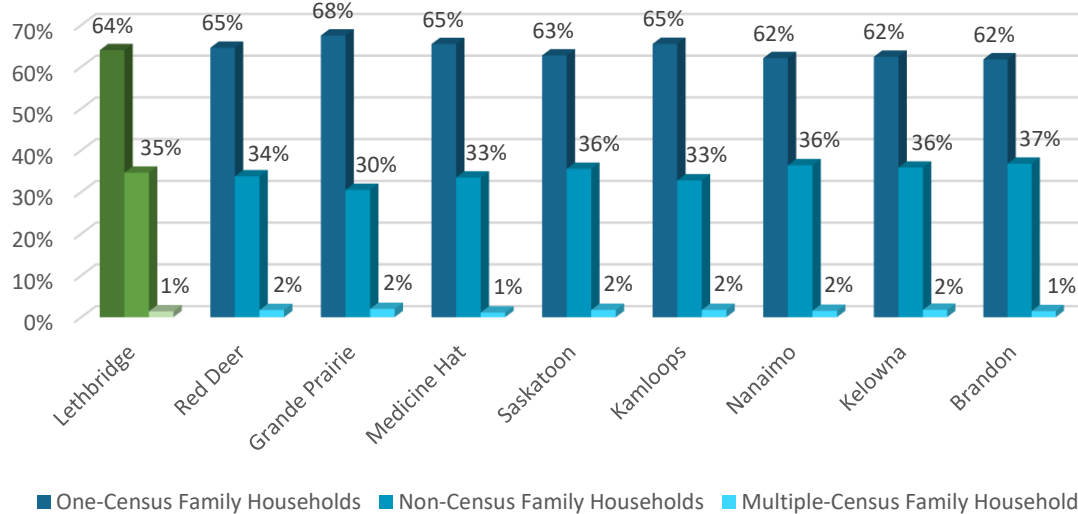
The average household size is virtually the same in all of these municipalities, ranging from 2.2 to 2.6 persons per household.

Another important aspect of households when it comes to understanding potential housing needs and challenges is their size. The size of a household can be expressed as the average number of persons per household, but also as the number of families living together. The graphic below presents the percentage of total household that live in a single-family household, a multi-family household or a non-family household. For the purposes of the interpretation of this graphic, a census family is defined by Statistics Canada as:

a married couple and the children, if any, of either and/or both spouses; a couple living common law and the children, if any, of either and/or both partners; or a lone parent of any marital status with at least one child living in the same dwelling and that child or those children. All members of a particular census family live in the same dwelling. A couple may be of opposite or same sex. Children may be children by birth, marriage, common-law union or adoption regardless of their age or marital status as long as they live in the dwelling and do not have their own married spouse, common-law partner or child living in the dwelling. Grandchildren living with their grandparent(s) but with no parents present also constitute a census family

A non-family household, therefore, would constitute all those individuals living alone or with other individuals to whom they are not related (e.g. roommates, other group accommodation).

Census families in a household

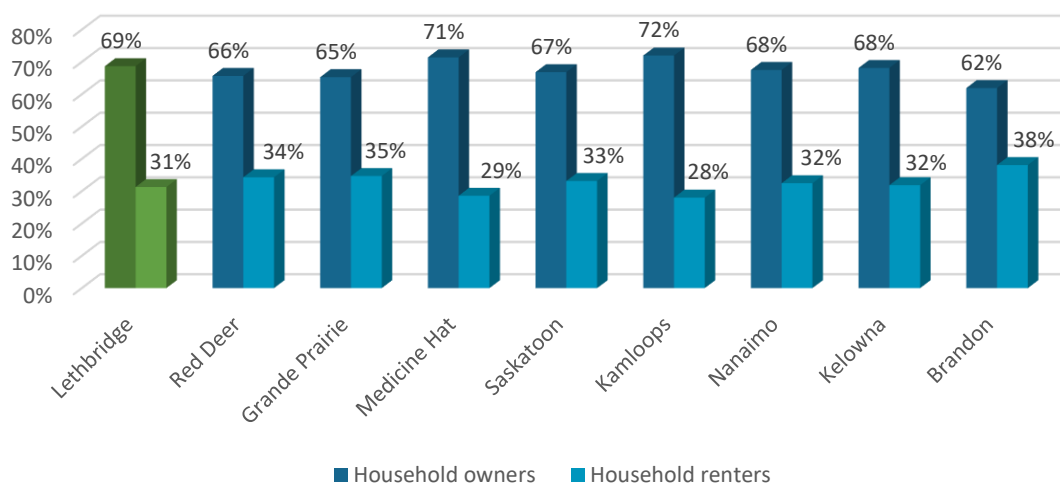


The majority of households in all municipalities are made up of a single census family. The proportion of one-census family households range from 62% in Nanaimo, Kelowna and Brandon, to 68% in Grande Prairie. The proportion of non-family households ranges from 30% in Grande Prairie to 37% in Brandon. Multiple-family households make up only between 1% and 2% of total households across all municipalities.

Housing Tenure

The following graphic below shows a comparison of housing tenure by percentage of owners versus renters in each municipality. It is important to note that the housing tenure data is based on a sample of 25% of households, therefore the percentages shown below constitute a generalization of the sample and do not reflect the exact absolute values for the total population.

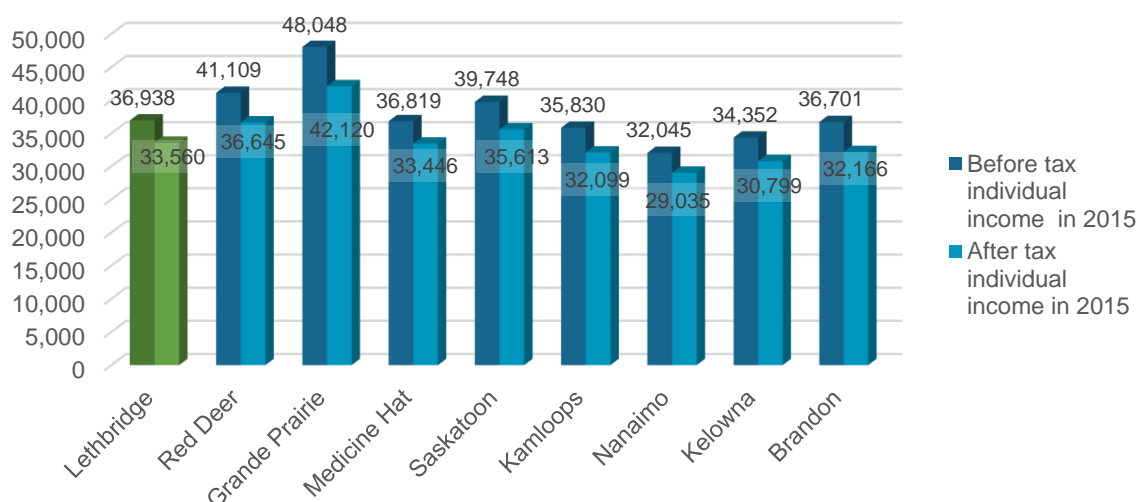
Housing tenure



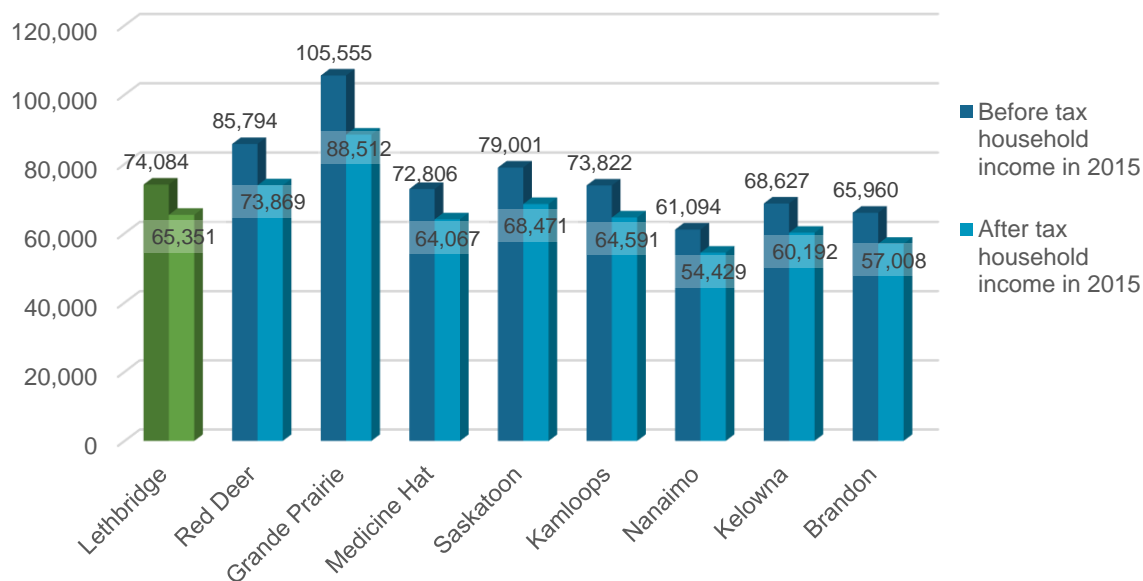
The distribution of owners and renters is very similar across all municipalities. In most municipalities, two thirds of the households are owners and one third are renters. Slight differences in this overall trend are observed in Medicine Hat, Kamloops and Brandon. In Medicine Hat and Kamloops, the percentage of homeowners is larger than the average of 67% by 4 and 5 percentage points respectively, while in Brandon this percentage is considerably smaller than average at 62%. Lethbridge is most comparable to the distributions observed in Nanaimo and Kelowna.

