

CAPITAL PROJECT CHARTER

Year: 2025-2028

Charter Number: PLAN-013

Charter Name: Housing Accelerator Fund Initiatives

Lead Department: Planning & Development

Type: Growth

Explanation (RMR or Growth): This initiative is a growth project as it aligns with housing demand to cultivate and strengthen the community. Federal funding will be used to pay for costs to remove development barriers and build more homes faster, as part of the City's Housing Accelerator Fund Action Plan.

Asset Category: Master Plan, Studies & Other

Scope Statement: This project plan identifies planning and development work associated with the Housing Accelerator Fund (HAF) Action Plan. St. Albert has been approved to receive \$11,813,094 from the Canada Mortgage and Housing Corporation (CMHC) towards implementation.

PROJECT CHARTER JUSTIFICATION

This project charter seeks Council's approval to expend grant funding allocated to the City of St. Albert from the Housing Accelerator Fund (HAF) to implement the City's HAF Action Plan in its entirety. The seven initiatives identified in the City's application will be implemented to reduce development barriers that will expedite housing supply at an accelerated pace. After necessary work is completed on all seven HAF initiatives in the first two years of the program, future funding installments will consider incentives to support future development informed by the outcomes of the initial planning studies. This work aligns with three of Council's strategic plan objectives and operational goals.

Costs associated with implementing the Action Plan are eligible to be funded entirely through HAF Program funding. The City is not required to provide a cost matching component to the grant funds received. Annual funding advances will be contingent on the City meeting the identified Action Plan goals and development targets.

The funding criteria and timelines for HAF initiatives will influence the prioritization of corporate strategic initiatives and other Council initiated projects.

Current State – St. Albert has an annual growth rate of 1.51 percent (2024 municipal census) which is a modest growth rate compared to most municipalities within the Edmonton Metropolitan Region. Housing supply is having an impact on housing affordability, as demand exceeds availability, particularly for rental housing. St. Albert has close to zero per cent vacancy rate, despite more than tripling the supply of purpose-built rental housing stock over the past 11 years. The CMHC 2024 Rental Market Survey indicates higher average rental rates in St. Albert than the Edmonton CMA with an average rental rate increase of \$298/month from 2023 to 2024 in St. Albert compared to an average rent increase of \$127 in the Edmonton CMA.

Issue – Housing affordability continues to be a concern, with 1.8 per cent of the housing stock provided as affordable housing compared to the provincial benchmark of 3.1 per cent of affordable housing stock in other Alberta municipalities. Populations indicating the highest needs are seniors, lone parent families, and single person households. Female led households in all age groups are more adversely impacted by the lack of housing affordability than male led households. Indigenous and Black family households and persons with disabilities show a higher percentage of housing needs compared to the overall population.

Opportunities – Actions to increase housing supply are generally shown to result in lower rents and housing costs over the long term, due to supply versus demand economics. St. Albert has already taken positive steps to streamline processes and development requirements resulting in the approval of a new Land Use Bylaw in 2024. As we look to the future, increasing the supply of market and non-market affordable housing will play a critical role in addressing community needs.

Alberta and the Edmonton region have seen unprecedented population growth rates over the past few years, largely due migration from other parts of Canada and the world, stimulating further economic activity. While population growth rates are forecasted to decrease from record breaking highs, the province, region, and municipality remain well positioned for future growth. Strongest growth is anticipated within the 20 – 34 age groups from migration replacing the baby boomer generation as the largest population demographic in future years.

Risks - Service levels and standard processes within the Planning and Development Department need to be maintained throughout the HAF Program term to fulfil housing targets and to continue to provide services to residents and the development industry. Increased workloads will require an increase in staffing levels that can be addressed using HAF Program funding. Expertise and staff time contributions to achieve HAF initiatives will also require coordination from other City departments including, but not limited to, Engineering, Utilities, Economic Development, Finance, and IT.

The HAF funding agreement does not fetter the discretion of Council to make future decisions, however the key minimum requirement for future funding advances is the approved implementation enabling the development of four units as of right (or similar

measure) on traditional lot sizes in all residential neighbourhoods. Future funding advancements are at risk if milestone dates, intensification requirements, and new housing development goals are not met.

The outcomes from the federal election on April 28, 2025, may impact the continuation of HAF Program within the City's agreement term. The City has already received the first funding installment of \$2.9 million which will enable Administration to implement Action Plan items scheduled for 2025.

STRATEGIC PLAN & CORPORATE BUSINESS PLAN ALIGNMENT

Council Strategic Priority: 1. Economic Prosperity

Initiatives: 1.3 Regional and Sub-regional Economic Development

Council Strategic Priority: 3. Community Well Being

Initiatives: 3.3 Enhance Housing Options

Operational Excellence Priority Area: 3. Digital Transformation

Initiatives: Electronic Permit Processing

Stakeholder Identification: Planning and Development

Internal stakeholders directly impacted by this project:

- Engineering
- Utilities
- Development
- Transportation
- Finance

External Stakeholders impacted by this project:

- Residents
- Businesses
- For-profit development industry and associated organizations (development companies and professionals involved in the industry).
- Not for profit housing developers and operators

Timeline: The HAF program requires the City to meet identified milestones within the submitted HAF Action Plan. The following schedule applies to the seven specific milestone timelines:

Initiative	Anticipated Units Incented (over 3 years)
<p><u>Transit Corridor Intensification Strategy</u> – Implement policy and procedure amendments enabling mixed use and higher density residential development along St. Albert Trail and future transit nodes.</p> <p><u>Initiative Timeline:</u> Q1, 2025 – Q4, 2027</p> <p><u>Initiative Activities:</u></p> <ul style="list-style-type: none"> ▪ Issue RFP to retain a consultant. ▪ Servicing capacity analysis to review infrastructure capacity. ▪ Council consideration and approval of LUB regulations enabling intensification. ▪ Prepare a housing, transit and infrastructure prioritized incentive plan to encourage housing development. 	98
<p><u>Quick Wins/Redistricting Zoning Changes</u> – Review and recommend amendments to the Established Neighbourhood Overlay to reduce barriers to development and infill.</p> <p><u>Initiative Timeline:</u> Q2, 2025 – Q4, 2025</p> <p><u>Initiative Activities:</u></p> <ul style="list-style-type: none"> ▪ Review and recommend changes to existing regulations. ▪ Servicing and infrastructure capacity studies. ▪ Internal and external stakeholder engagement on proposed amendments. ▪ Council consideration and adoption of proposed amendments. 	40
<p><u>Neighbourhood Intensification Strategy- Missing Middle</u> - Facilitate broader small-scale intensification within the LDR District.</p> <p><u>Initiative Timeline:</u> Q1, 2025 – Q4, 2027</p> <p><u>Initiative Activities:</u></p> <ul style="list-style-type: none"> ▪ Actions coordinated with Transit Corridor Intensification Strategy. ▪ Review and recommend options for smaller scale intensification in neighbourhoods. This will include regulations enabling the required 4 units as of right. ▪ Council consideration and approval of LUB regulations enabling neighbourhood intensification. ▪ Prepare a housing, transit and infrastructure prioritized incentive plan to be implemented for the remainder of the HAF term to encourage housing development. 	45
<p><u>Public Lands Redevelopment Strategy for Housing</u> – Develop and implement framework to repurpose surplus City-owned lands for affordable and mixed-use housing.</p> <p><u>Initiative Timeline:</u> Q2, 2025 – Q2, 2026</p>	60

<p><u>Initiative Activities:</u></p> <ul style="list-style-type: none"> ▪ Review to identify surplus lands in alignment with municipal long-term plans. ▪ Establish a corporate framework regarding land disposition and policy requirements. ▪ Council consideration of options to allocate one or two vacant/underutilized sites for housing during HAF program term. ▪ Seek out development partners through procurement processes to facilitate housing development. 	
<p><u>Electronic Building Permit Processing Program</u> – Acquire and implement an e-permitting program to support more efficient intake, processing, and reporting on building, development, and planning applications.</p> <p><u>Initiative Timeline:</u> Q2, 2025 – Q4, 2028</p> <p><u>Initiative Activities:</u></p> <ul style="list-style-type: none"> ▪ Select Vendor through procurement process. ▪ Implement e-permitting for initial building permit products. ▪ Roll out processing for balance of building permits, development permits and planning applications. 	32
<p><u>Parking Regulation Study</u> – Identify and implement solutions to parking related challenges to reduce limitations to unrealized housing development opportunities.</p> <p><u>Initiative Timeline:</u> Q2, 2025 – Q1, 2026</p> <p><u>Initiative Activities:</u></p> <ul style="list-style-type: none"> ▪ Parking utilization study. ▪ Regulation development and public engagement. ▪ Council consideration of proposed parking amendments for approval and adoption. 	0
<p><u>Development Concierge Service Program</u> – Implement services to support streamlining applications for development / building permits for non-market housing or residential projects Downtown.</p> <p><u>Initiative Timeline:</u> Q2, 2025 – Q1, 2026</p> <p><u>Initiative Activities:</u></p> <ul style="list-style-type: none"> ▪ Determine program scope. ▪ Formalize program details and implementation processes. ▪ Implement the program. Evaluate and monitor effectiveness in supporting non-market housing and downtown development partners. 	27
Total Units anticipated over the three-year program term	302

Approved Capital Projects related to this charter:

- 422428 – Mature Neighbourhood Infill Strategy
- 424428 – Permitting Software Modernization

FINANCIAL INFORMATION:	Investment Year	2025	\$	11,813,100
		2026		
		2027		
		2028		
		2029		-
		2030		-
		2031		-
		2032		-
		2033		-
		2034		-
	Total		\$	11,813,100
			See Capital Project Worksheet for details.	

Operational Impacts: Yes If yes, refer to Operating Impacts Worksheet for details.

Associated Operating Business Case: N/A

CAPITAL PROJECT WORKSHEET

PROJECT COMPONENT	2025	2026	2027	2028	2029	2030	2031	2032	2033
Land Determined Costs									
Deliverable Development	1,903,300	1,903,300	1,903,300	1,903,200					
Detailed Planning and Design									
Site Servicing									
Structure/Building Construction									
Landscaping									
Construction Management									
Commissioning and QA/QC									
Contingency									
Public Participation Activities	100,000	100,000	100,000	100,000					
Equipment									
Other (Staff and Administration)	950,000	950,000	950,000	950,000					
TOTAL	2,953,300	2,953,300	2,953,300	2,953,200	-	-	-	-	-

Comments: Estimated capital project costs refer to implementation of the City's HAF Action Plan in its entirety. All initiatives must be implemented as a condition of funding.

OPERATING IMPACTS WORKSHEET

Timeframe: One Time

The HAF program will increase workloads related to housing. Input from multi-departmental staff teams and procurement processes for external consultants have been included within the proposed expenses to implement specific initiatives, which are an eligible expense under HAF funding. These reallocations and addition of temporary personnel resources are factored into the \$950,000 project component identified above.

Round amounts to the nearest \$100.00

OPERATING IMPACTS	Department	2026	2027	2028

APPROVAL

Author:	<div></div>	April 10, 2025
	Project Charter Developer (Lory Scott)	Date
Director:	<div></div>	April 11, 2025
	Kristina Peter	Date