Economics

Median individual income

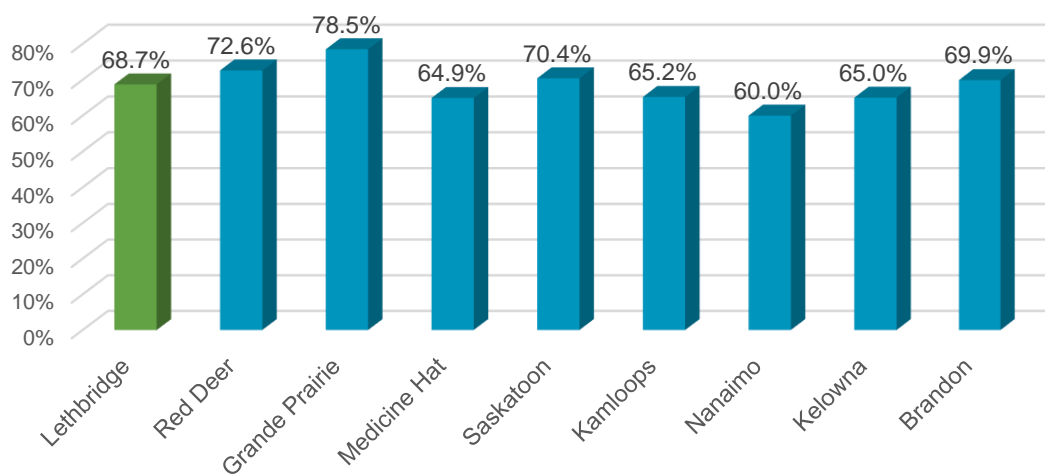


Median household income

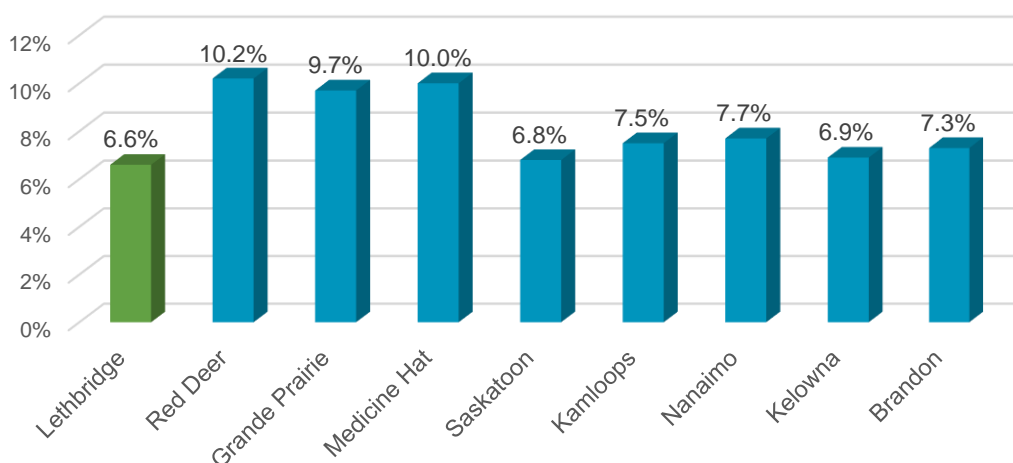


In general, Alberta municipalities report higher incomes than British Columbia municipalities and Brandon, Manitoba. Grande Prairie has the highest household income, which is almost 20% above the next highest income municipality (Red Deer). While the gap in individual income is somewhat smaller, it is significant enough to suggest that the economic conditions and challenges of households in Grande Prairie can be different from those in Lethbridge and municipalities with a similar income level. The municipalities that are most comparable to Lethbridge in individual and household income are Medicine Hat, Saskatoon and Kamloops.

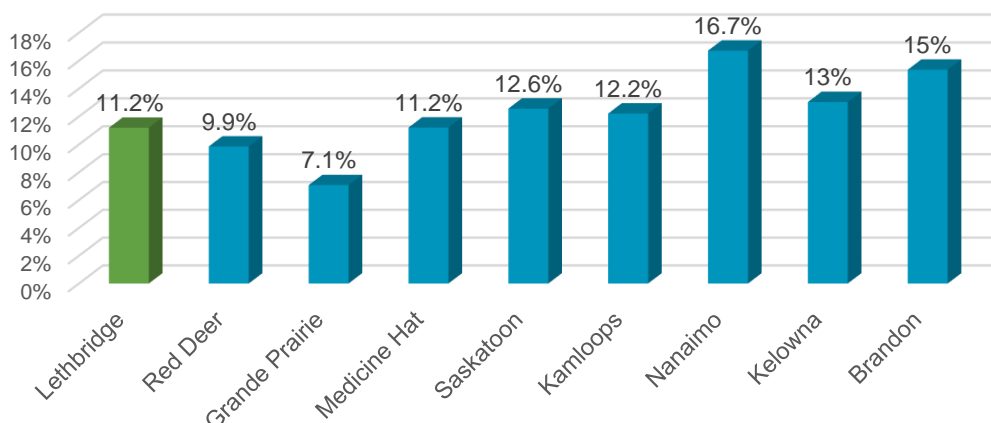
Labour force participation rate



Unemployment rate



Individuals in low-income status
(as a percentage of total population)

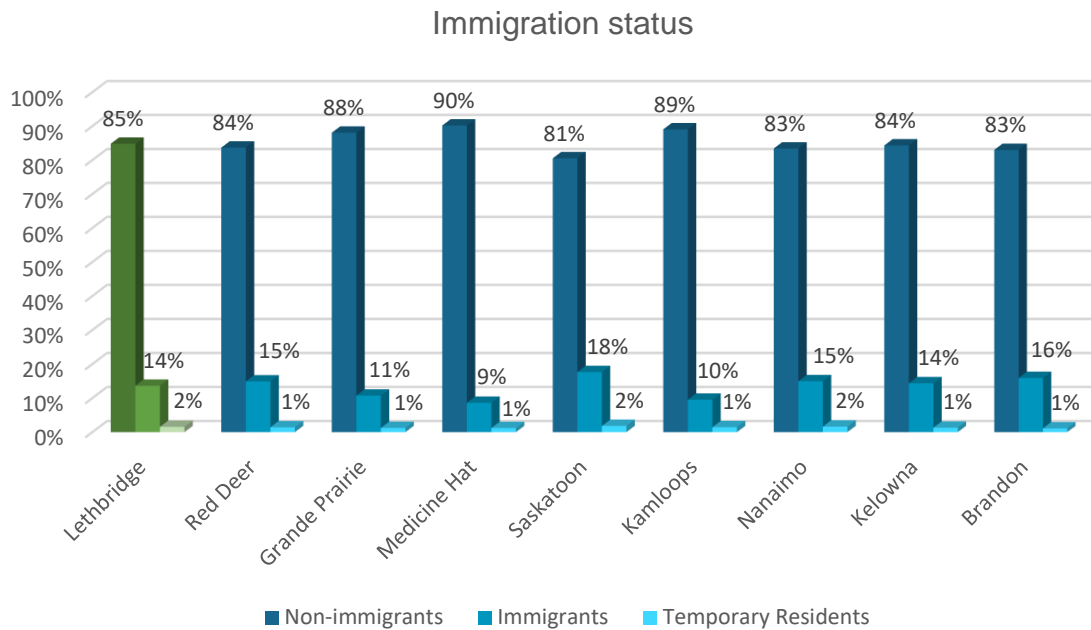


Red Deer, Grande Prairie and Saskatoon have the highest labour force participation rates, with more than 70% of the eligible population actively participating in their labour force. Red Deer and Grande Prairie are also among the municipalities with a highest unemployment rate, along with Medicine Hat. Saskatoon, on the other hand, has also a comparatively low unemployment rate, which suggests it has one of the strongest labour markets of the sample. Lethbridge's participation rate is close to the average for these municipalities (68.35%), while its unemployment rate is the lowest, at 3.3 points below the average of 8%. In terms of labour market conditions, Kelowna and Brandon are the most comparable municipalities, followed by Saskatoon and Kamloops.

Saskatoon, Brandon and British Columbia municipalities have the highest percentage of individuals in low income status, which is consistent with the household and individual income data presented above. Lethbridge and Medicine Hat have the highest percentage of population in low-income status in Alberta, at 11.2%, close to Kamloops' 12.2% and, to a lesser extent, Kelowna's 13%.

Immigration Status

Immigration status has been linked to different housing challenges for different social, economic and cultural reasons. Medicine Hat has the lowest percentage of immigrant population at 9%, while Saskatoon doubles that amount at 18%. Temporary residents make up for a very small percentage of the population in all municipalities. The proportion of immigrant population in Lethbridge sits at 14%, most comparable to Red Deer, Nanaimo and Kelowna.



This analysis confirms that while most municipalities are fairly comparable to Lethbridge, in some respects more than others, Grande Prairie and Saskatoon have significant demographic and socio-economic differences and thus were excluded from the next stage of this precedent research. The rest of the municipalities were further investigated to identify and review their approaches to housing policies, regulations and tools.

3.0 Policy and Bylaw Options

3.1 Introduction

Key to informing changes to housing policies and regulations in Lethbridge is recognizing that other municipalities facing similar challenges have already implemented innovative and creative solutions that provide valuable insight to build upon. The second stage of the precedent research was a review of the policies, tools and regulatory frameworks that comparable municipalities have implemented to set and achieve their own housing goals, to identify potential solutions that can help the City of Lethbridge implement the goals identified through the MHS.

The cities of Grande Prairie and Saskatoon were excluded from further review, given the differences they have with the rest of the municipalities in aspects such as size, labour market conditions and income level of the population.

Drawing from the analysis presented in the previous section of this report, the following municipalities were selected for this review:

- Lethbridge, AB
- Kamloops, BC
- Kelowna, BC
- Red Deer, AB
- Nanaimo, BC
- Brandon, MB
- Medicine Hat, AB

For the purposes of the review presented in this section, a framework was built to aid in the data collection process. This framework was constructed based on the goals proposed in the Municipal Housing Strategy Priority Area 1. Each goal was translated into a general category and research questions were used to collect and review information from comparable municipalities. The table below presents a summary of the data collection framework:

Table 3.1: Research Approach

MHS Goal (If Applicable)	Category	Research Question
N/A	Housing Policy	Does the municipality have a Housing Strategy or similar housing strategic plan?
Adopt a definition of affordable housing based on household income	Affordable Housing Definition	How is Affordable Housing defined in the municipality's strategic and statutory plans, and Land Use Bylaw?
Revise the definition of accessible housing to include the term "barrier-free" housing	Accessible Housing Definition	How is Accessible Housing defined in the municipality's strategic and statutory plans, and Land Use Bylaw?
Adopt and implement the following recommended housing targets for housing which is affordable to households with low and moderate incomes: <ul style="list-style-type: none"> • ~ 15% of new units be affordable to households with low incomes (30% of these units should be supportive and/or barrier-free) 	Affordable Housing Targets	What are the affordability targets of the municipality's statutory and strategic plans? Are there any regulations that support the attainment of these targets?

MHS Goal (If Applicable)	Category	Research Question
<ul style="list-style-type: none"> ~ 5% of all new units be affordable to households with moderate incomes (40% of these units should be purpose-built rentals) 		
Identify additional opportunities to support the development of affordable and supportive housing such as including alternative parking standards for affordable and supportive housing developments within close proximity to transit	Incentives to Develop Affordable Housing	What incentives has the municipality adopted to incentivize the development of affordable housing by the private and non-profit sectors?
Revise LUB to allow "gentle intensification" in low-density residential districts across the City	Infill Development	Are infill housing forms permitted in low-density residential districts? What are the regulations to build infill in these districts? Are they burdensome? Are there any supportive policies in the municipality's statutory or strategic plans?
Explore the feasibility of developing a rental conversion policy to protect the existing rental housing stock	Rental Conversion	Does the municipality have a rental conversion policy? What are the general principles?
Encourage all new multi-residential developments and developments in the medium and high-density residential districts to have a good mix of smaller units and family-sized units based on the recommended housing targets.	Multi-Unit Housing	Does the municipality have any targets associated with unit size for new housing stock? Are there any policies/regulations or incentives to build small or larger units?
N/A	Community Engagement	How has the municipality involved the public in processes involving housing policies, regulations, programs and/or projects? Are there any innovative approaches to uphold public support?
N/A	LUB Definitions for Residential Buildings and Uses	List LUB affordable and supportive housing-related definitions and compare with to other municipalities. What definitions are missing? What are the main differences between definitions?

This framework allowed the systematic collection and analysis of the data. The common tools and policies the comparative municipalities have identified or have implemented are described below. Note, where municipalities are referenced below, it refers to the municipalities that were reviewed as part of this study. Several additional municipalities were reviewed in some instances to provide additional context and information.

3.2 Potential Tools

The following section provides a summary of tools, policies and bylaws that the comparative municipalities have implemented or are in the processing of implementing. Should the City of Lethbridge decide to move forward on any of the initiatives described below, additional research would be needed to assess feasibility, and to better understand any potential legislative challenges and applicability to the local context.

3.2.1 Affordable Housing Definition

Goal: Adopt a definition of affordable housing based on household income.

The City of Lethbridge's Municipal Housing Strategy (2019) refers to the City's Affordable Housing and Homeless Policy definition of affordable housing: "housing which adequately suits the need of low- and moderate-income households at costs below those generally found in the Lethbridge housing market ... and which should not cause a household to spend more than 30% of their household income on shelter costs". However, affordable housing is not currently defined in the ICSP/MDP.

The definitions found in other municipalities' MDPs (or Official Community Plans) and Housing Strategies are very similar since they often generally align with the Canada Mortgage and Housing Corporation's (CMHC) definition, which is used nationally and by Statistics Canada to help define core housing need. CMHC's definition of affordable housing is when a household spends less than 30% of its pre-tax income on adequate shelter. It specifies that the 30% housing cost should include rent or mortgage, utilities, maintenance fees, property taxes and insurance. Most municipalities, however, have a broader description of what affordable housing constitutes.

- Red Deer uses the CMHC definition, adding the need to provide dwelling units that are adequate in meeting the size and safety needs of individuals and families.
- Medicine Hat specifies that the target population for affordable housing are households earning 65% or less than the municipal median income.
- Nanaimo also references the CMHC definition and expands beyond the singular income measure to include specific levels of affordability for different households or types of housing including non-market, affordable rental housing and affordable ownership.
- Kelowna is the only municipality included in the review to include a definition of affordable housing in their Zoning Bylaw. This definition includes housing not only for low income but also for moderate income households, and dwelling units which are price subsidized or price controlled, and limited equity dwelling units. The OCP, on the other hand, distinguishes between affordable rental, referring to average rents reported by the CMHC, and affordable ownership, defined as the price point at which a household can enter the ownership market based on median income level assuming a 30% housing expenditure.

3.2.2 Accessible Housing Definition

Goal: Revise the definition of accessible housing to refer to barrier-free housing.

Currently the City's ICSP/MDP defines accessible housing as "housing that meets the needs of households who earn less than the median income for their household size and are spending 30 per cent or more of their gross annual household income on shelter". This definition better relates to

industry best practices definition of affordable housing and not the current understanding of housing accessibility. The current updates of the City's Plan present an opportunity to revise this definition. The MHS does not define accessible housing but introduces the term in relation to other concepts such as universal design, culturally appropriate services, supportive housing, independent living, and aging in place.

In general, housing accessibility seems to be defined by the features that support the mobility needs of individuals living in the house, and by having the possibility to adapt such features as these mobility needs change over time.

- Kelowna has a similar approach, including terms like universal and accessible design, and encouraging the use of adaptable design to increase flexibility of housing by referring developers to adaptable design guidelines in its Affordable Housing Strategy and OCP.
- Kamloops does not have a definition for accessible housing, but instead defines the following related terms in its OCP:
 - Adaptable design: designing buildings so that accessibility features can be added more easily and inexpensively after construction in order to meet the changing needs of occupants as mobility becomes limited by age, disability, or illness;
 - Supportive housing: housing that combines rental or housing assistance with individualized, flexible, and voluntary support services for people with high needs related to physical or mental health, developmental disabilities, or substance use; and
 - Universal design: design standards meant to create buildings and environments that are inherently accessible to people of all ages and physical abilities.
- Brandon also does not have a specific definition for accessible housing, but instead focuses on Flex Homes, defined as building concepts that allow people to easily adapt their home to meet future needs and lifestyle. Flex Homes are based on three areas of focus:
 - Adaptable: designing a home for several possible arrangements;
 - Accessible: user-friendly features that add convenience and practicality to the functions of the home; and
 - Affordable: features recover their initial expenses over the long term because pre-engineered features allow for easy and inexpensive change and renovation.

3.2.3 Affordable Housing Targets

Goal: Adopt and implement the following recommended housing targets for housing which is affordable to households with low and moderate incomes:

- ~ 15% of new units be affordable to households with low incomes
 - 30% of these units should be supportive and/or barrier-free
- ~ 5% of all new units be affordable to households with moderate incomes
 - 40% of these units should be purpose-built rentals.

Most municipalities have policies that speak to supporting and promoting the development of affordable housing, but don't include specific targets. Including targets in the Housing Strategy, and most importantly in the municipal statutory plans, not only provides an indicator to evaluate policy implementation and improve accountability, but also operationalizes the broader intent to foster housing affordability in the municipality and presents an opportunity to specifically direct efforts and resources.

In municipalities where affordable housing targets were implemented, two different approaches to setting targets are used:

1. **Supply Targets:** identifies a set number of affordable units to be built over a certain period. Nanaimo's Affordable Housing Strategy set several targets to be achieved over 3-5 years including, more than 50% of new residential buildings intended for rental use; more than 70% new residential building permits/starts in multi-unit dwellings; at least 20% of new starts in ground-oriented units; at least 50% of new starts in apartments; and at least 20% of apartments in 2- or 3-bedroom units. The targets can also be presented as absolute quantities.
2. **Demand Targets:** identifies a percentage or quantity reduction of individuals and families who are in core housing need (e.g. homeless, living in inadequate conditions, spending a high percentage of income in housing, etc.) over a set timeline. An example of this approach is Medicine Hat's Plan to End Homelessness, which set a target to house a certain number of homeless people in 5 years.

The two target types use different approaches to evaluate how needs are being met, either from a supply or demand perspective. Improving housing affordability by targeting the supply means municipalities need to work closely with developers and other partners to facilitate and support mechanisms that reduce the rental or ownership costs of housing for the end user. A focus on the demand for affordable housing requires an in-depth knowledge of the housing needs within the community. The range of actors involved in this approach is generally wider, and the types of direct actions to improve affordability are more varied, including interventions and programs targeting the improvement of existing housing stock.

- Red Deer, as part of the Community Housing and Homelessness Integrated Plan (CHHIP), identified specific targets for both the supply and demand sides of the housing marking. The plan includes targets for the following:
 - Supply:
 - Deep Subsidy Purpose-Built Rental Units
 - Affordable Purpose-Built Rental Units (at least 10% below market rent)
 - Accessible affordable rental units
 - Demand:
 - Deep Subsidy Rent Supplements
 - Low Subsidy Rent Supplements
 - Affordable Homeownership Incentives
 - Homeownership Social Supports
- Instead of setting targets, Kelowna set direction to establish a cash-in-lieu policy that encourages projects to contribute to an Affordable Housing Land Acquisition Fund in place of developing a small number of affordable units in their projects.

3.2.4 Incentives to Develop Affordable Housing

Goal: Identify additional opportunities to support the development of affordable and supportive housing.

To grow the supply of affordable housing through private sector development, it needs to be financially feasible. To increase the appeal and lower financial burdens of developing non-market housing by private developers, municipalities can incentivize development. Municipalities can help accomplish this by modifying internal processes, regulations, and requirements that can reduce the

administrative and capital costs of the overall development and shorten timelines to bring new development online.

Policies in the City's ICSP/MDP encourage the use of federal, provincial and municipal grants to help lessen development costs. The ICSP/MDP also directs the municipality to investigate changes to the application of property taxes and the development process that can make the development of affordable housing and ancillary community supports unfeasible. Some municipalities have also adopted policies, goals and actions to encourage the development of affordable housing by using incentives and modifying regulations and are in the early stages of doing so. The most common incentives include commitments to decrease development permit process timelines and waive or reduce application fees, reduce parking requirements if other criteria are able to be met, and support for density bonusing.

- Red Deer's CHHIP presents a strategy to reduce administrative costs for projects providing affordable housing by speeding applications, waiving fees, reducing property taxes, offering density bonuses and converting underused retail space into affordable housing units. The Plan also suggests advocating for significant incentive programs with the provincial and federal governments to offer tax deductions and other benefits.
- Kamloops' OCP requires the City to prioritize development applications that include affordable housing and provide guidance to developers. If developments provide a minimum of 50% affordable housing units, they can receive a reduction of 7% in parking supply. Additionally, the Affordable Housing Strategy proposes to work with developers to identify policy options for inclusionary zoning and potential incentives like density bonusing, subject to an analysis of their economic impact. Kamloops has also created an Affordable Housing Developers Package that provides information and incentives available to support development of affordable housing.
- The Nanaimo Affordable Housing Strategy discusses implementing "pre-approved" coach house designs that could reduce length of approval process, reducing parking requirements in pilot areas, and reviewing the land acquisition strategy for affordable housing developments to include multiple tiers of density bonusing policy and/or including affordable housing as an amenity. Nanaimo's Strategy recommends developing a secured market rental housing policy to facilitate the development of market rental by providing access to incentives such as density bonusing, reducing or waiving community amenity contributions, and parking reductions in transit nodes. The Strategy also recommends considering rental zoning or securing rental housing by using a housing agreement registered to the title.
- Kelowna provides tax incentives to build or renovate purpose-built rental housing when vacancy rates are below 3%. This includes a 100% exemption from municipal share of property taxes on the revitalization amount for 10-year term. The Affordable Housing Strategy recommends revising this policy to allow this incentive to be provided at any time regardless of vacancy rates, and to limit it to certain locations in city. This Strategy also suggests establishing a cash-in-lieu policy to contribute to the affordable housing land acquisition fund rather than requiring percentage of units in projects. Finally, the OCP encourages developers to reduce multi-family housing rental or ownership prices by un-bundling parking from the total price.
- Brandon has a municipally funded grant program called Multi-Family Affordable Housing Program, to directly subsidize the construction of affordable multi-family units.

3.2.5 Infill Development

Goal: Revise the Land Use Bylaw to permit more “gentle intensification” in low-density residential districts across the City.

Infill development has become an important piece of the housing conversation. Not only does it increase the supply of new housing stock in mature neighbourhoods, capitalizing on existing infrastructure, amenities and services, it supports the upgrade of older infrastructure and neighbourhood revitalization. Infill development in established areas is crucial to support affordability by increasing the diversity of housing form and sustainability by reducing the need for new infrastructure and servicing. This type of development also has the advantage of enabling residents to age-in-place as they can transition to different housing forms as their needs change, while remaining in their community with their established connections and personal networks. While infill development has been faced with strong opposition in many neighbourhoods, municipalities, communities and developers have found creative ways to work together to address these challenges.

Lethbridge's ICSP/MDP identifies areas for intensification, including the downtown, University and College areas, services and transportation clusters, and commercial corridors. The ICSP/MDP also suggests the reduction of parking requirements for infill projects, promoting multilevel and mixed-use development in commercial areas, and supporting the redevelopment and adaptive reuse of underutilized commercial sites. The City's LUB permits secondary suites in low-density residential districts, with somewhat more regulations compared to some of the other municipalities. Included in the City of Lethbridge's LUB are Infill Design Guidelines that are based on context-sensitive design and apply to the Staffordville Area, Senator Buchanan Area, Hamilton Area, Hospital Area and Fleetwood/St. Patrick's Area.

- Red Deer's MDP aims to support infill development by increasing the servicing capacity in mature neighbourhoods. It also suggests creating an Infill Development Guidelines and Standards booklet for developers and homeowners interested in infill development. The LUB allows secondary suites in low-density residential districts but only in limited cases and is subject to multiple conditions and regulations.
- Medicine Hat supports infill in brownfield sites through the Brownfield Tax Exemption Bylaw and Downtown Development Incentive Program to build multi-family housing. The LUB provides for secondary suites, backyard suites and cluster housing in low-density residential districts as discretionary uses with fewer regulations compared to other municipalities.
- Kamloops' Affordable Housing Strategy applies the term 'missing middle' to refer to housing forms such as duplexes, townhouses and smaller apartments. The Strategy ranks neighbourhoods in terms of their suitability to support missing middle housing based on key criteria such as transit, amenities and services. The Strategy also presents a gradual approach to phasing in increased density by allowing secondary suites throughout the City but targeting transit corridors for the highest density development. Kamloops also amended its Zoning Bylaw recently to allow secondary suites as a permitted use in more urban residential neighbourhoods and to require a business license for single-family dwelling units that are not owner occupied.
- Nanaimo's Affordable Housing Strategy suggests allowing up to 3 dwelling units on a standard size lot, identifying infill housing pilot project areas, encouraging development of fee simple townhouses, where owners would own the land, but not pay a condo fee, and reviewing zoning for community services to determine if other housing types could be a permitted use in residential districts. The OCP requires infill to be designed to complement the existing neighbourhood

character, permits one secondary suite per owner-occupied detached dwelling, encourages rooming houses in existing single-family dwellings or purpose-built rentals, and requires that infill development be equally distributed throughout the city.

- Kelowna recently amended its Zoning Bylaw to establish an infill housing zone (RU7) which allows up to 4 dwelling units on parcels with lane access in the city centre, and to permit micro-suites in medium- to high-density zones. The OCP emphasizes the need for consistency in the architectural style and scale of infill development with the existing character of the neighbourhood.
- In Brandon, the MDP establishes a specific infill target of 20% of new development. The City also has a Brownfield Financial Assistance Program and a Downtown Redevelopment Grant program providing direct funding to infill projects.

Additionally, there are practices in the cities of St. Albert (AB), Edmonton (AB), and Town of Caledon (ON) that are supporting infill development and, more broadly, a compact, sustainable and diverse built form. Other municipalities in Canada are also making significant progress on this front by implementing innovative strategies to incorporate accessibility, universal design and age-friendly principles into infill development.

- The City of St. Albert implemented a series of amendments to its LUB, including the revision of the definitions of housing-related uses to simplify the regulations and recognize forms of housing that were previously not mentioned. The City also added a definition for ‘family’ that recognizes diversity in composition and needs, and incorporated regulations that support housing diversity, infill and age-in-place principles. These amendments build on previous efforts of the City to facilitate infill development. As early as 2006, City Council adopted Design Guidelines for Compatible Infill Development to ensure that the character and streetscape of mature neighbourhoods are maintained with new development and renovations.
- The City of Edmonton became the first North American city to completely drop all parking regulations, leaving the decision of the required number of parking stalls to the developer, based on their own analysis of market conditions. The expected outcomes of this decision include increased infill affordability, more walkable urban spaces and a less car-oriented design in commercial and mixed-use areas.
- The Town of Caledon, Ontario added a Universal Design Policy to its Official Plan, making universal design principles a mandatory part of any new housing development applications. The purpose of this policy is to ensure that developers offer more accessible living options for seniors and residents with mobility challenges. This policy applies both for greenfield and infill developments.
- A study¹ conducted by the City of Edmonton reviewed the planning principles and strategies that twelve North American cities have implemented to support aging-in-place in mature communities. The cities include Calgary, Alberta; Victoria, British Columbia; Winnipeg and Portage la Prairie, Manitoba; Ottawa, Ontario; Halifax, Nova Scotia; Minneapolis and St. Louis Park, Minnesota; and Kensington-Wheaton, Maryland. The study found eight principles and promising practices that support the development and redevelopment of aging-in-place communities:
 - Diversify housing stock to include intergenerational housing, adult-only buildings with accessibility features and flex housing. Requiring universal design in new housing construction, relaxing parking standards for assisted living facilities, and recognizing co-housing as a use in the zoning bylaw are some of the strategies that have been used to diversify the existing housing stock in mature neighbourhoods.

¹ Aging in Place: Promising Practices for Municipalities, City of Edmonton, 2009.

- Promote mixed use development in strategic locations to improve walkability and support active living and sustainability. Relaxing parking regulations for Transit Oriented Development (TOD) was highlighted as a key strategy to promote higher density and mixed uses.
- Locate senior and special needs housing in proximity to services, and commercial and institutional nodes.
- Provide for barrier-free design and visibility in both public and private buildings. As a rule of thumb everyone must be able to get to the door, through the door and use the washroom in any building. The City of Edmonton, for instance, has barrier-free policy for public buildings and sometimes requires this type of infrastructure as part of an ASP or ARP.
- Provide for public transit that recognizes the needs of seniors. This includes the connection and integration of transportation options.
- Create an attractive pedestrian environment with high trail and sidewalk connectivity, easy navigation, complete streets design, rest areas, benches, public washrooms, accessible signage, and snow removal.
- Recognize the needs of seniors in the design and programming of outdoor spaces and gathering areas.
- Implement Crime Prevention Through Environmental Design to improve the feeling of safety in the community. This includes having well-lit streets, appropriate landscaping and minimizing entrapment spots.

These results show that successful and inclusive infill policies rely not only in policies and regulations directly affecting housing form and design, but in strategies to create complete, accessible and safe communities overall.

3.2.6 Rental Conversion Policy

Goal: Explore the feasibility of developing a rental conversion policy to protect the existing rental housing stock.

Rental conversion policies are meant to regulate the conversion of rental units to other uses or form of ownership, most commonly condos. These policies set the specific rules under which rental conversion can occur, often including a rental vacancy threshold. With these rules, municipalities are better equipped to protect the rental stock and thus maintain the overall affordability of the housing market.

- In Nanaimo, the OCP prohibits the conversion of existing residential rental buildings to condominium status when the rental vacancy rate falls below 3%. There isn't a standalone rental conversion policy other than this provision from the OCP. The Affordable Housing Strategy identifies the need to align with the OCP policy and to review it every time the OCP is updated.
- Kelowna's OCP encourages the municipality to consider allowing conversions of rental buildings with four units or more only when the vacancy rate reported in the annual CMHC Rental Market Survey is 3% or higher for the municipality. The Affordable Housing Strategy does not address rental conversion but suggests the development of a short-term rental policy to regulate short-term rentals in the city.
- Many municipalities in Ontario have adopted rental conversion policies as part of their Official Plans. The City of Greater Sudbury prohibits the conversion of rental housing to condominium tenure unless the rental vacancy rate is at 3% or above compared to other municipalities with a 2% vacancy rate threshold. The Municipality of Clarington and the City of Hamilton require that this

threshold be maintained even after the conversion. Most rental conversion policies rely on CMHC data to monitor vacancy rates. The cities of Toronto, Waterloo and St. Thomas, among others, have implemented additional measures to protect affordable rental housing, including permitting the conversion of rental housing when the conversion results in affordable ownership units, the units are replaced by units with affordable rents, or a contribution to an affordable housing reserve fund is made.

3.2.7 Multi-Unit Housing

Goal: Encourage all new multi-residential developments and developments in the medium and high-density residential districts to have a good mix of smaller units and family-sized units based on the recommended housing targets.

The Lethbridge Municipal Housing Strategy identifies specific targets to fill the current gap in family-sized units for low- and moderate-income households:

- Low income households, total units needed: 3,900 units
 - 85% (3,315) smaller and 15% (585) family-sized
- Moderate income households, total units needed: 100 units
 - 70% (70) smaller and 30% (30) family-sized

According to Statistics Canada, household size in Canada has declined over time. Smaller families and more one-person households have helped triggered changes in the housing market. Most of the housing supply caters to the needs of 1 to 2-person households, especially in multi-unit developments. The limited supply of larger units (generally understood as having more than 2 bedrooms) has increased the price of these units, creating an affordability issue for residents seeking housing units with 2 or more bedrooms. This creates a need to implement policies that support the balanced development of both smaller (0-1 bedrooms) and larger (2+ bedrooms) dwelling units.

- Red Deer's CHHIP includes targets that 90% of new affordable units can accommodate single-person households and 10% can accommodate larger households and include 2- and 3- bedroom units. The MDP has a housing mix policy which requires the development and implementation of a Neighbourhood Planning Guidelines and Standards to set specific targets for housing types and size per community.
- Kamloops' OCP supports multi-family, mixed-use and infill development on vacant and underutilized lots, and calls for innovative forms of ground-oriented multi-family residential developments with supportive neighbourhood amenities.
- Nanaimo's Affordable Housing Strategy encourages the City to develop a specific policy to require new multi-unit developments to include a minimum percentage of 2- and 3-bedroom units, and ease parking requirements in target areas to reflect access to transit and other amenities. Nanaimo also has a focus on incentivizing smaller units such as tiny houses, micro-suites or lock-off units to help facilitate development of diverse housing stock.
- Kelowna's OCP supports housing alternatives for larger households by encouraging multi-unit buildings in neighbourhoods with schools and parks to contain ground-oriented units with 2 or more bedrooms. Kelowna has also recommended making changes to its Zoning Bylaw to reduce minimum lot area for two dwelling housing units and update other Districts to create more opportunities for smaller housing.

3.2.8 Community Engagement

Successfully implementing housing policies and projects depends to a large extent on public awareness and support. As demonstrated above, successful and equitable housing policies usually require a strong investment in affordable and supportive, social, transitional and subsidized housing, densification and intensification of mature residential neighbourhoods, and the facilitation of the development and maintenance of purpose-built rental unit stock. However, while public support often exists at a high level, maintaining it when specific projects come to fruition can be challenging as there are many different perceptions on the impacts that these types of housing can have on property values, neighbourhood character and safety, and traffic and parking, among others. Developing effective strategies to address the public's concerns and raise awareness about the larger benefits that these housing development policies and regulations are trying to support is of utmost importance as public opposition can significantly delay or prevent development of necessary housing projects.

The City of Lethbridge has undertaken many public engagement activities to inform housing policies and involve the community in the decision-making process. From long-range planning exercises to the MHS, Lethbridge residents have had multiple opportunities to have a say in the formulation and implementation of housing-related solutions. It is important that the City continues to build these relationships and supports community leadership to achieve the objectives of the MHS. While the City has a minimum level of engagement that private developers must meet as part of submitting rezoning and development permit applications, it is largely up to the individual developer on how much engagement and communications is undertaken with neighbours of the subject site.

- As part of the CHHIP, Red Deer hosted a series of open houses and 20 Design Labs with stakeholders and community groups, focusing on specific topics such as advocacy strategy, accountability, regional frameworks, youth homelessness, landlords' role, innovation, and mental health, among others. This allowed the City to get a deeper understanding on each topic as opposed of a general picture of the overall housing situation.
- Medicine Hat created a Community Council on Homelessness with stakeholders. In addition, during the public consultation for the Plan to End Homelessness, there were separate engagement programs for the general community, people with lived experience and stakeholders. Having a dedicated engagement space for people with lived experience also created a safer and more comfortable space for them to voice their concerns. The City also used this engagement opportunity to create community links through Project Connect, which connects people in need with services they need free of charge.
- Kamloops developed a specific Housing Communications and Engagement Policy to identify how the community is to be engaged on affordable housing and related developments. This sets expectations for residents on how engagement and communications will unfold for new developments in their neighbourhoods.
- Kelowna's OCP includes a policy to increase understanding of different housing forms by undertaking early and ongoing engagement with the community.
- Brandon formed a board-based Housing Committee to advise decision-makers. The board involves multiple stakeholders with experience on different aspects of housing and their main responsibility is to understand housing needs and identify and implement solutions accordingly. Besides the Housing Committee, the City focuses efforts on raising community knowledge and awareness to create an understanding of housing needs by residents, developers and decision-makers.



3.2.9 Land Use Bylaw Definitions

The City of Lethbridge's and the comparative municipalities' LUBs were reviewed and the types of residential uses related to affordable, supportive or social housing and similar definitions are provided in the table on the following page.

Table 3.2: Comparison of Housing-Related Definitions in the Land Use Bylaw

Comparison of Housing-Related Definitions in the Land Use Bylaw							
Concept	Lethbridge (AB)	Red Deer (AB)	Medicine Hat (AB)	Kamloops (BC)	Nanaimo (BC)	Kelowna (BC)	Brandon (MB)
Group Home	Means development using a dwelling for a residential social care facility providing rehabilitative, and/or supportive care for 4 to 10 persons who, by reason of their emotional, mental, social or physical condition, require a supervised group living arrangement. This includes uses such as seniors' group homes and may incorporate accommodation for resident staff as an accessory use. "Medical and Health Facility (Inpatient and Outpatient)" and "Supportive Housing" is a separate use.	N/A	N/A	Residential Care Facility: means a facility providing overnight accommodation and licensed in accordance with the Community Care Facility Act. Occupancy shall not exceed ten (10) persons, of whom not more than six (6) shall be persons in care.	N/A	Group Home, Major: means a care facility licensed as required under the Community Care and Assisted Living Act to provide room and board for more than 6 residents with physical, mental, social, or behavioural problems that require professional care, guidance and supervision, but does not include boarding or lodging houses or temporary shelter services. Group Home, Minor: means the use of one dwelling unit as a care facility licensed as required under the Community Care and Assisted Living Act to provide room and board for not more than 6 residents with physical, mental, social, or behavioural problems that require professional care, guidance and supervision. A group home, minor may include, to a maximum of four, any combination of staff and residents not requiring care. The character of the use is that the occupants live together as a single housekeeping group and use a common kitchen. This use does not include boarding or lodging houses or temporary shelter services.	N/A
Seniors Housing/ Independent Living Facility	Means apartment style accommodation with in-suite kitchens for seniors who are able to live independently without the need of basic housekeeping, personal care or medical support. Supplementary uses may include personal services such as a hair salon, retail store and chapel.	N/A	N/A	Senior Citizens Housing: means multiple family residential development for persons 55 years of age or older, wholly or partially targeted to individuals receiving assistance or eligible for a rental subsidy.	N/A	N/A	N/A
Seniors Housing/ Supportive Living Facility	Means apartment style accommodation which may have in-suite kitchens and a communal dining facility for facility residents who require varying needs of support and assistance including medication management and assistance with the activities of daily living such as bathing and dressing. Supplementary uses may include personal services such as a hair salon, retail store and chapel.	Means a building, or a portion of a building operated for the purpose of providing live in accommodation for six or more persons with chronic or declining conditions requiring professional care or supervision or ongoing medical care, nursing or homemaking services or for persons generally requiring specialized care but may include a Secured Facility as an accessory component of an Assisted Living Facility. An assisted Living Facility does not include a Temporary Care Facility.	N/A	Senior Citizens Housing, Light Care: means a residential facility containing four or more dwelling units with common area for food services, including both kitchen and eating facilities, and may include personal nursing care. Community Care Facility: means any facility licensed under the Community Care Facility Act that provides personal care, supervision, social or educational training or physical or mental rehabilitative therapy, with or without charge, to persons not related by blood or marriage to an operator of the facility.	Personal Care Facility: means a use or facility which food, lodging and care or supervision is provided, without charge, to persons unrelated to the operator of the facility, who on account of age, infirmity, physical or mental disability, require special care.	N/A	N/A
Seniors Housing/ Long Term Care Facility	Means accommodation for residents incapable of independent living who require on-going medical care on a daily basis beyond what an Assisted Living Facility can provide. Examples would include nursing homes and auxiliary hospitals. Supplementary uses may include personal services such as a hair salon, retail store and chapel.	N/A	N/A	Extended and Intermediate Care Facility: means housing provided for persons with limited or no mobility where support services, including personal nursing care, are provided.	N/A	N/A	N/A

Comparison of Housing-Related Definitions in the Land Use Bylaw							
Concept	Lethbridge (AB)	Red Deer (AB)	Medicine Hat (AB)	Kamloops (BC)	Nanaimo (BC)	Kelowna (BC)	Brandon (MB)
Seniors Housing/ Congregate Facility	Means any combination of Senior Citizen Housing which may include multiple, physically linked buildings allowing “aging in place” to occur.	N/A	N/A	N/A	Seniors' Congregate Housing: means a residential or institutional facility which provides sleeping units or dwelling units for persons all of whom are aged 65 or older, one or more meals per day and housekeeping services, contains a common dining area with a capacity sufficient to accommodate all residents of the residential facility, and may contain accessory personal service and accessory convenience store uses.	Congregate Housing: means housing in the form of multiple sleeping units where residents are provided with common living facilities, meal preparation, laundry services and room cleaning. Congregate housing may also include other services such as transportation for routine medical appointments and counselling	N/A
Shelter	Means development providing emergency overnight accommodation that may include kitchen and dining facilities, showers and bathrooms, relaxation areas and laundry facilities. Accommodation for resident staff may be incorporated as an accessory use. “Group Home”, Boarding House”, and “Supportive Housing” are separate uses.	N/A	N/A	N/A	Emergency Shelter: means the use of a building for the purpose of a temporary residents providing emergency and support services. Residential Shelter: means a single-family dwelling used for the purpose of temporary residents providing: (1) Emergency and support services for persons leaving physically, psychologically or sexually abusive relationships; or, (2) Shelter and support services for persons during the immediate post-acute phase of recovery from drug and alcohol dependency or addiction. But does not include the use of land for halfway house use in conjunction with the administration of justice for the purpose of shelter and support of persons serving or on parole from any part of a sentence (including unconditional sentence) imposed by a court.	Temporary Shelter Services: means the provision of communal, transient accommodation sponsored or supervised by a public authority or non-profit agency intended to provide basic lodgings for persons requiring immediate shelter and assistance for a short period of time. Typical uses include but are not limited to hostels and over-night shelters.	N/A
Supportive Housing	Means development providing accommodation for 8 to 25 residents and associated support programs meant to foster self-sufficiency. This use may include common kitchen and dining facilities, showers and bathrooms, training rooms, relaxation areas, and laundry facilities as well as offices and accommodation for staff. Child Care Major and Child Care Minor may be incorporated as an accessory use. “Shelter” “Group Home”, “Boarding House”, and “Medical and Health Facility” (Inpatient and Outpatient) are separate uses.	N/A	N/A	N/A	N/A	Means housing consisting of dwellings with support services onsite that may or may not include collective dining facilities, laundry facilities, counselling, educational services, homemaking and transportation. Supportive housing might also qualify as Special Needs Housing.	N/A
Boarding House	Means a dwelling or building, containing a maximum of fifteen sleeping rooms, which provides accommodation for compensation to five or more persons. “Hotel/Motel” is a separate use.	Means a dwelling in which the proprietor lives on site and supplies for a fee sleeping accommodation with board for more than two persons, but does not include a bed and breakfast operation	N/A	Rooming House: means a residential building intended for multiple tenant use and which contains no more than eight (8) sleeping or housekeeping units, is not licensed or eligible for licensing under the Community Care Facility Licensing Act and does not provide accommodation for the travelling public.	Rooming House: means a residential building in which more than five (5) persons occupy sleeping units and typically share common areas, including kitchens and baths.	Boarding or Lodging Houses: means a building in which the owner or manager may supply accommodation for their family, and sleeping unit accommodation, for remuneration. It may or may not include meal service. It includes lodges for senior citizens but does not include hotels, motels, temporary shelter services, congregate housing, or bed and breakfast homes	A detached dwelling that is owner occupied, as defined in The Manitoba Building Code adopted under The Buildings and Mobile Homes Act, C.C.S.M. c. B93, in which living accommodation is provided for compensation. A boarding house shall have at least four (4) and no more than eight (8) sleeping units or tenants. [AM. B/L 7172, AM. B/L 7212]

Comparison of Housing-Related Definitions in the Land Use Bylaw							
Concept	Lethbridge (AB)	Red Deer (AB)	Medicine Hat (AB)	Kamloops (BC)	Nanaimo (BC)	Kelowna (BC)	Brandon (MB)
Secondary Suite	Means a second self-contained dwelling unit located on a parcel in which the principal use is a single detached dwelling. Secondary Suite, New may take the following forms: House Suite: a suite incorporated into a single detached dwelling and may be located in the basement, on the main storey or on an upper storey, or a combination thereof. Garage Suite: a suite incorporated into a garage accessory building, and may be located at grade or above grade, or a combination thereof. Garden Suite: a stand-alone suite located in a rear or side yard of a parcel containing a single detached dwelling.	Secondary Suite: a self-contained Dwelling Unit that is located within a Primary Dwelling Unit, where both Dwelling Units are registered under the same land title. Carriage Home: a self-contained Dwelling Unit located above a detached garage.	Backyard Suite: means a Dwelling located in the Rear Yard of a Site where the Principal Use is a Single Detached House. Secondary Suite: means a second Dwelling located within a Single Detached House.	Secondary Suite: means a second dwelling unit having a total floor area of not more than 90 m2 in area and having a floor space less than 40% of the habitable floor space of the principal building. It must be located within the principal building of residential occupancy containing only one other dwelling unit. It must be located in and part of the building which is a single real estate entity. Garden Suite: means a self-contained, one storey dwelling unit that is separate, subordinate in size, and accessory to the principal dwelling. A garden suite shall have a total floor area of not more than 80 m2 in area. Carriage Suite: means a self-contained, two storey dwelling unit that is separate, subordinate in size, and accessory to the principal dwelling. A carriage suite shall have a footprint no greater than 80 m2 and shall not have more than 95 m2 of residential living space.	Means one or more habitable rooms, but not more than two bedrooms and one cooking facility, constituting a self-contained unit with a separate entrance, but which is clearly subordinate to the principal dwelling, for the residential accommodation of: one or more individuals who are related through marriage or common law, blood relationship, legal adoption, or legal guardianship; or a group of not more than two unrelated persons.	Carriage House: means a dwelling unit located within a building that is subordinate to the principal building on the lot and is not an accessory building or structure. It shall be a use secondary only to the principal use of single dwelling housing. Secondary Suite: means an additional dwelling unit that has been issued an Occupancy Permit, located within a residential building that has a total floor space of no more than 90m2 in area, having a floor space less than 40% of the total habitable floor space of that building, and is subordinate to the principal dwelling unit and is a single real estate entity. This use does not include duplex housing, semi-detached housing, apartment housing, or boarding and lodging houses.	A dwelling unit that is self-contained, subsidiary to, and located on the same site as a single detached dwelling that is owner occupied. The types of secondary suites which shall be permissible are the following: 1) Attached suite, meaning a dwelling unit located in the same building as a single detached dwelling; 2) Garage suite, meaning a detached dwelling unit located either above or beside a detached garage; and 3) Detached suite, meaning a dwelling unit detached from both a single detached dwelling and a detached garage.
Adult Day Care	N/A	Means a facility providing care and/or supervision for seven or more adults for more than three but less than 24 consecutive hours in a day.	N/A	N/A	N/A	N/A	N/A
Secured Facility	N/A	Means a facility providing residential accommodation in addition to continuous on-site professional care and supervision to persons whose cognitive or behavioural health needs require increased levels of service and a structure with enhanced safety and security controls such as entrances and exits under the exclusive control of the staff and secured rooms / buildings, fences, and secured windows and doors.	N/A	N/A	N/A	N/A	N/A
Temporary Care Facility	N/A	Means a facility providing temporary living accommodation and includes such facilities as overnight shelters, halfway houses, short term medical rehabilitation centres, detoxification centres, hospices and other similar uses.	N/A	N/A	N/A	N/A	N/A
Temporary Home Stay Accommodation	N/A	Means the sale of overnight accommodation in a Dwelling Unit in a Residential District, with or without a breakfast meal.	N/A	N/A	N/A	N/A	N/A
Special Needs Housing	N/A	N/A	N/A	N/A	N/A	Means housing for households that meet the criteria for a core need for housing in the Official Community Plan and includes seniors or persons with or without children who lack safe and secure housing or are leaving an abusive relationship, single parents and children who are at risk, street youth or homeless persons, or people with mental or physical disabilities, illnesses, or dependencies.	The use of any dwelling unit, however named, which is advertised, announced or maintained for the express or implied purpose of providing lodging, meals, care, supervision, and other services for a transitional period to persons not related by blood, marriage, or adoption to the operator nor to each other, but does not include a personal care, retirement or convalescent home.

Comparison of Housing-Related Definitions in the Land Use Bylaw							
Concept	Lethbridge (AB)	Red Deer (AB)	Medicine Hat (AB)	Kamloops (BC)	Nanaimo (BC)	Kelowna (BC)	Brandon (MB)
Halfway House	N/A	N/A	N/A	Means a community-based residential facility for a maximum of six (6) offenders who are on parole, statutory release or temporary absence operated by the Correctional Service of Canada or by a non-governmental agency under contract to the Correctional Service of Canada that provides accommodation, counselling and 24 hour supervision by a minimum of two staff members.	Means a residential facility for offenders who are on parole, statutory release or temporary absence from a correctional facility.	N/A	N/A
Social Housing	N/A	N/A	N/A	Means a type of multiple family residential housing that is subsidized by the government and is targeted to individuals either receiving income assistance or eligible for a rental subsidy.	N/A	N/A	N/A

■ 4.0 Recommendations

4.1 Recommendations

Following the completion of the precedent research and review of feedback gathered through the telephone survey and online engagement, recommendations on potential changes to the MDP and LUB have been developed. While these recommendations respond to the specific goals in the MHS, several support the implementation of multiple goals. No decisions have been made on any of the potential tools, bylaws or policies described below. Additional research and engagement to better understand local feasibility and applicability, and approval by Council, would be required, prior to making any changes to the MDP or LUB to incorporate any of the below recommendations.

4.1.1 Affordable Housing Definition

Goal: Adopt a definition of affordable housing based on household income.

CMHC's definition of affordable housing is the most commonly referenced and industry recognized standard. In addition to that definition, some municipalities expand on it further by distinguishing between affordable rental and affordable homeownership. The City's MHS includes reference to the definition in the City's Affordable Housing and Homeless Policy definition, which incorporates CMHC's definition. The definition across City documents should be consistent so that the City and residents have a common language and understanding of what affordable housing means.

4.1.2 Accessible Housing Definition

Goal: Revise the definition of accessible housing to refer to barrier-free housing.

The City's current definition of accessible housing in the ICSP/MDP reflects the more commonly referenced understanding for affordable housing. The definition should be revised to remove reference to income levels and instead focus primarily on accessibility in terms of meeting mobility needs of residents. Other municipalities include reference to adaptable design, universal design and flexible design when referring to accessible housing.

4.1.3 Affordable Housing Targets

Goal: Adopt and implement the following recommended housing targets for housing which is affordable to households with low and moderate incomes:

- ~ 15% of new units be affordable to households with low incomes
 - 30% of these units should be supportive and/or barrier-free
- ~ 5% of all new units be affordable to households with moderate incomes
 - 40% of these units should be purpose-built rentals.

A few of the reviewed municipalities set affordable housing targets as part of their MDP/OCP or Housing Strategy and it is a mix between either a supply or demand target. Lethbridge residents are supportive of the targets identified in the MHS. For the target of ~15% of new units to be affordable to households with low incomes, 80% of online survey respondents and 66% of telephone survey participants were supportive or very supportive. For the target of ~5% of all new units being affordable



to households with moderate incomes, 78% of online survey respondents and 70% of telephone survey participants were supportive or very supportive. Having set targets, regardless of the approach, is important to track how well the municipality is doing in addressing housing need and to be able to determine if additional measures or regulations need to be considered. It is also important that the target reflects the current or anticipated need within Lethbridge.

4.1.4 Incentives to Develop Affordable Housing

Goal: Identify additional opportunities to support the development of affordable and supportive housing.

Municipalities are incentivizing affordable and supporting housing development in a variety of ways from cash and financial incentives such as tax deductions, to changing requirements if certain minimum standards are met. Streamlining development processes, parking reductions, leasing municipal-owned land and density bonusing practices are the most commonly implemented tools used by municipalities. When considering providing incentives for developers to provide affordable housing, 53% of online survey respondents thought it was a good idea as it will help make this type of development more feasible and encourage developers to be more innovative and creative. There were concerns about developers profiting off taxpayers, that government interference should be limited and instead of incentives, it should be a requirement.

The City should prioritize development applications for affordable housing developments and provide guidance to developers and non-for-profit organizations. The City of Kamloops prepared a developer's package to provide key information and explanation of the process and supports available for the development of affordable housing.

Providing parking reductions for higher density development was not well supported by residents with only 34% of online survey respondents agreeing it was a good idea and only 38% of telephone survey participants being supportive or very supportive of the idea. When asked about concerns related to the development of duplexes, secondary suites and multi-family housing options, parking concerns were shared as the number one issue by online survey respondents. However, removing minimum parking requirements has been identified as best practices and has been implemented in many municipalities.

In some instances, developers are also unbundling parking spots from condo units to lower the overall cost of the unit. Often, parking reductions are tied to the development location with areas close to transit and amenities more likely to have flexibility with parking requirements. Overall, there is no set number standard, and there are a variety of parking requirements depending on the municipality and type of development. While travel within the Lethbridge still requires a fair number of trips to be completed by a personal vehicle and the current transit network and capacity limits some residents' ability to use transit, the City should further explore parking reductions considering type and location of development and the needs of the development's future residents. As part of this exploration, developers, not-for-profits and residents should be involved in the conversation to understand potential implications.

Some municipalities are leasing or selling municipal-owned land at discounted prices to not-for-profit housing providers. Nanaimo leases City-owned residential land to not-for-profits and the City of Calgary has recently been selling City-owned land in key locations with access to transit and amenities to affordable housing providers. 57% of online survey respondents thought the City buying land for the development of affordable and social housing was a good idea as the City could be a leader in this regard, while others indicated that the City buying land may not be the best way to support affordable housing development. The City of Lethbridge could study whether any City-owned land might be suitable for this type of arrangement with local developers and not-for-profits to facilitate the development of affordable and supportive housing.

Density bonusing is also often used and has been successful at encouraging the development of affordable housing by providing variances to developers if a percentage of affordable housing units are included in the development or through a cash-in-lieu payment where a payment is provided to a separate affordable housing fund instead of providing affordable housing units within the specific development. This often depends on whether there is a demand for the additional density being provided. While density bonusing has been successful in numerous municipalities, consideration needs to be given to future challenges related to the operation and management of affordable housing units if a small number are spread across multiple buildings and developments across the city.

4.1.5 Infill Development

Goal: Revise the Land Use Bylaw to permit more “gentle intensification” in low-density residential districts across the City.

There are multiple ways that municipalities are facilitating infill development in established neighbourhoods that reflect the character of the neighbourhood. Most often, secondary suites, including garden and carriage suites, are seen as great options to increase density in a neighbourhood and provide additional affordable housing options, while retaining neighbourhood character. Kamloops recently updated its Zoning Bylaw to permit secondary suites in more residential districts and Nanaimo is exploring allowing secondary suites in duplexes and townhouses.

68% of online survey respondents and 69% of telephone survey participants were either very supportive or supportive of permitting secondary suites in any residential district in the city as they provide a reasonable form of density in neighbourhoods. Lethbridge residents also shared through the telephone survey that secondary suites should be allowed in low-density areas where parking is accommodated but should not be allowed on lots in cul-de-sacs. The City should consider further facilitating the development of secondary suites in more residential districts while addressing related parking concerns.

Residents were also fairly supportive of permitting duplexes in any residential district, with 68% of online survey respondents indicating they were very supportive or supportive. Similar to secondary suites, parking was also a concern along with impacts to adjacent properties and ensuring duplexes are developed in areas with amenities and access to transportation. However, residents were not as supportive of allowing up to three dwelling units on an existing single-detached lot with only 27% of online survey respondents saying it was a good idea. There were concerns about neighbourhood infrastructure capacity and lack of personal amenity space. The City could consider pilot areas in appropriate locations, similar to Kamloops and Nanaimo to phase in increased density.

Many municipalities have varying requirements for infill development to ensure new development is sensitive to the context of the existing neighbourhood. This exists as part of infill design guidelines within MDPs/OCPs or LUBs. The City of Lethbridge has infill design guidelines as part of its LUB, but it only applies to a few existing neighbourhoods. 47% of online survey respondents felt established areas guidelines would be a good idea to ensure aesthetics and characteristics are sensitive to the existing neighbourhood, but there were concerns about what the guidelines would control, how character would be defined and that aesthetics change over time. The City should review its existing infill design guidelines to determine if they are beneficial and whether they should be modified or expanded to apply to all established neighbourhoods in a way that balances sensitive development while not being overly prohibitive.

4.1.6 Rental Conversion Policy

Goal: Explore the feasibility of developing a rental conversion policy to protect the existing rental housing stock.

Some municipalities have implemented a Rental Conversion Policy to protect rental stock from being converted into condominiums in their OCPs. All policies reference a vacancy rate (often 2-3%) where rental conversions are not permitted if current rental vacancy is under that threshold. Only 47% of online survey respondents indicated they thought a rental conversion policy was a good idea. They recognize it's important to maintain rental stock, but there are concerns about limiting property owners' rights and there must be a clear need in order to support. Several municipalities are also exploring and developing Short-Term Rental policies (e.g. Airbnb) to respond to rental units being removed from the long-term rental market. The City should further explore whether there is a need for a Rental Conversion Policy. In addition, the City should consider exploring whether there are concerns with short-term rentals, such as Airbnbs removing rental units from the market.

4.1.7 Multi-Unit Housing

Goal: Encourage all new multi-residential developments and developments in the medium and high-density residential districts to have a good mix of smaller units and family-sized units based on the recommended housing targets.

Several of the municipalities reviewed included policies to encourage larger size units (2- and 3-bedroom units) in multi-unit developments, often referred to as Family Friendly Housing Policy. The City of Nanaimo implemented a target of 20% of new development to consist of 2- and 3-bedroom units. In both Nanaimo and Kelowna, multi-unit developments should also consider access to amenities, parks, transit and schools. 51% of online survey respondents thought a policy to require a minimum percentage of 2- and 3- bedroom units was a good idea. Respondents said that it is currently challenging to find family-oriented options, but it should only be required if there is a need for 2- and 3- bedroom units. There are also concerns about increased noise.

In addition to setting targets for 2- and 3-bedroom units, some municipalities have also set targets for 1-2 person households. Red Deer identified that 10% of new units should be for larger households and consist of 2- and 3- bedroom units and 90% of new affordable units should be suitable for 1-2 person households. Other municipalities have also revised land use districts to support the development of smaller units, by reducing the minimum lot size requirements for multiple dwelling units. An important consideration of reducing dwelling unit size to support diverse and affordable

housing stock, is to ensure residents have easy access to amenities, community services, parks and green space so that residents' quality of life is not impacted as their residence becomes smaller. If the City is finding the market is not supporting the development of both small and larger housing units to be able to achieve its housing targets (low-income households: 85% smaller and 15% family-sized; moderate-income households: 70% smaller and 30% family-sized), a specific policy could be developed and medium-high residential districts in the LUB could be revised to facilitate this.

4.1.8 Community Engagement

While engagement with the community is not a goal specifically identified in the MHS, engagement plays a key role in infill housing and greenfield development and whether there is buy-in by the community. Residents are often supportive of affordable housing development and providing a mix of housing at a high level, but concerns start to emerge when a specific development moves through the concept development and development permit process.

Some municipalities have identified the importance of engaging residents early and on an ongoing basis and creating opportunities to educate residents. 61% of online survey respondents shared that a communications and engagement policy for infill housing development was a good idea because residents impacted by the development would be involved in the process. There were concerns that it would add time and costs to the development process and some members of the public are generally resistant to change.

To help achieve its housing goals, the City of Kamloops developed a Housing and Engagement Communications Plan to set expectations for residents on how and when they will be engaged related to new housing development. The City of Lethbridge should consider developing a communications and engagement policy specific to housing development. Developers, not-for-profits and residents should be included in the policy development process to better understand the schedule and resource (both financial and human) implications and common concerns that residents have with new housing development.

4.2 Conclusion

Many municipalities have implemented several tools and regulations to support the development of affordable housing and to increase the diversity of housing form available. A few of these key initiatives are not well supported by Lethbridge residents. The lack of support should not be seen as a barrier to implementing these measures, but instead is an opportunity to further engage and have additional conversations with residents to better understand specific concerns and identify ways these concerns can be addressed, and if not, what the trade-offs might be. Prior to moving forward on making changes to the MDP and LUB to support the implementation of any of the previously described tools, bylaws and policies, additional research and engagement will need to occur to ensure they are relevant to the local context and appropriate high level policies are in place to support future action.

